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PIRATES DOWN BRAVES, 5-1; BLUE JAYS BEAT TWINS, 5-2. PAGE 1B.

The Dallas

ANDY FOSTER
POLITICAL OFFICE
THE WHITE HOUSE

News

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Newspaper

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Dallas, Texas, Thursday, October 10, 1991

7 Sections

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18 A

The Dallas Morning News

Thursday, October 10, 1

Dallas company wins Baldrige quality award

Marlow Industries is 1st local recipient of honor

By Tom Steinert-Threlkeld
and Mark Wrolstad

Staff Writers of The Dallas Morning News

When his employees gave Ray Marlow a 60th birthday bash two weeks ago, the feature event was a 15-minute slide show that depicted highlights of his life, including a stint as a 4-year-old prince in a local play.

In the audience were six inspectors representing the president of the United States.

Their visit provided Mr. Marlow and his employees a new highlight that makes them royalty in the busi-

ness world. Their company, Marlow Industries Inc., on Wednesday became the first Dallas winner of the Malcolm Baldrige National Quality Award, the business equivalent of a Pulitzer Prize.

"It's just unbelievable. It's just the greatest thing that ever happened" to the company, Mr. Marlow said. The 18-year-old firm is one of three companies this year to win the award, which has become a symbol of American attempts to achieve world supremacy in competitiveness and manufacturing.

"There were lots of cheers and Please see MARLOW on Page 18A.

Marlow Industries

Continued from Page 1A.

lots of tears," said Christian H. Witzke III, chief operating officer. "We had a big time today."

Marlow Industries, which employs 160 workers and generates \$12 million in revenues selling obscure devices known as thermoelectric coolers, won in the small business category. Other finalists, in other categories, included Texas Instruments Inc., Mr. Marlow's one-time employer.

In a year where little-known names were the big winners, the award also was presented to Solec-tron Corp. of San Jose, Calif., and Zytec Corp. of Eden Prairie, Minn. Solec-tron, an assembler of electronic equipment and the largest of the three winners, employs 2,200 workers and recorded sales of \$265 million last year.

The small firms join a select group of nine other companies that have won the award, now in its fourth year. Big names such as Motorola Inc., Westinghouse Electric

Corp., the Cadillac Motor Car Division of General Motors Corp. and a unit of International Business Machines Corp. have dominated. But last year, Wallace Co., a Houston oil-field equipment firm, ran counter to that early trend, becoming the first Texas winner.

At its North Dallas office, there's nothing to distinguish Marlow's one-story structure — with the flagpoles and swatch of neatly clipped grass — from any other business park development.

The difference, employees say, is the company's quality system, which allows line workers to shut down manufacturing lines and resolve problems themselves without turning to managers.

"I like the way it's empowered the workers," said Jeff White, a manufacturing manager.

"They know more about the job than management does in most cases," Mr. Witzke said. "We just have to tap that."

"When they understand what

of Dallas wins Baldrige quality award

they're empowered to do, you've got 160 people working on quality," Mr. Marlow said.

"I think that it proves the power of having a passion for something," said John Paxton, regional director of the American Electronics Association. "Any size company should be interested in quality. It doesn't take a big one."

Marlow's coolers have been used as critical components in such high-tech weapons as "night vision" systems and guidance controls of the Tomahawk missile. They also draw away heat from the eyes of the billion-dollar Hubble space telescope, enabling the device to see further across the universe.

The Baldrige award is not given for specific products. The award is given for the installation and execution of rigorous systems to improve quality in all facets of a company's operations, from collecting bills to reducing manufacturing defects.

At Marlow, which two years ago began focusing on the award, that

has meant long deliberation on matters as simple as whether to allow radios in the workplace, which it now doesn't, or as complex as timing deliveries of products to beat the last day of each customer's billing cycle, which it now does.

Such scrutiny may be as meaningful as the award. Marlow's sales have jumped 51 percent since 1987, each employee's productivity has grown 56 percent in the same period, and costs from product failures have dropped 47 percent in the past two years.

"Clearly in terms of what it's done for the company itself in terms of its bottom line performance, it's driven his financial performance to record performances," said Warren Hogan, a Dallas quality consultant and founder of the Texas Quality Consortium.

"The process was a reward in itself," said Mr. Witzke. But "winning the award is even better."

It's an award won by all the firm's employees, said Mr. Marlow, who in-

formed them of the victory Wednesday morning.

When he made the announcement, "it was as if you had just kicked a field goal in the final second of the game and won the Super Bowl," he said of the explosive reaction of his assembled workers. "They were just like that."

"He started out by saying, 'I have good news and bad news,' so we didn't know if we'd won or lost," said Ed Burke, assistant vice president of manufacturing.

Workers knew that the company was a finalist.

Mr. Marlow gave everyone a world-class decoy.

"He said we all did our best and he couldn't have asked for more," Mr. Burke said.

"When he went on, I thought maybe we hadn't won," said Mable Campbell, a worker on the assembly line. "Then he said the one bad thing is it'll be five years before we can enter again, so we knew we'd won."

Winning firms must wait five years before entering the Baldrige competition again.

"Everybody went nuts. He probably made the announcement outside so we wouldn't blow the roof off the building," Mr. Burke said.

There were times when workers had their doubts — about control charts for things such as materials quality.

"We said, 'This does nothing but take up our time,'" said Doris Everett, a worker on the assembly line. "This (award) shows all those charts and graphs we hated paid off."

Another sticking point was group recitation of the company quality policy at monthly meetings. "You thought it was hokey at first," said Mr. White, sporting a bright blue button that read: "We won the Malcolm Baldrige National Quality Award 1991."

At the company meeting next week, there probably won't be one hesitant voice.

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

October 9, 1991

STATEMENT BY THE PRESS SECRETARY

The President today congratulated the three winners of the 1991 Malcolm Baldrige Quality Award for excellence in quality management. The Awards will be presented by the President and Secretary Mosbacher at a ceremony in Washington, D.C. on October 29, 1991.

The winners in the manufacturing category are Soletron Corporation of San Jose, California and Zytec Corporation of Eden Prairie, Minnesota. In the small business category, the winner is Marlow Industries of Dallas, Texas. Soletron is a prominent electronics manufacturer and assembler in the U.S. Zytec is one of the nation's largest designers and manufacturers of electronic power supplies. Marlow manufactures devices that control the temperature of electronic components.

The Baldrige Award is given annually, in memory of the late Commerce Secretary Malcolm Baldrige, to acknowledge exemplary efforts of U.S. companies in instilling in their workplaces a commitment to quality products and services.

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Alled-Signal to Cut Dividend and Start, ke \$880 Million Charge, Post Losses

By AMAL KUMAR NAJ

Reporter of THE WALL STREET JOURNAL
YORK—Allied-Signal Inc. will cut dividend, take an \$880 million charge third-quarter earnings and restructuring, Lawrence A. Bossidy, chief ve, told analysts.

said Allied plans to cut its quarterly n stock dividend payable Dec. 10 to s a share from 45 cents, trim 14% of ried workers, eliminate manage-ayers and shed eight nonstrategic ses.

ed will also consolidate manufactur-rations, revise business strategies r operations and reduce planned pital expenditures, among other ac-aid Mr. Bossidy, who had been Gen-ectric Co.'s vice chairman before o Allied in July.

one-time \$880 million pretax charge ult in losses for the third quarter l year for the Morristown, N.J., au-re, aerospace and engineered mate-ompany, Mr. Bossidy said.

oned on Four Hours' Notice

restructuring plan will take 18 o implement and will result in illion in savings, two-thirds of that end of next year. These savings will e the company's negative cash flow million currently and bring it into ck during 1992. With additional ben-cruing from the plan beyond next Allied-Signal will be able to post a e cash flow of \$350 million by 1994, ssidy told analysts, who had been ned to this special meeting on four notice.

Bossidy said his plans are aimed at

nd \$1.9 billion to \$2 billion. dition to lower sales volume, Ford e being squeezed because it's selling profitable mix of vehicles. In the f of this year, Ford said 30% of its nd trucks were sold to fleets, in-tions that "are generally less prof-an retail sales." In 1989, Ford sold % of its vehicles to fleets, according prospectus.

l also disclosed that it paid out a ng \$3.4 billion, or 17% of its North an auto revenue, in incentives and arketing costs in the year's first rom 1983 to 1988, Ford paid out 4% of its revenue for these costs.

l said the pressure on its profit s will continue because U.S. and se auto makers in North America he capacity to build five million ehicles than they currently are sell-

s uncertain when the economy and ess capacity situation will improve extent necessary to permit Ford to its level of incentives and reduce its e on fleet sales," Ford said.

l is issuing preferred stock to raise r ambitious product development Mr. McCammon described the stock g as a prudent financial move "in nt the economy doesn't come back kly as we hope."

improving Allied-Signal's operating mar- gin to 9% by 1994 from the current 5%, raising productivity at 6% annually, and boosting return on equity to 18% by 1994 from the current 11%. "This will put our company on a new plateau of perform-ance," he said. Mr. Bossidy estimated that Allied-Signal will earn \$3.60 to \$3.85 a share next year, and \$4.25 to \$4.75 a share in 1993. In 1990, the company had net of \$462 million, or \$3.35 a share.

While details of Mr. Bossidy's moves drew analysts' rapt attention, the breadth and boldness came as no surprise. Allied-Signal directors selected Mr. Bossidy, following a controversial search, to succeed Edward L. Hennessy Jr. with the under-standing that he would initiate strong measures to improve profitability. Mr. Hennessy, who stepped aside after 12 years, had long been under attack from in-vestors for ignoring the bottom line in his pursuit of new technologies and busi-nesses.

Trading in Allied-Signal stock was halted during the morning pending Mr. Bossidy's presentation, then rose about four dollars immediately after the an-nouncement. In late afternoon trading yes-terday on the New York Stock Exchange, the stock was quoted at \$40.375, up \$4.25.

Analysts, who for the past several years have been frustrated with Allied-Signal's lackluster performance, hailed the an-nouncement. Some of them expressed their approval with muffled whistles and "ahs" at the meeting, which was attended by about 50 analysts. Some 50 others from around the country joined via an audio linkup. Even the dividend cut didn't damp enthusiasm. "As part of the pack-age, it wasn't negative," said Katherine Stults, an analyst at Dean Witter Reyn-olds.

The restructuring package, however, doesn't include divestitures of any core businesses that some analysts had pre-dicted Allied-Signal would undertake at fire-sale prices. Instead, Mr. Bossidy chose a plan heavily weighted toward eliminat-ing management layers and centralizing operations, cost-cutting techniques he em-ployed heavily at GE, where he spent 34 years.

Mr. Bossidy said most of the 5,000 job eliminations will take place at the com-pany's aerospace and automotive opera-tions and don't include jobs that would be lost from the business divestitures. The planned consolidations also will result in a loss of 3,000 to 3,300 hourly jobs. Allied-Sig-nal currently has 110,000 employees, about 70% of whom are in the U.S.

Aerospace Unit to Handle Payroll

Mr. Bossidy said the company will con-solidate 10 computer data centers into one facility, and take similar steps in account-ing and in human resources administra-tion. The aerospace division, which he said was the most effective of all Allied-Signal divisions in administering payroll, will do the task for the entire company. The com-pany also will consolidate purchasing ac-

Please Turn to Page A7, Column 3

Three Small Firms Beat Out Big-Timers For Baldrige Award

* * *

Soletron, Zytec and Marlow Are Suppliers of Parts For High-Tech Products

By GILBERT FUCHSBERG

Staff Reporter of THE WALL STREET JOURNAL

Three small, relatively little-known electronics companies won the Commerce Department's coveted Malcolm Baldrige National Quality Award, beating out such finalists as Avis Inc. and units of American Express Co. and Texas Instruments Inc.

Soletron Corp., San Jose, Calif., the only publicly held concern among the winners, and Zytec Corp., Eden Prairie, Minn., won prizes for quality-improvement in manufacturing. Marlow Industries Inc., Dallas, won in the small-business category. All three companies supply components to makers of computers and other high-tech products.

The choice of winners contrasts sharply with the visibility of past recipients of the Baldrige, which has become the focal point of corporate efforts to boost the quality of products and services. Winners of the three previous competitions included Motorola Inc., Federal Express Corp., units of Xerox Corp. and International Business Machines Corp., and the Cadillac division of General Motors Corp.

Some suggested that the contest's judges didn't want to name high-profile winners for fear of repeating the contro-versy that arose after Cadillac's selection last year. Auto-industry critics questioned whether the car maker deserved the prize, raising doubts about the award's credibil-ity. GM also drew flak for making exag-gerated claims in advertisements touting the honor—problems that have since led award organizers to tighten guidelines about publicity.

"The concern that we really had to pick truly high performers was on a lot of peo-ple's minds," said Peter Kolesar, a Colum-bia University business professor and one of some 200 people who helped examine ap-plications this year.

David B. Luther, Corning Inc.'s director of quality and one of the nine judges who selected the Baldrige winners, said the panel didn't explicitly consider the poten-tial reaction to its choices. But, he said: "I suppose in the back of our minds we wor-ried about being faced with a choice which might have put us into a tough position once again."

The selection shows that "you don't have to be a Fortune 500 company to win this thing," Mr. Luther added. Christopher W.L. Hart, a Cambridge, Mass., quality consultant and former Baldrige examiner, said that the choice reflects rising stan-dards; smaller, more focused businesses can meet them more easily than bigger companies. "The bar is rising," he said.

Soletron, which earned \$9.2 million on \$265.4 million in sales last year, makes cir-
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Wall St Journal
10/10/91
p. A3

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Number of Pages (including cover sheet): 15

Talking points & info on '91 winners. Including
those & other materials in p.m. package to you.
Pls let me know if you need more info. We know
Marlow very well & can give some additional
info if needed on their operation. Pls be wary
of seeming to endorse products of these winners rather
than their quality improvement efforts/accomplishments
generally.

MBNQA 1991 Winners: Positive Developments

Winners are tough, successful global competitors

- o All three winners are leading edge companies that clearly are succeeding in the most globally competitive industry sector --electronics.
- These businesses produce components critical to a whole range of electronic products and companies -- they are vital parts of that electronic "food chain" the U.S. relies upon to compete.

Winners demonstrate the strength of smaller companies that supply our larger firms, a critical sector of American industry.

- o The U.S. supplier base will make or break our larger corporations: suppliers must be able to provide world-class quality components, and these winners do just that.
- o There has been lots of talk about how this critical sector of our economy has been hurting, and how smaller firms have been having trouble going it alone -- thus becoming especially attractive to foreign acquisition. These winners are home-grown and are competing very well.

Winners will help answer past critics of the Award program.

- o Critics have charged that small businesses have a tough time competing for the award, and that the program is biased against this sector.

Winners have superior quality management programs in place, with business results to match.

- o The major purpose of the Award program is to provide leading examples of top-notch quality improvement programs -- in order to raise corporate and public awareness about the winners' strategies and the importance of quality improvement. Each of the 1991 winners has world-class quality management programs in place, is succeeding in the marketplace, and will serve as excellent examples to U.S. industry.

Winners demonstrate integrity of the Award program.

- o It would have been tempting to select 2 winners in all categories, and to ensure that the companies represented different industries. But this award program is not a popularity contest, and it is strictly apolitical. These winners were selected because they are the best, in terms of quality management, among those competing.

passed by Congress in 1987 to promote quality awareness, to recognize quality achievements of U.S. companies, and to publicize successful quality strategies. The award is *not* for specific products or services. Two awards may be given annually in each of three categories: manufacturing, service, and small business. In conjunction with the private sector, the National Institute of Standards and Technology developed and manages the award program.

WHY WAS THE AWARD ESTABLISHED? It was clear to many industry and government leaders that a renewed emphasis on quality was no longer an option for American companies, but a necessity for doing business in an ever-growing world

tomorrow. Applicants must provide data to substantiate quality achievement and quality improvement in each area.

WHICH COMPANIES HAVE WON THE AWARD?

A total of 12 companies have won the award:

■ 1988—Motorola Inc., Commercial Nuclear Fuel Division of Westinghouse Electric Corp., and Globe Metallurgical Inc.

■ 1989—Milliken & Company and Xerox Corp. Business Products and Systems

■ 1990—Cadillac Motor Car Division, IBM Rochester, Federal Express Corp., and Wallace Co. Inc.

■ 1991—Solectron Corp., Zytec Corp., and Marlow Industries.

o With great fervor and passion, the winning companies have willingly shared their quality stories with thousands of others.

o But, for the winners, the race is not over, or even won. They must continuously be looking to the

U.S. Exporters 1991 MALCOLM BALDRIGE NATIONAL QUALITY AWARD

Talking Points for President Bush

Basics:

o The Malcolm Baldrige National Quality Award was established

management, the recognition of quality management strategies as well as succeeded beyond all

Winners will reinforce state and local quality improvement initiatives

o Many of the extensive state and local quality improvement initiatives heavily involve smaller firms; the MBNQA 1991 winners should add support for these efforts. The states



1991

AWARD WINNER

Solectron Corp.

A leading independent provider of customized integrated manufacturing services to original equipment manufacturers (OEMs) in the electronics industry, Solectron specializes in the assembly of complex printed circuit boards and subsystems for makers of computers and other electronic products. Solectron also provides system-level assembly services, such as assembly of personal computers and mainframe mass storage subsystems, as well as turnkey materials management, board design, and manufacturability consultation and testing. The firm focuses its marketing efforts on value-added projects requiring a high level of reliability and quality, rapid turnaround time, and responsiveness to change.

By focusing on customer satisfaction, exploiting advanced manufacturing technology, and stressing continuous improvement in operations and services, Solectron has demonstrated that high quality and high efficiency translate into low total costs and timely delivery. Solectron competes successfully with both strong international competition and also with the internal production capabilities of its customers. Indeed, major computer firms known for manufacturing efficiency have closed internal assembly operations after determining that outsourcing the work to Solectron not only lowered costs but also improved quality. About 90 percent of new business is additional work from established customers. These customers have benefited from defect rates that have fallen to within the five-sigma range, or 233 parts per million, and on-time delivery rate of 97.7 percent over the last 2 years. Consistent with the goals of its major customers, Solectron has committed to achieving and then surpassing Six Sigma quality in critical processes over the next 5 years.

Solectron at a Glance

Founded in 1977, Solectron has grown from a small assembly job shop with annual revenues of several hundred thousand dollars to an employer of 2,100 people who work at eight sites in San Jose and Milpitas, Calif.

Assembly of printed circuit boards accounts for about 80 percent of business, with the remainder

divided among assembly of other electronic systems, subsystems, software packaging, disk duplication, re-manufacture of customer products, and design and testing services. Solectron operates one of the world's largest surface mount facilities for the assembly of complex printed circuit boards and subsystems.

Among its some 60 customers are manufacturers of personal computers, workstations, disk and tape drives, and avionics, medical imaging, and telecommunication equipment. Some of these firms supply Solectron with all components for assembly into the finished product. An increasing number of customers, however, rely on Solectron to procure some or all components, thereby reducing their investment in inventory, facilities, and personnel.

Customer Needs Drive Results

As a contract manufacturing company, Solectron does not compete with its customers in designing and marketing products. Although it offers an original equipment design service, more often it manufactures a product designed by the customers. Solectron competes on the basis of service, quality, and cost, and the company goes to great lengths to determine how existing and prospective customers define superior performance. Besides conducting exhaustive searches for information on customers, competitors, and markets, Solectron has developed several mechanisms for ensuring direct and frequent feedback from customers. One of the most valuable is a weekly survey of all customers. The results are compiled into a customer satisfaction index, which CEO Dr. Winston Chen and other top executives review at one of their three weekly meetings on quality-related issues. The survey information also is used to grade the performance of each of Solectron's nine major divisions. Within the company, a similar system is used to evaluate the performance of specific work groups and departments in meeting the needs of their internal customers.

At Solectron, the concept of Continuous Improvement is a cultural strength. The company has a strong top management team on a crusade to revitalize American business through quality. The executive team sets corporate quality targets and then works with teams to set supporting goals in each functional area of

the company. They have relied upon several strategies that give them a high-energy, customer-focused work force. These strategies, which include a strong "family" orientation, an effective communication system, and an innovative reward and recognition program, have held the organization together through rapid growth. The management style is participative with a high degree of coaching and autonomy. Solectron has a team-focused approach to employee involvement, which relies on training and mentorship to overcome barriers due to a multilingual work force composed of workers from over 20 cultures.

Each Solectron customer is supported by two teams that work to ensure quality performance and on-time delivery. A project planning team works with customers in planning, scheduling, and defining material requirements and lead time. A total quality control team meets weekly for monitoring and evaluating production with the aim of preventing potential problems and identifying ways to improve process yields.

"We Are the Best ... and Getting Better"

Solectron's comprehensive information system, organized in a customized relational data base, enables regular—often real-time—surveillance of internal quality performance and process control indicators. Key performance data are charted in all departments, and workers, most of whom are trained in statistical process control and problem-solving methods, are empowered to make process improvements and take corrective actions.

Statistical Process Control (SPC) is used regularly in all departments. SPC charts track performance of each machine with measurements recorded in a SPC data base. Division quality managers and the corporate quality director track and review results daily. Since 1987 the average product rejection rate has improved to better than 0.3 percent of shipments, a 50-percent improvement.

Upstream from its assembly operations, Solectron works with suppliers to improve the quality and reliability of their operations. As it does with its customers, the company views its suppliers as partners in pursuing Six Sigma quality, and it offers training and other technical assistance to help them continuously improve.

Investments in advanced technology are guided by Solectron's evaluation of its customers' future requirements and top management's emphasis on enhancing manufacturing capabilities. The company was quick to adopt "surface mount technology" (SMT) that, unlike the conventional method, permits integrated circuits and other components to be placed on both sides of a circuit board. Although requiring higher levels of capital investment and assembly expertise, SMT offers the ad-

vantages of increased packaging density and improved product performance. Solectron now has 19 surface mount assembly lines, and it is developing new bonding and soldering methods to exploit the advantages that SMT offers customers.

Solectron's quality improvement efforts are paying off, as indicated by its chief indicator: "customer satisfaction." It has won 37 superior performance awards over the last 10 years, 10 of those in 1990. After a recent quality audit, a major customer rated Solectron as the "best contract manufacturer of electronic assemblies in the U.S."

For more information, contact:

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1991 AWARD WINNER

Zytec Corp.

From its beginning in 1984, the Zytec Corp. fixed its sights on quality, service, and value. By continuously improving these product and service attributes and working to establish a close partnership with customers, the Minnesota firm has risen to the top tier of the hundreds of manufacturers of power supplies for electronic equipment.

Organizing its quality improvement efforts around the concepts of W. Edwards Deming, Zytec has achieved double-digit annual growth in productivity over the last 3 years. New revenues have increased severalfold since 1984, making Zytec the fifth largest U.S. manufacturer of AC to DC power supplies. Sales per employee are approaching \$100,000, as compared with an industry average of less than \$80,000. Underlying these gains are, since 1988, a 50-percent improvement in manufacturing yields, a 26-percent reduction in manufacturing cycle time, a 50-percent reduction in the design cycle, and a 30- to 40-percent decrease in product costs—savings that are passed on to customers.

Building on these accomplishments and using the Baldrige award principles, Zytec is now realigning its continuous-improvement system, investing in computer-integrated manufacturing technology, and furthering employee training, all with the aim of advancing to a new threshold of quality performance—Six Sigma quality in most facets of its operations by 1995.

Zytec at a Glance

Formerly a unit of Magnetic Peripherals, Inc., a joint venture subsidiary of four electronics firms, Zytec makes power supplies for original equipment manufacturers of computers as well as electronic office, medical, and testing equipment. Sales of the customized power supplies account for 90 percent of revenues. Zytec also repairs cathode-ray tube monitors and power supplies, including those of its manufacturing competitors. The company is headquartered in Eden Prairie, Minn., about 96 miles from its manufacturing and repair facilities, which employ 654 of its 748 workers.

When it began operating independently in 1984 following a leveraged buy out, Zytec depended almost en-

tirely on orders from one of its former owners, which now account for less than 1.5 percent of revenues. In 1990, product sales to 20 customers—18 of which have made Zytec a sole-source supplier—totaled \$50 million. The repair business, the largest of its kind in the United States, generated \$5.8 million in additional revenues.

"Total Quality Commitment"

As the foundation for continuous improvement, Zytec senior executives chose Deming's "14 points" for managing productivity and quality. Followed by many Japanese firms, the concepts defined the core values of quality improvement that executives sought to instill throughout the organization. Progress in achieving this cultural transformation is monitored through an annual survey of employees—one of several methods for assessing the quality commitment and the satisfaction of workers.

To foster a common quality focus and to ensure that all 33 of its departments move in step to meet ever more demanding customer requirements, Zytec has adopted an interactive "Management By Planning" (MBP) process that involves employees in setting long-term and annual improvement goals.

At an annual 2-day meeting, about 150 employees, representing all types of personnel, shifts, and departments, review and critique 5-year plans prepared by six cross-functional teams. Zytec executives then finalize the long-term strategic plan and set broad corporate objectives to guide quality planning in the departments, where teams develop annual goals to support each corporate objective. In face-to-face meetings with teams or representatives, Zytec CEO Ronald D. Schmidt first reviews departmental goals and, subsequently, action plans, including performance measures and monthly progress targets.

Concurrent with the internal process, the company invites selected customers and suppliers to scrutinize the long-range plan, leading to further refinement. Through these and other steps in the iterative planning process, Zytec helps ensure that it is setting the right goals and following up with the most appropriate actions, supported by adequate resources.

Coordination and integration also are hallmarks of the way Zytec carries out its plans. Design and development of new products, for example, are carried out by interdepartmental teams, which are assigned to projects from start to finish. Working closely with customers, the same cross-functional management teams review performance at four key stages: pre-design initiation, design initiation, prototype delivery and testing, and preproduction certification. The teams are empowered to address all issues of suppliers and processes, including critical parameters for measurement and control.

Zytec is a data-driven company, developing meaningful, measurable criteria for evaluating performance at all levels. In addition, benchmarking competitors' products and services as well as the practices of acknowledged quality leaders in other industries provides Zytec with a clear picture of what it takes to achieve industry- or world-best status in key areas, from employee involvement to just-in-time manufacturing to supplier management.

To realize the full advantage of its employees, Zytec trains them in analytical and problem-solving methods—a major focus of the 72 hours of quality-related instruction received by most Zytec employees. Workers are expected to use this knowledge as their authority and responsibilities grow.

Several departments are directed by self-managed teams of workers. Zytec's production workers are encouraged to improve their knowledge and flexibility through an innovative employee evaluation and reward system called MFE—Multi-Functional Employee program. Through MFE, employees are rewarded for the number of job skills that they acquire.

By aligning all elements of quality-improvement—human, technological, and informational—with customer priorities, Zytec has made the most significant performance gains in the areas that count the most. Product quality, as derived from customer-supplied data on failures, has risen to the four-sigma range, putting it on track for Six Sigma quality by 1995. Since 1988, the mean-time-between-failure of a Zytec power supply has increased to over 1,000,000 hours as measured by actual field data and reliability testing, and from 1989 to 1990, the company's on-time delivery rate improved from 85 to 96 percent.

For more information, contact:

Ronald D. Schmidt

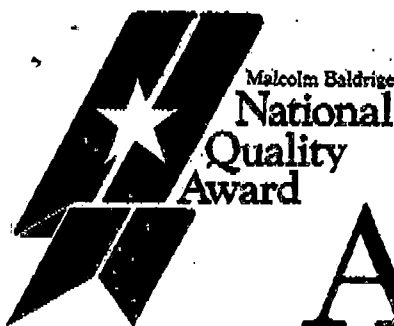
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1991 AWARD WINNER

Marlow Industries

In 1987, Marlow Industries set out to improve a manufacturing and service operation that did not seem to need fixing. Founded in 1973, the Dallas-based company increased its share of the world market to more than 50 percent for customized thermoelectric (TE) coolers—small, solid-state electronic devices that heat, cool, or stabilize the temperature of electronic equipment.

But Marlow chose not to sit tight. Instead, it initiated a structured, yet evolving system of continuous improvement through Total Quality Management, setting ever higher performance standards and challenging itself to exceed ever more demanding customer requirements. The company has worked to strengthen all areas of its business, and again to set new targets for improvement and innovation.

Since 1987, employee productivity has increased at an average annual rate of 10 percent, the time between new product design and manufactured product has been trimmed, and the cost of scrap, rework, and other non-conformance errors has been cut nearly in half. For customers, these and other gains have translated into products that exceed performance specifications by wider margins, on-time deliveries, extended warranties, and prices that have remained stable or decreased. Not coincidentally, Marlow Industries' worldwide market share continues to improve, even in Japan where the company has local competition.

Marlow at a Glance

Marlow Industries is fully vertically integrated. The company processes raw materials into thermoelectric semiconductors, assembles these devices into TE coolers, and integrates the coolers into heat exchangers for commercial and defense applications. Manufacturing operations consist of three materials "minifactories" and five assembly minifactories organized by market segments. Each is staffed by about 15 employees cross-trained in several jobs and directed by a supervisor, who is empowered to make decisions affecting all facets of production within his or her minifactory.

Commercial customers include makers of laser diodes, such as those used in fiber-optic communication systems, as well as medical instrumentation manufacturers. Marlow products also are used in heat-seeking missiles, inertial navigation systems, satellites, and other defense and space-related technologies.

Started in 1973 as a five-person operation, Marlow Industries now employs 160 people and has total annual sales of \$12 million. Exports account for 15 percent of annual sales.

Although the company earns most of its revenues from sales of TE coolers designed to meet one-of-a-kind customer needs, Marlow Industries has set its sights on applying its Total Quality Management philosophy to enter new markets.

TQM System

Marlow describes its Total Quality Management System as a "top-to-bottom" approach to continuous improvement. The emphasis on quality begins with CEO and President Raymond Marlow. As chairman of the TQM Council, which crafts the company's 5-year strategic business plan and oversees efforts to accomplish short- and long-term goals, he has daily responsibility for quality-related matters. A senior-executive team headed by the chief operating officer attends to day-to-day management. Marlow's leadership has provided an environment that encourages all employees to participate and to be involved in the continuous improvement process.

Employee involvement is fostered through a flat organizational structure and a variety of participatory mechanisms. Marlow includes worker representatives in weekly TQM Council sessions. Monthly companywide meetings are held to review company performance, recognize employees for quality contributions, review quality values, and make widespread acknowledgment of teams. In 1990, 88 percent of all personnel—as compared with 44 percent in 1988—participated on "action teams," which focus on attaining corporate and departmental goals, or on "employee effectiveness teams," which concentrate on preventing potential problems in specific work areas. Each team has a senior-executive mentor, and all teams regularly make formal presentations before the TQM Council.

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All workers—from CEO to hourly employee—have taken Marlow's voluntary "quality pledge," committing them to the same performance standard: "Do it right today, better tomorrow." Training programs, averaging 32 hours a year per employee, impart the skills needed to achieve the standard. All workers, even temporary employees, receive quality-awareness training, and the entire permanent work force has completed initial courses in statistical problem solving. Three-fifths have undergone the second round of more comprehensive training in the use of quality tools.

An information system consisting of 500 data categories describes all essential elements of company performance—from customer satisfaction to manufacturing process control to supplier quality—and helps Marlow Industries set tangible goals and track its progress. Much of the data can be accessed through any of the 80 personal computers connected through a local area network. Systematic data cross-checking fosters reliability and consistency, and regular reviews ensure that the information supports effective management of the company.

Marlow uses a well-integrated, systematic approach for assuring the quality of its products and services. Extensive use of Design of Experiments Techniques has resulted in improved quality and stabilization of its major processes. In the last 3 years its yields have improved significantly while manufacturing costs have been reduced and cycle times improved. These improvements were accompanied by major reductions in waste stream environmental disposal.

Supplier partners figure prominently in Marlow's TQM system. The company continues to consolidate its list of suppliers, retaining only those key suppliers that score at the top of the Marlow Supplier Quality Index. By the end of 1991, it anticipates that 15 of its top 20 key suppliers will be certified to "ship to stock" without inspection. Marlow cultivates long-term partnerships and includes the technological expertise of valued suppliers at the start of its product and process improvement efforts. These suppliers often provide the small company with design and analytical expertise that is not available in-house.

Over 90 percent of the products produced by Marlow are custom designed to meet its customers' requirements. Because customer satisfaction is the overriding aim of its continuous improvement efforts, Marlow has developed an exhaustive system of feedback mechanisms—from several types of surveys to quarterly meetings with major clients. This information helps ensure that Marlow focuses on the principal needs of customers. When combined with the results of the company's benchmarking program, customer feedback points the way to strategic improvements in products and service.

Since 1988, Marlow has won six major quality awards from customers, and it passed on first inspec-

tion all 30 audits of its quality assurance system performed by defense industry customers. Over the last 10 years, Marlow has not lost a single major customer, and, in 1990, its top 10 customers rated the quality of Marlow TE coolers at 100 percent.

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1991 MALCOLM BALDRIGE NATIONAL QUALITY AWARD

Talking Points for President Bush

Basics:

- o The Malcolm Baldrige National Quality Award was established by Congress in 1987 to raise awareness about quality management, to recognize U.S. companies that have successful quality management strategies, and to publicize these strategies as examples for other companies. It has succeeded beyond all of our expectations.
- o The award is not a beauty contest to be given for specific products or services. To win, a company must have a world-class system for managing its processes and its people. That means the result is likely to be improved quality of products and services and increased customer satisfaction.
- o The Award winners must be forward-looking. They must show they are continuously looking for ways to improve their products or services and the way they satisfy and respond to customers.
- o Since 1988, 309 applications for the award have been submitted, but only 2 winners (nine through 1990) have been selected. There is a more important statistic: literally, thousands of organizations are using the guidelines to assess their quality processes and improve them.

Quality and the Competition:

- o There was a time when being good was good enough. But not now. With nimble competitors worldwide and savvy consumers, a commitment to quality must be a priority for every U.S. business.
- o Quality has emerged as a major factor in international trade.
 - Japan and the Pacific Rim countries--widely recognized as quality leaders--continue to intensify their quality improvement efforts.
 - The European Community is placing great emphasis on quality. The European Foundation for Quality Management--a new organization founded by many of Europe's leading corporations--plans to introduce a European quality award this fall.
 - Mexico now has a quality award and Sweden and other countries are working to establish their own.

- o U.S. exporters' successes are driving the U.S. economy. Export growth is the strongest engine of U.S. economic growth.
- o Exports create jobs. Every billion dollars in U.S. exports equals over 19,000 American jobs. With nearly \$400 billion in export sales last year, that translates to jobs for over 7 million Americans.
- o We must do more. We must build on the opportunities we are being given as a result of the tremendous changes taking place in the world. The United States has a great deal to offer in terms of goods and services. But we must always remember that quality is the key to opening these new doors.

The Baldrige Focus on People and Community:

- o The Baldrige award criteria place a strong emphasis on America's most precious resource--her people.
- o I've been speaking a lot about "empowerment." The Baldrige winners talk about empowerment too. They know that an investment in people builds pride and productivity and increases quality.
 - Baldrige winners have employees who are trained and educated and whose contributions are recognized and rewarded.
 - Baldrige winners know that quality is defined by the customer.
- o But most of all, empowerment the Baldrige way means both employees and customers have the power and the opportunity to make a difference in the way a company does business.
- o The Baldrige criteria also encourage companies to be involved in and help meet the needs of the communities where they conduct business.
- o Working with schools, health-care institutions and civic organizations, employees from the winning companies have contributed the same enthusiasm and can-do attitude that won them the Baldrige to make their community a better place to live and work.

Not Just A Contest:

- o The award is a catalyst for a national movement toward quality improvement and excellence. It involves tens of thousands of companies, government agencies at all levels, and critical sectors of our nation such as education and health care.

- o With great fervor and passion, the winning companies have willingly shared their quality stories with thousands of others.
- o But, for the winners, the race is not over, or even won. It's just begun. They must continuously be looking to the future, looking for ways to improve.
- o In fact, the Baldrige criteria put a high premium on innovation and long-term planning, looking down the road at where quality, where goods and services, where companies, can improve.

1991 MALCOLM BALDRIGE NATIONAL QUALITY AWARD

Talking Points for Secretary Mosbacher

Key To Exports:

- o With the growing market opportunities overseas, it makes more sense than ever for American business to export now. If you don't sell abroad, you probably are selling your company short. But, to compete, U.S. companies need to be more quality-conscious and quality-capable than ever before.
- o That's why I've been making quality the centerpiece in a coast-to-coast series of meetings Commerce has sponsored to encourage exports. It's part of the President's National Export Initiative, and it is beginning to pay dividends.
- o Since 1986, exports accounted for more than a third of overall growth in the United States. Nearly 84 percent of our GNP growth in 1990 was due to exports, when they reached a record high of \$394 billion. This year, they're running well over \$400 billion.
- o We've got to keep up the pace. A billion dollars in U.S. exports equals over 19,000 American jobs. With nearly \$400 billion in export sales last year, we're talking about employment of over 7 million people.
- o While we are making tremendous strides, we have a long way to go in convincing our overseas competitors that U.S. products and services measure up. According to a recent survey (conducted by the Gallup Organization for the American Society for Quality Control), the quality of U.S. products is not highly regarded by consumers in Japan and West Germany.

A Partnership:

- o The award highlights the power of the partnership between the public and private sectors. Not only does it prove the benefits of government and industry working together, but the program is the finest example I know of U.S. business helping business.
- o The winning companies' passion for quality management and their willingness to share their strategies exceeds our greatest expectations. They have helped not only other businesses but also schools, hospitals, and government agencies.

- o I'm convinced that this great enthusiasm for quality, not only in the winning companies, but in many, many others is not a short-lived fad. We are witnessing a fundamental change in the way American industry does business.

Award's Signs of Success:

- o We are encouraged that interest in the award continues to grow. This year so far, about 210,000 quality improvement guidebooks--which double as an application for the award--have been requested. That compares with 180,000 last year, 65,000 in 1989, and 12,000 in 1988.
- o The number of applicants for the award in all categories continues to be strong. But, we are most proud of the growth in interest in the small business community. The number of small business applicants has almost quadrupled since 1988 when 12 applied, to this year's 47 applicants in the small business category.

More Than A Contest:

- o The award is much more than a contest. The program has helped stimulate a grassroots effort throughout the United States to improve quality in many organizations, including companies, academic institutions, and federal, state, and local government agencies. These organizations have discovered that the Baldrige award is a tool for achieving excellence. Whether they win or not, whether they even decide to or are eligible to compete, these organizations gain by focusing on quality improvement.
- o U.S. businesses need to invest in our worker's skills for the future, and the award encourages just that kind of investment.
- o The Baldrige award is no panacea, no magic answer that will guarantee U.S. business success--but it is a very useful tool to help forward-looking companies prepare for and succeed in the competition of the 1990s and beyond.



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Oct. 9, 1991

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THREE COMPANIES WIN
BALDRIGE QUALITY AWARD

President Bush today announced three U.S. electronics firms as the winners of the 1991 Malcolm Baldrige National Quality Award for excellence in quality management. The winners are Solecron Corp. (San Jose, Calif.) and Zytec Corp. (Eden Prairie, Minn.) in the manufacturing category and Marlow Industries (Dallas, Texas) in the small business category.

"As President Bush has said, 'The renewed spirit of excellence in business, of making quality an integral part of America's corporate strategy, has truly made us more competitive in the international arena,'" Commerce Secretary Robert A. Mosbacher said.

"With lots of hard work, determination, and a passion for excellence, the winners of this award are leading the way to a more competitive America. That's especially important as more U.S. businesses discover that it makes sense to export, and that they need to be more quality-conscious and quality-capable than ever before," Mosbacher said.

The award, named for the late Secretary of Commerce Malcolm Baldrige, was established by legislation in August 1987 to raise awareness about quality management and to recognize U.S. companies that have a world-class system for managing their operations and people and for satisfying their customers.

- more -

The award is not given for specific products or services. However, as part of the award process, an applicant must describe its company's methods for assuring the quality of goods and services. In addition, applicants provide details on achievements and improvements in six other areas: leadership, information and analysis, strategic quality planning, human resource utilization, quality results, and customer satisfaction.

Firms applying for the award undergo a rigorous evaluation by an independent board of examiners composed of private- and public-sector experts in quality. The examination includes on-site visits for those passing an initial screening.

Solelectron Corp., incorporated in 1977, manufactures and assembles electronic equipment and systems. Its customers include makers of computer peripherals and accessories, mainframe mass storage, engineering workstations, and telecommunications and medical equipment. Sales last year were about \$265 million. As the nation's second largest public, independent provider of customized, integrated manufacturing services, Solelectron employs over 2,200 people working in nine facilities located in San Jose and nearby Milpitas.

Zytec Corp. began operating in January 1984 and started its drive for quality improvement that same summer. The company designs and manufactures electronic power supplies for original equipment manufacturers of computers and electronic office, medical and testing equipment. The fifth largest U.S. maker of AC to DC power supplies, the company also is the largest power supply repair company in North America. In 1990, product sales totaled \$50 million. Its repair operations generated another \$5.8 million in revenue. Zytec has 748 employees, 94 at Eden Prairie and 654 at Redwood Falls, Minn.

Incorporated in 1973, Marlow Industries manufactures thermoelectric (TE) coolers--small solid-state electronic devices that cool, heat or stabilize the temperature of electronic components. The industry leader in a growing, competitive environment, Marlow Industries has increased its worldwide market share significantly over the past 5 years as a direct result of its focus on total quality of products and services. Exports account for 15 percent of the company's \$12 million in annual sales. Starting out as a five-person operation, this Dallas-based company now employs 160 people.

The award is managed by the National Institute of Standards and Technology (NIST), an organization of the Commerce Department's Technology Administration, with the active involvement of the private sector. A maximum of two awards may be given annually in each of three categories: large manufacturers, large service companies, and small businesses.

The 1991 winners will be honored at a ceremony in Washington, D.C., on Oct. 29. The President and Secretary Mosbacher are expected to participate.

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Note to editors: A fact sheet on the award is attached. Descriptions of the 1991 winners' quality improvement efforts and other information are available by calling NIST Public Affairs at (301) 975-2762.

MALCOLM BALDRIGE NATIONAL QUALITY AWARD

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1991

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- October 1991 -

MALCOLM BALDRIGE NATIONAL QUALITY AWARD

WHAT IS THE AWARD? The award was established by Congress in 1987 to promote quality awareness, to recognize quality achievements of U.S. companies, and to publicize successful quality strategies. The award is *not* for specific products or services. Two awards may be given annually in each of three categories: manufacturing, service, and small business. In conjunction with the private sector, the National Institute of Standards and Technology developed and manages the award program.

WHY WAS THE AWARD ESTABLISHED? It was clear to many industry and government leaders that a renewed emphasis on quality was no longer an option for American companies, but a necessity for doing business in an ever-growing world market. U.S. companies needed a standard they could use as a road map to world-class quality. In just 4 years, the Baldrige Award has become that standard of excellence.

HOW ARE WINNING COMPANIES SELECTED?

Businesses located in the United States may apply for the award. Those that do must undergo a rigorous evaluation by an independent board of examiners composed of private- and public-sector experts in quality. The examination includes onsite visits for those passing an initial screening. Each applicant receives a written summary of strengths and areas for improvement in quality management.

WHAT ARE THE CRITERIA? Seven areas are examined: leadership, information and analysis, planning, human resource use, quality assurance of

products and services, quality results, and customer satisfaction. Applicants must provide data to substantiate quality achievement and quality improvement in each area.

WHICH COMPANIES HAVE WON THE AWARD?

A total of 12 companies have won the award:

■ 1988—Motorola Inc., Commercial Nuclear Fuel Division of Westinghouse Electric Corp., and Globe Metallurgical Inc.

■ 1989—Milliken & Company and Xerox Corp. Business Products and Systems

■ 1990—Cadillac Motor Car Division, IBM Rochester, Federal Express Corp., and Wallace Co. Inc.

■ 1991—Solectron Corp., Zytex Corp., and Marlow Industries.

HAS THE PROGRAM BEEN SUCCESSFUL? If you can measure the success of a program by the interest and participation it generates, then the Malcolm Baldrige National Quality Award program has been immensely successful. For example, in 1991 more than 210,000 copies of a quality improvement guidebook that doubles as an application for the award have been distributed. In a ceremony honoring the four 1990 winners, President Bush said, *"In just a few years, the National Quality Award has literally become the standard of business excellence."*

FOR FURTHER INFORMATION: Write or call the Malcolm Baldrige National Quality Award Office, A537 Administration Bldg., NIST, Gaithersburg, Md. 20899, 301/975-2036.



Malcolm Baldrige
National
Quality
Award

1991

AWARD WINNER

Solectron Corp.

A leading independent provider of customized integrated manufacturing services to original equipment manufacturers (OEMs) in the electronics industry, Solectron specializes in the assembly of complex printed circuit boards and subsystems for makers of computers and other electronic products. Solectron also provides system-level assembly services, such as assembly of personal computers and mainframe mass storage subsystems, as well as turnkey materials management, board design, and manufacturability consultation and testing. The firm focuses its marketing efforts on value-added projects requiring a high level of reliability and quality, rapid turnaround time, and responsiveness to change.

By focusing on customer satisfaction, exploiting advanced manufacturing technology, and stressing continuous improvement in operations and services, Solectron has demonstrated that high quality and high efficiency translate into low total costs and timely delivery. Solectron competes successfully with both strong international competition and also with the internal production capabilities of its customers. Indeed, major computer firms known for manufacturing efficiency have closed internal assembly operations after determining that outsourcing the work to Solectron not only lowered costs but also improved quality. About 90 percent of new business is additional work from established customers. These customers have benefited from defect rates that have fallen to within the five-sigma range, or 233 parts per million, and on-time delivery rate of 97.7 percent over the last 2 years. Consistent with the goals of its major customers, Solectron has committed to achieving and then surpassing Six Sigma quality in critical processes over the next 5 years.

Solectron at a Glance

Founded in 1977, Solectron has grown from a small assembly job shop with annual revenues of several hundred thousand dollars to an employer of 2,100 people who work at eight sites in San Jose and Milpitas, Calif.

Assembly of printed circuit boards accounts for about 80 percent of business, with the remainder

divided among assembly of other electronic systems, subsystems, software packaging, disk duplication, re-manufacture of customer products, and design and testing services. Solectron operates one of the world's largest surface mount facilities for the assembly of complex printed circuit boards and subsystems.

Among its some 60 customers are manufacturers of personal computers, workstations, disk and tape drives, and avionics, medical imaging, and telecommunication equipment. Some of these firms supply Solectron with all components for assembly into the finished product. An increasing number of customers, however, rely on Solectron to procure some or all components, thereby reducing their investment in inventory, facilities, and personnel.

Customer Needs Drive Results

As a contract manufacturing company, Solectron does not compete with its customers in designing and marketing products. Although it offers an original equipment design service, more often it manufactures a product designed by the customers. Solectron competes on the basis of service, quality, and cost, and the company goes to great lengths to determine how existing and prospective customers define superior performance. Besides conducting exhaustive searches for information on customers, competitors, and markets, Solectron has developed several mechanisms for ensuring direct and frequent feedback from customers. One of the most valuable is a weekly survey of all customers. The results are compiled into a customer satisfaction index, which CEO Dr. Winston Chen and other top executives review at one of their three weekly meetings on quality-related issues. The survey information also is used to grade the performance of each of Solectron's nine major divisions. Within the company, a similar system is used to evaluate the performance of specific work groups and departments in meeting the needs of their internal customers.

At Solectron, the concept of Continuous Improvement is a cultural strength. The company has a strong top management team on a crusade to revitalize American business through quality. The executive team sets corporate quality targets and then works with teams to set supporting goals in each functional area of

the company. They have relied upon several strategies that give them a high-energy, customer-focused work force. These strategies, which include a strong "family" orientation, an effective communication system, and an innovative reward and recognition program, have held the organization together through rapid growth. The management style is participative with a high degree of coaching and autonomy. Solectron has a team-focused approach to employee involvement, which relies on training and mentorship to overcome barriers due to a multilingual work force composed of workers from over 20 cultures.

Each Solectron customer is supported by two teams that work to ensure quality performance and on-time delivery. A project planning team works with customers in planning, scheduling, and defining material requirements and lead time. A total quality control team meets weekly for monitoring and evaluating production with the aim of preventing potential problems and identifying ways to improve process yields.

"We Are the Best ... and Getting Better"

Solectron's comprehensive information system, organized in a customized relational data base, enables regular—often real-time—surveillance of internal quality performance and process control indicators. Key performance data are charted in all departments, and workers, most of whom are trained in statistical process control and problem-solving methods, are empowered to make process improvements and take corrective actions.

Statistical Process Control (SPC) is used regularly in all departments. SPC charts track performance of each machine with measurements recorded in a SPC data base. Division quality managers and the corporate quality director track and review results daily. Since 1987 the average product rejection rate has improved to better than 0.3 percent of shipments, a 50-percent improvement.

Upstream from its assembly operations, Solectron works with suppliers to improve the quality and reliability of their operations. As it does with its customers, the company views its suppliers as partners in pursuing Six Sigma quality, and it offers training and other technical assistance to help them continuously improve.

Investments in advanced technology are guided by Solectron's evaluation of its customers' future requirements and top management's emphasis on enhancing manufacturing capabilities. The company was quick to adopt "surface mount technology" (SMT) that, unlike the conventional method, permits integrated circuits and other components to be placed on both sides of a circuit board. Although requiring higher levels of capital investment and assembly expertise, SMT offers the ad-

vantages of increased packaging density and improved product performance. Solectron now has 19 surface mount assembly lines, and it is developing new bonding and soldering methods to exploit the advantages that SMT offers customers.

Solectron's quality improvement efforts are paying off, as indicated by its chief indicator: "customer satisfaction." It has won 37 superior performance awards over the last 10 years, 10 of those in 1990. After a recent quality audit, a major customer rated Solectron as the "best contract manufacturer of electronic assemblies in the U.S."

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Malcolm Baldrige
National
Quality
Award

1991

AWARD WINNER

Zytec Corp.

From its beginning in 1984, the Zytec Corp. fixed its sights on quality, service, and value. By continuously improving these product and service attributes and working to establish a close partnership with customers, the Minnesota firm has risen to the top tier of the hundreds of manufacturers of power supplies for electronic equipment.

Organizing its quality improvement efforts around the concepts of W. Edwards Deming, Zytec has achieved double-digit annual growth in productivity over the last 3 years. New revenues have increased severalfold since 1984, making Zytec the fifth largest U.S. manufacturer of AC to DC power supplies. Sales per employee are approaching \$100,000, as compared with an industry average of less than \$80,000. Underlying these gains are, since 1988, a 50-percent improvement in manufacturing yields, a 26-percent reduction in manufacturing cycle time, a 50-percent reduction in the design cycle, and a 30- to 40-percent decrease in product costs—savings that are passed on to customers.

Building on these accomplishments and using the Baldrige award principles, Zytec is now realigning its continuous-improvement system, investing in computer-integrated manufacturing technology, and furthering employee training, all with the aim of advancing to a new threshold of quality performance—Six Sigma quality in most facets of its operations by 1995.

Zytec at a Glance

Formerly a unit of Magnetic Peripherals, Inc., a joint venture subsidiary of four electronics firms, Zytec makes power supplies for original equipment manufacturers of computers as well as electronic office, medical, and testing equipment. Sales of the customized power supplies account for 90 percent of revenues. Zytec also repairs cathode-ray tube monitors and power supplies, including those of its manufacturing competitors. The company is headquartered in Eden Prairie, Minn., about 96 miles from its manufacturing and repair facilities, which employ 654 of its 748 workers.

When it began operating independently in 1984 following a leveraged buy out, Zytec depended almost en-

tirely on orders from one of its former owners, which now account for less than 1.5 percent of revenues. In 1990, product sales to 20 customers—18 of which have made Zytec a sole-source supplier—totaled \$50 million. The repair business, the largest of its kind in the United States, generated \$5.8 million in additional revenues.

“Total Quality Commitment”

As the foundation for continuous improvement, Zytec senior executives chose Deming’s “14 points” for managing productivity and quality. Followed by many Japanese firms, the concepts defined the core values of quality improvement that executives sought to instill throughout the organization. Progress in achieving this cultural transformation is monitored through an annual survey of employees—one of several methods for assessing the quality commitment and the satisfaction of workers.

To foster a common quality focus and to ensure that all 33 of its departments move in step to meet ever more demanding customer requirements, Zytec has adopted an interactive “Management By Planning” (MBP) process that involves employees in setting long-term and annual improvement goals.

At an annual 2-day meeting, about 150 employees, representing all types of personnel, shifts, and departments, review and critique 5-year plans prepared by six cross-functional teams. Zytec executives then finalize the long-term strategic plan and set broad corporate objectives to guide quality planning in the departments, where teams develop annual goals to support each corporate objective. In face-to-face meetings with teams or representatives, Zytec CEO Ronald D. Schmidt first reviews departmental goals and, subsequently, action plans, including performance measures and monthly progress targets.

Concurrent with the internal process, the company invites selected customers and suppliers to scrutinize the long-range plan, leading to further refinement. Through these and other steps in the iterative planning process, Zytec helps ensure that it is setting the right goals and following up with the most appropriate actions, supported by adequate resources.

Coordination and integration also are hallmarks of the way Zytec carries out its plans. Design and development of new products, for example, are carried out by interdepartmental teams, which are assigned to projects from start to finish. Working closely with customers, the same cross-functional management teams review performance at four key stages: pre-design initiation, design initiation, prototype delivery and testing, and preproduction certification. The teams are empowered to address all issues of suppliers and processes, including critical parameters for measurement and control.

Zytec is a data-driven company, developing meaningful, measurable criteria for evaluating performance at all levels. In addition, benchmarking competitors' products and services as well as the practices of acknowledged quality leaders in other industries provides Zytec with a clear picture of what it takes to achieve industry- or world-best status in key areas, from employee involvement to just-in-time manufacturing to supplier management.

To realize the full advantage of its employees, Zytec trains them in analytical and problem-solving methods—a major focus of the 72 hours of quality-related instruction received by most Zytec employees. Workers are expected to use this knowledge as their authority and responsibilities grow.

Several departments are directed by self-managed teams of workers. Zytec's production workers are encouraged to improve their knowledge and flexibility through an innovative employee evaluation and reward system called MFE—Multi-Functional Employee program. Through MFE, employees are rewarded for the number of job skills that they acquire.

By aligning all elements of quality-improvement—human, technological, and informational—with customer priorities, Zytec has made the most significant performance gains in the areas that count the most. Product quality, as derived from customer-supplied data on failures, has risen to the four-sigma range, putting it on track for Six Sigma quality by 1995. Since 1988, the mean-time-between-failure of a Zytec power supply has increased to over 1,000,000 hours as measured by actual field data and reliability testing, and from 1989 to 1990, the company's on-time delivery rate improved from 85 to 96 percent.

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Malcolm Baldrige
National
Quality
Award

1991

AWARD WINNER

Marlow Industries

In 1987, Marlow Industries set out to improve a manufacturing and service operation that did not seem to need fixing. Founded in 1973, the Dallas-based company increased its share of the world market to more than 50 percent for customized thermoelectric (TE) coolers—small, solid-state electronic devices that heat, cool, or stabilize the temperature of electronic equipment.

But Marlow chose not to sit tight. Instead, it initiated a structured, yet evolving system of continuous improvement through Total Quality Management, setting ever higher performance standards and challenging itself to exceed ever more demanding customer requirements. The company has worked to strengthen all areas of its business, and again to set new targets for improvement and innovation.

Since 1987, employee productivity has increased at an average annual rate of 10 percent, the time between new product design and manufactured product has been trimmed, and the cost of scrap, rework, and other non-conformance errors has been cut nearly in half. For customers, these and other gains have translated into products that exceed performance specifications by wider margins, on-time deliveries, extended warranties, and prices that have remained stable or decreased. Not coincidentally, Marlow Industries' worldwide market share continues to improve, even in Japan where the company has local competition.

Marlow at a Glance

Marlow Industries is fully vertically integrated. The company processes raw materials into thermoelectric semiconductors, assembles these devices into TE coolers, and integrates the coolers into heat exchangers for commercial and defense applications. Manufacturing operations consist of three materials "minifactories" and five assembly minifactories organized by market segments. Each is staffed by about 15 employees cross-trained in several jobs and directed by a supervisor, who is empowered to make decisions affecting all facets of production within his or her minifactory.

Commercial customers include makers of laser diodes, such as those used in fiber-optic communication systems, as well as medical instrumentation manufacturers. Marlow products also are used in heat-seeking missiles, inertial navigation systems, satellites, and other defense and space-related technologies.

Started in 1973 as a five-person operation, Marlow Industries now employs 160 people and has total annual sales of \$12 million. Exports account for 15 percent of annual sales.

Although the company earns most of its revenues from sales of TE coolers designed to meet one-of-a-kind customer needs, Marlow Industries has set its sights on applying its Total Quality Management philosophy to enter new markets.

TQM System

Marlow describes its Total Quality Management System as a "top-to-bottom" approach to continuous improvement. The emphasis on quality begins with CEO and President Raymond Marlow. As chairman of the TQM Council, which crafts the company's 5-year strategic business plan and oversees efforts to accomplish short- and long-term goals, he has daily responsibility for quality-related matters. A senior-executive team headed by the chief operating officer attends to day-to-day management. Marlow's leadership has provided an environment that encourages all employees to participate and to be involved in the continuous improvement process.

Employee involvement is fostered through a flat organizational structure and a variety of participatory mechanisms. Marlow includes worker representatives in weekly TQM Council sessions. Monthly companywide meetings are held to review company performance, recognize employees for quality contributions, review quality values, and make widespread acknowledgment of teams. In 1990, 88 percent of all personnel—as compared with 44 percent in 1988—participated on "action teams," which focus on attaining corporate and departmental goals, or on "employee effectiveness teams," which concentrate on preventing potential problems in specific work areas. Each team has a senior-executive mentor, and all teams regularly make formal presentations before the TQM Council.

All workers—from CEO to hourly employee—have taken Marlow's voluntary "quality pledge," committing them to the same performance standard: "Do it right today, better tomorrow." Training programs, averaging 32 hours a year per employee, impart the skills needed to achieve the standard. All workers, even temporary employees, receive quality-awareness training, and the entire permanent work force has completed initial courses in statistical problem solving. Three-fifths have undergone the second round of more comprehensive training in the use of quality tools.

An information system consisting of 500 data categories describes all essential elements of company performance—from customer satisfaction to manufacturing process control to supplier quality—and helps Marlow Industries set tangible goals and track its progress. Much of the data can be accessed through any of the 80 personal computers connected through a local area network. Systematic data cross-checking fosters reliability and consistency, and regular reviews ensure that the information supports effective management of the company.

Marlow uses a well-integrated, systematic approach for assuring the quality of its products and services. Extensive use of Design of Experiments Techniques has resulted in improved quality and stabilization of its major processes. In the last 3 years its yields have improved significantly while manufacturing costs have been reduced and cycle times improved. These improvements were accompanied by major reductions in waste stream environmental disposal.

Supplier partners figure prominently in Marlow's TQM system. The company continues to consolidate its list of suppliers, retaining only those key suppliers that score at the top of the Marlow Supplier Quality Index. By the end of 1991, it anticipates that 15 of its top 20 key suppliers will be certified to "ship to stock" without inspection. Marlow cultivates long-term partnerships and includes the technological expertise of valued suppliers at the start of its product and process improvement efforts. These suppliers often provide the small company with design and analytical expertise that is not available in-house.

Over 90 percent of the products produced by Marlow are custom designed to meet its customers' requirements. Because customer satisfaction is the overriding aim of its continuous improvement efforts, Marlow has developed an exhaustive system of feedback mechanisms—from several types of surveys to quarterly meetings with major clients. This information helps ensure that Marlow focuses on the principal needs of customers. When combined with the results of the company's benchmarking program, customer feedback points the way to strategic improvements in products and service.

Since 1988, Marlow has won six major quality awards from customers, and it passed on first inspec-

tion all 30 audits of its quality assurance system performed by defense industry customers. Over the last 10 years, Marlow has not lost a single major customer, and, in 1990, its top 10 customers rated the quality of Marlow TE coolers at 100 percent.

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Who Was Malcolm Baldrige and Why Did They Name An Award After Him?

**A Guide to the
Malcolm Baldrige National Quality Award**

**U.S. Department of Commerce
National Institute of Standards and Technology
October 1991**

Who was Malcolm Baldrige?

Malcolm Baldrige was Secretary of Commerce from 1981 until his death in a rodeo accident in July 1987. Baldrige was a proponent of quality management as a key to this country's prosperity and long-term strength. He took a personal interest in the quality improvement act that was eventually named after him and helped draft one of the early versions. In recognition of his contributions, Congress named the award in his honor.

What is the Malcolm Baldrige National Quality Award?

Congress established the award in 1987 to raise awareness about quality management and to recognize U.S. companies which have successful quality management systems.

Although the award has its major focus on results and customer satisfaction, it is not given for specific products or services. To win the award, a company must have a world-class system for managing its processes and its people. This system should ensure continuous improvement in its product or service and provide a way of satisfying and responding to its customers.

The end result is improved quality of products and services and increased customer satisfaction. According to a U.S. General Accounting Office study, "In nearly all cases, companies that used total quality management practices achieved better employee relations, higher productivity, greater customer satisfaction, increased market share and improved profitability."

Two awards may be given annually in each of three categories: manufacturing, service, and small business.

The U.S. Commerce Department's National Institute of Standards and Technology (NIST) manages the award in close cooperation with the private sector.

Which companies have won the award?

- 1991—Solelectron Corp., Zytac Corp., and Marlow Industries
- 1990—Cadillac Motor Car Division, IBM Rochester, Federal Express Corp., and Wallace Co. Inc.
- 1989—Milliken & Company and Xerox Corp. Business Products and Systems
- 1988—Motorola Inc., Commercial Nuclear Fuel Division of Westinghouse Electric Corp., and Globe Metallurgical Inc.

Why was the award established?

In the early and mid-1980s, many industry and government leaders saw that a renewed emphasis on quality was no longer an option for American companies, but a necessity for doing business in an ever-expanding, and more demanding, competitive world market. The Baldrige award was envisioned as a standard of excellence that would help U.S. companies achieve world-class quality.

How are winning companies selected?

Businesses located in the United States may apply for the award. Those that do are evaluated by an independent board of examiners composed of primarily private-sector experts in quality. The examiners evaluate each application and visit companies that pass an initial screening. Each applicant receives a written summary of strengths and areas for improvement in quality management.

What do the examiners look for?

The examiners evaluate a company's quality management system by looking for achievements and improvements in seven areas:

- o Leadership—Have the senior leaders clearly defined the company's quality values, goals, and ways to achieve the goals. Are senior executives personally involved? Does this involvement include communicating quality excellence to groups outside the company?
- o Information and analysis—Is the information used to guide the company's quality management system reliable, timely, and accessible?
- o Strategic quality planning—How does the company plan to achieve or retain quality leadership? How are these plans integrated into its overall business planning?
- o Human resource utilization—How does the company develop the full potential of its work force?
- o Quality assurance of products and services—How does the company assure the quality of its goods and services?
- o Quality results—How is quality and continuous improvement measured?
- o Customer satisfaction—Is quality defined by the customer?

A company must provide the details needed to prove it has achieved world-class quality in all seven areas. Facts, not flash, are needed to make it through the tough screening process.

Are there rigid requirements and pre-set strategies that must be followed by applicants?

No. the Baldrige criteria are intended to be a framework that companies can use to build their own quality management system. They represent all the necessary facets for establishing a world-class system: customer-driven quality; leadership; continuous improvement; fast response to customer needs; actions based on facts, data, and analysis; and participation by all employees in the company's improvement activities. Many companies use the best ideas they can find from other companies. But, in the end, each business must tailor a system that's right for them.

Do applicants receive credit for being creative in their approach to quality management?

Finding innovative solutions to problems is considered a hallmark of world-class quality management and is one of the characteristics shared by all nine of the winning companies. While no examination category exists nor are "points" awarded for creativity, Baldrige examiners look for creativity in the way a company achieves its quality management goals. These methods can include using tools and techniques in a unique way or putting a new twist on a method used in another application or by another business.

Can only U.S. companies win the award?

Any for-profit business located in the United States or its territories may apply for the award. A foreign-owned company or subsidiary may apply, but only if more than 50 percent of its employees or 50 percent of its physical assets are located in the United States or its territories.

Is it tougher for small companies to win?

No. The award is meant to identify, recognize, and hold up as models companies that are truly world-class, that can compete successfully against the best in the world. No one said that would be easy—for large or small companies.

Interest in the award from small companies continues to grow (see attached chart). In 1991, the number of applications from small businesses outpaced those in the other two categories.

How much do companies spend trying to win the award? How much is it worth to a company?

While there is a fee to apply the amount of time and money each company spends on preparing the application package varies. A vice president of one of the small business winners wrote the application at home over a weekend. That was possible because the company had for years been tracking the necessary information. In other, larger companies teams of people may spend weeks working on the application.

But, compared to what the winning companies spend on improving their quality management systems—and the returns on this investment—relatively little is spent on winning the award.

Many of the winners, and companies that have followed the program's guidelines, believe that pursuing the award leads to permanent improvement in a company—regardless of whether the award is won. That's worth a lot to any company.

Does the award amount to a product or service endorsement for the winners?

No. The award is given because a company has shown it has an outstanding system for managing its product or service and its people and responding to customers. As part of the evaluation, a company is asked to describe its design and control system for assuring the quality of its goods and services. It also must supply information on quality improvement and customer satisfaction efforts and results. That does not mean that a winner's products or services are endorsed.

Why are the Baldrige award winners asked to share their quality management strategies?

One of the main purposes of the award is to pass on information about the winners' quality programs that other companies can tailor for their own needs. Representatives from the winning companies have willingly shared their companies' quality strategies and methods with thousands of other firms.

To what extent are they asked to share their strategies?

The managers of each winning company must decide how much time and effort to devote to activities such as speaking engagements and tours of facilities. The requirements of the award program are minimal. For example, winners are asked to participate in the award's annual conference, to provide basic materials to those who request it on their company's quality strategies and methods, to answer news media inquiries, and to review materials on their companies prepared by the award program for public distribution.

Does advertising and publicity diminish the image and prestige of the award?

The law establishing the award states that a winner "may publicize its receipt of such award and use the award in its advertising." Promoting public and corporate awareness of quality improvement is one of the prime goals of the program and advertising is one way to meet this goal. To help companies assure that their advertising is appropriate in representing why they were selected, they will be provided additional guidance in 1991.

Are companies simply "chasing after" the award and ignoring the lessons of quality improvement?

The perception by some that winning the award is the goal of U.S. companies is not supported by the facts. Yet, only 309 companies have applied to date. Hundreds of thousands of copies of the guidelines are being used as a handbook for assessing and improving quality. The program has helped to stimulate an amazing movement to improve quality among U.S. organizations including companies, academic institutions, and federal, state, and local government agencies.

One critic of the award says companies should be nominated by customers. Would that be a better alternative?

The Baldrige award is unique because it integrates many important quality concepts and themes into one comprehensive standard. While customer satisfaction is the cornerstone of the award, the other criteria also are necessary to have a world-class quality management system. By looking at only customer satisfaction, and not the processes used to achieve it, the award would become a "beauty" contest. Customer nomination also would raise many serious questions about statistical validity, as well as the consistency of information and criteria. Furthermore, if companies did not go through the exercise of self-examination to decide whether they were prepared to apply for the award, the main value of the award would be eliminated in favor of the "contest."

The award has been criticized for promoting "form filling" rather than real quality. If that's the case, couldn't a company hire a consultant to help prepare answers for the Baldrige application?

The award places primary emphasis on facts and data. Consultants, including members of the board of examiners, may provide services on quality management issues as well as the Baldrige award process. However, since there are no "secret" answers or even right or wrong answers to the Baldrige application, the award cannot be won by hiring someone to "fill in the blanks."

A company must show through facts and data that it has a world-class quality management system in place and that it is continually looking for ways to improve.

As a final check before recommending winners, members of the board of examiners visit the more outstanding candidates for the award. During these site visits examiners interview employees and review pertinent records and data. The objective is to verify the information provided in the application and to answer questions raised during the board's review. A company that hired someone to fill out its application would never make it through this rigorous review.

Isn't it a conflict of interest for members of the board of examiners to work as consultants?

No. Members of the board of examiners are experts in using and evaluating quality management techniques. They are in demand as speakers, as information resources, and as consultants. These activities serve as a way to make more people aware of quality management techniques and the Baldrige award.

However, since the examiners and judges on the board review applications for the award and are involved in recommending winners, precautions are taken to prevent a conflict of interest or even the appearance of conflict. Rigorous rules are followed at every stage of the review.

Primarily, this means all members of the board must abide by a code of ethics requiring, among other things, that they disclose all business affiliations that might create a conflict. In such cases, they cannot review an application, comment on it, or make any judgments that could affect it. It is a violation of the code for board members even to ask for information on applications other than those to which they are assigned.

Other safeguards and checks also are built into the four-step review process. For example, during the first step each application is evaluated independently by at least four different examiners. By the time the review is over, some applicants will have gone through as much as 500 hours of evaluation.

Is the Baldrige award a U.S. version of Japan's Deming Award?

The basic purposes of both awards are the same: to promote recognition of quality achievements and to raise awareness of the importance and techniques of quality management. However, the Baldrige award:

- o focuses more on results and service,
- o relies upon the involvement of many different professional and trade groups,
- o provides special credits for innovative approaches to quality,
- o includes a strong customer focus, and
- o stresses the importance of sharing information.

Is the Baldrige award program a success?

If you can measure the success of a program by the interest and participation it generates, then the Malcolm Baldrige National Quality Award has been immensely successful in achieving the goals established by Congress.

For example, almost 500,000 copies of a quality improvement guidebook that doubles as an application for the award have been distributed by program managers since the award's inception in 1988. The guidebook also is being further reproduced and used extensively by companies and other organizations.

Also, the award winners, NIST officials, and members of the board of examiners have given thousands of presentations on the importance of quality management and the award.

Why was NIST selected by Congress to manage the award; and what is the role of the American Society for Quality Control?

NIST is an agency of the Commerce Department's Technology Administration. Its mission is to strengthen U.S. industry competitiveness, advance science, and improve public health, safety, and the environment. NIST was selected by Congress to design and manage the award program because of its role in helping U.S. companies compete, its world-renowned expertise in quality control and assurance, and its reputation as an impartial third-party.

The American Society for Quality Control (ASQC) assists NIST with the application review process, preparation of award documents, publicity, and information transfer. ASQC is a professional, non-profit association serving more than 80,000 individual and 700 corporate members in the United States and 62 other nations.

For further information, reporters should call Jan Kosko, NIST Public Affairs, 301/975-2762. Others should write or call the Malcolm Baldrige National Quality Award Office, A537 Administration Bldg., NIST, Gaithersburg, Md. 20899, 301/975-2036, fax 301/948-3716.

MALCOLM BALDRIGE NATIONAL QUALITY AWARD

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1991

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MILLIKEN & COMPANY

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- October 1991 -

MALCOLM BALDRIGE NATIONAL QUALITY AWARD APPLICATION DATA 1988 - 1991

October 1991

For more information, contact
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National Institute of Standards and Technology

Malcolm Baldrige National Quality Award Selected Data on Applications, by Category					
		Mfr	Srv	Sm Busn	Ttl
1988	Applications	45	9	12	66
	Site Visits	10	2	1	13
	Awards	2	0	1	3
1989	Applications	23	6	11	40
	Site Visits	8	2	0	10
	Awards	2	0	0	2
1990	Applications	45	18	34	97
	Site Visits	6	3	3	12
	Awards	2	1	1	4
1991	Applications	38	21	47	106
	Site Visits	9	5	5	19
	Awards	2	0	1	3

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ble to the Commission, shall be performed
by the Council on Environmental Quality in
accord with the guidelines and procedures
established by the Administrator of General
Services.

George Bush

The White House,
December 12, 1990.

*[Filed with the Office of the Federal Regis-
ter, 11:21 a.m., December 13, 1990]*

**Remarks at the Presentation Ceremony
for the Malcolm Baldrige National
Quality Awards
December 13, 1990**

May I, too, salute the Deputy Secretary,
Mr. Murrin and, of course, the Secretaries
from the other Cabinet departments that
are here. I'm delighted to see all of you. I
want to single out our Science Adviser that
was to be here, Allan Bromley—I'm not
sure he is—but in any event, very much
interested in this whole field of competi-
tiveness. Dick Truly of NASA—a keen stake
in seeing the quality of all performed. I
want to salute the Cadillac general manager
John Grettenberger; John Akers, who is the
president and CEO of IBM; the president
and chairman of the board of Federal Ex-
press, who's with us, Fred Smith—we'll be
seeing these all in a bit; and John Wallace,
from Houston, who is the CEO of the Wal-
lace Company.

And then I also want to salute the Mem-
bers of Congress who are good enough to
be with us today, members of the Baldrige
family. How I love Mac Baldrige. Welcome
home! And congratulations especially to
these winners. And I'm proud to see some
who were honored last year.

I want to single out Bob Mosbacher here,
who is doing a splendid job as our Secretary
of Commerce. A quality job I might say.
Quality is it. Quality for our administration.
And we're here today to present these four
awards, as I say, named for another man of

quality, and that again is former Secretary
Mac Baldrige. What a great guy.

He was—you know, some forget this, but
Mac, prior to becoming Secretary of Com-
merce, was a true leader in business. And
when it came business, he really did under-
stand that quality cannot be assured with
some slogan or an ad campaign. And he
knew that it begins with winning and keep-
ing business. And it begins with understand-
ing that only customers can define quality.
And in short, it begins and ends with the
unsentimental judgment of the market-
place.

Once quality separated winning firms
from sluggish ones. That time has long since
passed. And with the fierce competition of
the international market, quality means sur-
vival, nothing less.

The renewed commitment by America to
quality can be seen in the explosion of ap-
plications to receive the Baldrige Award. In
just a few years, the National Quality Award
has literally become the standard of busi-
ness excellence. And the renewed spirit of
excellence in business, of making quality an
integral part of America's corporate strate-
gy, has truly, I believe, made us more com-
petitive in the international arena. Exports
have already increased nearly 8 percent
from year-ago levels and the figures keep
on rising.

To compete and win in the international
arena, United States companies are simply
going to have to offer products and services
that are world-class. And that's the purpose
behind this award. And it's a national pur-
pose.

So, we're here today not only to honor
these four deserving firms, but to promote
an awareness of quality in American busi-
ness and to share successful management
strategies. Strategies that can, indeed,
sharpen America's lead in the world mar-
ketplace. Each of these companies offers
unique lessons. But these four companies
also found success in a few basic principles.
They learned that quality control cannot be
imposed from top to bottom. They under-
stand that quality management must cut
through organization charts, across depart-
ments and offices. A quality culture does
not depend on titles and job descriptions.
And finally, these winning companies also

realize that they are only as strong as the intelligence, judgment, and character of their employees.

This year, the Malcolm Baldrige National Quality Award is going to all three award categories: manufacturing, small business and, for the first time, service. The winners with us today were selected from a population of American organizations that requested more than 180,000 application guidelines this year. And what I said of last year's honorees applies today: Most companies catch hell from the competition. But these companies are in the lead because no competitor gave them a tougher time than they gave themselves.

Three of our winners are household names. Let me start with IBM at Rochester, a company that proves that quality coupled with employee training and education is simply good business. In fact, IBM Rochester spends five times—five times—the national average on education and training—and just one reason why IBM Rochester is globally competitive.

And the next recipient is another household name, the first automotive company to earn this award: Cadillac. And when many companies speak of quality changes, they speak of improvement in management. This company speaks of a "culture change," a clear recognition that Cadillac knows that quality begins with the morale and idea of its people. Cadillac executives, plant managers, or union representatives all have worked together to help win this award. Quality councils are at work at each of the company's seven major facilities, supported by hundreds of company teams. And Cadillac shows that labor-management cooperation indeed yields quality results.

The next recipient is Federal Express, the first large service company to earn this award. This is a critical recognition because so much of our work force and our national wealth comes from the service sector. And Federal Express is simply nothing less than a model for all other service corporations. From ground zero in 1973, Federal Express has shot up to one of the world's largest transportation companies, with more than 90,000 employees making 1.5 million shipments a day. As with IBM Rochester and Cadillac, the secret of success for Federal Express is its training and reliance on its

employees. With a no-layoff philosophy and extensive training, Federal Express attracts top-notch, motivated people. In fact, during the last 5 years, nearly 100 percent of Federal Express employees surveyed responded that they were proud to be a part of their company. And that's why Federal Express delivers. And all American workers should feel they are as much a part of their companies.

And that brings me then to the Wallace Company of Houston, Texas, the first small service business to be recognized. This family-owned firm extends its family approach to all of Wallace's 280 skilled and well-trained employees, people who think of themselves as "associates."

The Wallace Company proves that quality is not just for the Fortune 500. This small distributor of industrial goods not only survived the recent rough economic times in Houston, it proved that even in tough times you can still commit to long-term improvements in quality.

In business, success is its own reward. But the men and women of these four firms have given all Americans a standard of excellence, a standard to emulate, a standard to surpass. And they have proven that quality management is not just a strategy. It must be a new style of working, even a new style of thinking. A dedication to quality and excellence is more than good business. It's a way of life, giving something back to society, offering your best to others.

And so, for all of that, you have my admiration, my heartiest congratulations to every single American worker that you represent. And may I say to all of you, thank you and Merry Christmas. And I'm very proud to be here to participate in this ceremony. Thank you all.

Note: The President spoke at 11:23 a.m. in the Grand Hall at the Department of Commerce. In his remarks, he referred to Deputy Secretary of Commerce Thomas J. Murrin and Richard H. Truly, Administrator of the National Aeronautics and Space Administration. A tape was not available for verification of the content of these remarks.

Remarks to the Foundation December 13, 1990

Thank you very much to you all. A warm welcome to the White House. Merry Christmas. We're beginning here. And may I say to all and thank him for his keen interest in quality. I've been discussing, because I am really excited to help introduce this foundation to this important organizations and announce three initiatives to help remove barriers hindering

Since our foundation is distinguished among many organizations to a very high degree to work in a voluntarily banded manner among us in need of help with perhaps more any time in our history. Your organization is represented here today and year out.

The needs of our foundation are the Points of Light. We make direct grants aimed at serious problems in the life and work of the community. To achieve this goal, to adopt a new way of coming to see solving not just the need and nonprofit organizations have to refine the engagement of all in the management of all community problems.

Of course, service has been the mission of the foundation community. But the way to engage all in service. To help engage all in service, the foundation has appointed representatives. And to ensure that multiple places where institutions can be used to serve others are the foundation is of institutions to the Points of Light center.

Informal Exchange With Reporters November 14, 1988

Soviet-U.S. Relations

Q. Mr. President, you're hearing all this. Do you feel that human rights then is still an irritant in U.S.-Soviet relations?

The President. Yes, of course. Until it's completely eliminated, this type of political prisoner—and we have had great success, and the General Secretary has been more cooperative than any Soviet leader before him. And I assume that we have these names that have been mentioned here.

Q. Do you feel that all the remaining political prisoners will be released, as some have said, soon?

The President. Well, that statement has been made, and now we can only wait and see.

Middle East Peace Efforts

Q. Mr. President, is there a breakthrough on the PLO so far as you're concerned, so far as accepting Israel?

The President. Well, I only know this thing—that apparently—that there has been an indication that they are willing to abide by [U.N. Security Council Resolution] 242 and hope it's true because then that would mean some progress, although I think there are many problems yet to be solved.

Q. And an international conference?

Mr. Weinberg. Thank you, Frank [Frank Sesno, Cable News Network], we have to go.

The President. I'm not sure that's the answer.

Q. What is that?

The President. I'm still not sure that that is the answer.

Note: The exchange began at 10:30 a.m. in the Oval Office, prior to a meeting with Soviet political dissident Andrei Sakharov. Mark D. Weinberg was Special Assistant to the President and Assistant Press Secretary.

Remarks at the Presentation Ceremony for the Malcolm Baldrige National Quality Awards November 14, 1988

Well, good morning. In nearly 2 weeks, America will celebrate Thanksgiving, a time when the Nation looks back, takes stock, and gives thanks for the personal and economic freedoms with which Americans are blessed. As a nation, we have much to be thankful for. We've continued to enjoy the longest peacetime expansion in our nation's history. Real gross national product has risen by 26 percent since the recovery started 6 years ago. American industry is again the class of world class competition.

Yes, America's future is bright. Today's ceremony reflects both the progress we've made and the promises that we have yet to keep. America's economic strength depends on industry's ability to improve productivity and quality and to remain on the cutting edge of technology. And that's why the

Malcolm Baldrige National Quality Award is so important. The award recognizes the contribution that companies across the country are making to our economic growth—companies that make the highest quality products.

And today we salute three corporations that reflect American industry's dedication to quality. Each of them, and thousands of others, help keep America strong by making American products the best products available. They and others like them exemplify the belief that quality counts first, foremost, and always. The one trait that characterizes these winners is that they realize that quality improvement is a never-ending process, a companywide effort in which every worker plays a critical part. They realize that customer satisfaction

through better quality is the goal. And they know that America's economic strength and future depend more and more upon the quality of its products.

This award was established and carried out in the spirit of cooperation between government and the private sector. And that's the way it should be. We owe a debt of gratitude to the foundation that helped support this award and the many private sector individuals, especially the examiners, who made the award possible through their own dedication to quality. And a word of thanks to Bill Verity and the Commerce Department's National Institute of Standards and Technology. They have worked very well with the private sector to ensure that this award truly sets a national standard.

This award has a special meaning for me because it's a fitting way to honor a good

friend, Malcolm Baldrige, a dynamic businessman and a great Secretary of Commerce. Today we honor Mac with a lasting tribute to quality.

And now it's time to recognize the awardees. These awards are won by companies, but they're earned by individuals, working together in the quest for excellence. So, now I'll turn the podium over to Secretary Verity, and he will make the announcement.

Note: The President spoke at 11:38 a.m. in the East Room at the White House. The awards were presented to the following corporate representatives: Robert W. Galvin, chairman of Motorola, Inc.; John C. Marous, chairman and chief executive officer of Westinghouse Electric Corp.; and R. Arden Sims, president and chief executive officer of Globe Metallurgical, Inc.

Remarks and a Question-and-Answer Session With Area Junior High School Students

November 14, 1988

The President. You know, this is a real treat for me—having you here and to have, in a little while, the chance to answer some of your questions. Let me also offer a special hello to those of you who are watching on C-SPAN and—or the Instructional Television Network. Thank you for inviting us into your home or your school today.

This marks the beginning of American Education Week, and I'm particularly pleased to be talking to American students in this, the first in a series of speeches that I'll be giving before I leave office. But before we begin here, I have a special message from my roommate. She says to please—for your families, for your friends, for your country, and most of all for yourselves—just say no to drugs.

Now, last week the United States did something so exceptional that people around the world marveled at it. Last week the American people freely elected our government. Some ballots were cast by people who were rich and famous, and

others were cast by most ordinary people, but each person had the same, one vote. These ballots were cast in secret, and they were counted in the open, not the other way around. And when the votes were totaled, those holding or seeking the highest positions in the land all surrendered to the will of the people. Soon, power will be peacefully transferred from those leaving office to those taking office. And, yes, we do this every election year, and that's what so much of the world marvels at. What we in America take for granted is something that's rare in history and all too remarkable on this globe, the Earth.

The United States is the world's oldest democratic government. And at my age, when I tell you something is the oldest in the world, you can take my word for it; I'm probably talking from personal experience. And it's not just that our government is the oldest of its kind, but that it's based on the world's most revolutionary political idea. You can see that concept in the very first

line of our Constitution: three simple words: "We the People." All have constituted many of them, but the difference is so small, in three words. Be it so, our documents by the people, for the people, and of the people, our Constitution tells the Government only those things that are necessary, and nothing else. In America, it's a charge. And on that charge, there voting.

That vision of the American Revolution of its own nation but most revolution case of replacing other set of rules, constitution was announced—when ready—that the Government.

Now, the Revolution they say I to me 200 years but I think it'll important guide lieve that the c in your generation great change—a new course but to keep fair can Revolution of freedom that lies of liberty at the world.

Over these 200 years has followed ultimately all generations to say our Founding model for the many countries despotism to do also true even remarkable to even brutal to

would have transferred power to Vice-President Bush. During his twelve-day hospital stay, Reagan relied heavily on his daily meetings with Baker, Meese, and Deaver for briefings and for help in decision-making.

During his first few months in office, Baker concentrated on securing Congressional passage of Reagan's controversial supply-side tax and budget package. According to Secretary of the Treasury Donald T. Regan, as quoted in *People* (August 31, 1981), "Baker never left his desk, but he told the President when to play the good guy, when to play the bad guy, when to call a Senator or a Congressman" who might be wavering. Representative Jack Kemp, the coauthor of the so-called Kemp-Roth bill, a comprehensive federal tax-cut proposal, added, "With all due respect to the President and Secretary Regan, it was Baker who got the budget and tax package passed."

Although he contends that "you can't be an honest broker and push policy," Baker has nonetheless worked closely with Meese and other advisers on policy formulation and legislative strategy. In planning sessions, he argued against the creation of a so-called "super Cabinet" in which some department secretaries would have had to report through others and, fearing a "power play" by Secretary of State Alexander M. Haig Jr., urged that Vice-President Bush be named to head the crisis-management committee. He also helped smooth over the objections of right-to-life groups to President Reagan's nomination of Sandra Day O'Connor as the first woman Associate Justice of the United States Supreme Court.

A slim, athletic six-footer, Jim Baker appears to be at least a decade younger than his years. According to one interviewer, he has an "extremely direct, but not a hard, gaze" and "melting brown eyes." His soft twang is recognizably Texan, and he retains many signs of his Texas upbringing, from fancy cowboy boots to chewing tobacco. He enjoys watching professional football games and listening to country and western music, especially Tammy Wynette and George Jones. He is an excellent tennis player, although George Bush, his frequent doubles partner, has said that his service "is not known for its blinding speed." Baker also likes to go "wade fishing" in the shallow coastal bays of his home state and to hunt wild game on his small ranch near San Antonio. After the death of his first wife, Mary (McHenry) Baker, whom he had wed in 1953, he married, in 1973, Susan Garrett Winston. He has four sons—James A. 4th, Stewart M., John C., and Douglas B.—by his first wife, and two sons and a daughter from Susan Baker's first marriage. The Bakers' youngest daughter, Mary Bonner Baker, was born in 1977. When they are in Washington, the Bakers live in a large house on exclusive Foxhall Road.

References: *Christian Sci Mon B* p2 D 30 '80 por; *N Y Times N* 15 '80 por, p5 Ja 17 '82 por; *N Y Times Mag* p14+ Ap 18 '81 por; *Newsweek* 88:13A S 6 '76 por; *Washington Post G* p1+ Ja 18 '81 por; *Congressional Directory*, 1976; *Who's Who in America*, 1980-81



Baldridge, (Howard) Malcolm

Oct. 4, 1922- United States Secretary of Commerce; businessman. Address: b. Department of Commerce, 14th St. between Constitution Ave. and E. St., NW, Washington, D.C. 20230; h. Tomlinson Rd., R.D. #2, Woodbury, Conn. 06798

To fill one of the "nuts-and-bolts" slots in his Cabinet, as some Washington observers interpreted the appointment, President Ronald Reagan chose Malcolm Baldridge to be his Secretary of Commerce in the Republican Administration that came into power in January 1981. As chairman and chief executive officer of Scovill, Inc., Baldridge had demonstrated his proficiency in management by transforming a sluggish Connecticut brass-milling firm into a diversified, multinational enterprise with annual sales of about \$1 billion. Influential also in developing policy as Secretary of Commerce and charged with forecasting business trends during a time of industrial recession and confusion, he subscribes wholly neither to supply-side nor monetarist thinking, but draws rather from what he has called "a more eclectic background," based on experience as well as economic theory. Baldridge's avocation of steer

roping and his membership in the Rodeo Cowboys Association has made him perhaps the most colorful member of the Cabinet.

The oldest of the three children of Malcolm and Helen (Hennell) Baldridge, Howard was born in Omaha, Nebraska, in 1922. He has a brother, a sister, and a public relations wife, Jacqueline Keaton. In the 1920's Howard was in the Nebraska legislature. He served on the Republican ticket for the U.S. House of Representatives in 1954, called, in boyhood, "Malcolm the Nebraskan," and a student at Harvard when he was eight years old. He spent his summer vacation on his family's ranch in Nebraska, where he became a steer roper. During his college years he was a student at Harvard.

Like his father, Baldridge did not go to college, but not to his own disadvantage. About a career led him because he liked to read. He graduated from Yale with a B.A. in 1944. During World War II he was still in progress when he had entered the Army as a private. He served in the artillery brigade of the 1st Marine Division in the Pacific theatre, but was discharged in 1946 in the rank of captain.

A year later Baldridge became a foundry foreman at the Scovill Company in Naugatuck, Conn. He made managing director of the company's brass division in 1951, vice-president in 1957, and president in 1961. His ordinary rise in management was a reflection of the board of Scovill Manufacturing Company. That financially distressed company had sustained a loss of \$131,000 in 1958 and even in 1959 only a disappointing increase. Baldridge joined Scovill in 1958 as president; the following year he gave executive title to the chair of the company.

One of Baldridge's first acts was to reverse the downward trend at Scovill. He cut head expenses 18 percent, reorganized administrative staff, and gave vice-presidents and other group management and gave accountability to chiefs. "Our management is simple and uncluttered," he wrote in an interview with *Time* (May 15, 1966). "It is a responsibility and decision-making process."

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The oldest of the three children of Howard Malcolm Baldrige, a lawyer, and Regina (Connell) Baldrige, Howard Malcolm Baldrige was born in Omaha, Nebraska on October 4, 1922. He has a brother, Robert Connell Baldrige, and a sister, Letitia Baldrige, a writer and a public relations specialist who became well known during the Kennedy Administration as Jacqueline Kennedy's social secretary. In the 1920's Howard M. Baldrige served in the Nebraska legislature; in 1930 he was elected on the Republican ticket to the Seventy-second Congress, for one term in the United States House of Representatives. As his sister has recalled, in boyhood Malcolm "fell in love with horses and cowboys." He started to ride horses when he was eight years old, and later he spent his summer vacations as a \$1-a-day ranch hand on cattle ranches in northwestern Nebraska, where he began to acquire his skills as a steer roper. During the rest of the year he was a student at Hotchkiss School in Connecticut.

Like his father, Baldrige attended Yale University, but not to study law. Uncertainty about a career led him to major in English because he liked to read. When he graduated from Yale with a B.A. degree in 1944, World War II was still in progress. During the preceding year he had entered the United States Army as a private. He later served in the field artillery brigade of the 27th infantry division in the Pacific theatre, before being released in 1946 in the rank of captain.

A year later Baldrige went to work as a foundry foreman at the Eastern Malleable Iron Company in Naugatuck, Connecticut. He was made managing director of its Frazer and Jones division in 1951, vice-president of the company in 1957, and president in 1960. His extraordinary rise in management caught the attention of the board of directors of Scovill Manufacturing Company in nearby Waterbury. That financially distressed brass mill had sustained a loss of \$131,000 on sales of \$121,000,000 in 1958 and even in its better years showed only a disappointing increase in sales. Baldrige joined Scovill in 1962 as executive vice-president; the following year he became president and chief executive officer; in 1969 he took the title of chairman of the board.

One of Baldrige's first moves to reverse the downward trend at Scovill was to cut overhead expenses 18 percent by streamlining the administrative staff, which was top-heavy with vice-presidents and other officers. Eliminating group management and committee meetings, he gave accountability to his several division chiefs. "Our management approach is direct and uncluttered," he explained to Robert A. Wright in an interview for the New York Times (May 15, 1968). "It is based on individual responsibility and decision making, extended

as far down the line as possible. Committees do not make decisions at Scovill."

When Baldrige began reorganizing Scovill, some 55 percent of its earnings depended upon sales of products from its brass mill. But because brass milling is a cyclical business, he sought to diversify the company without, however, making it a conglomerate. Within a few years Scovill was turning out aluminum as well as brass products, had developed through its Hamilton Beach appliance division a highly marketable "hole-in-the-handle" electric carving knife, and had introduced a variety of other items, such as a toothbrush oral hygiene unit, while eliminating less profitable operations. Sales reached \$388,000,000 in 1966, as compared to \$169,300,000 at the time that Baldrige took over Scovill's direction.

Further diversification necessitated the building of ten new plants and raised Scovill's revenues to \$470,200,000 by 1971. That increase followed the acquisition, in 1967, of NuTone, manufacturer of chimes and other built-in home products, and in 1968, of Caradco, one of the country's leading makers of doors and window frames. As reported in *Forbes* (April 1, 1972), Scovill's brass pin division had accumulated some 70,000 retail outlets, for which the firm began to supply electric scissors, needlepoint, fasteners, zippers, and a variety of additional items related to sewing. Among other widely used Scovill products are Yale locks and tire valves. At the end of 1980 Scovill was operating eighty-one plants in the United States and in twenty-two countries abroad. Nearly one-third of its profits in 1979 came from international sales.

While he was reshaping Scovill, Baldrige held directorships in several other companies, including AMF, Inc., in White Plains, New York; Connecticut Mutual Life Insurance Company of Hartford; Bendix Corporation; IBM, Inc.; Eastern Company; and Uniroyal, Inc. He also became a trustee of the Swiss Reinsurance Company and a member of the Business Council and the Council on Foreign Relations, Inc.

"Businessmen today can't wear blinders," Baldrige said in his interview with Wright for the New York Times. "They've got to be active civically and politically or else default their responsibilities to others." Among the many Waterbury community organizations in which he was involved were the Easter Seal Society, as incorporator; the Red Cross, as director and chairman of the 1968 fund drive; and the Waterbury Hospital, as trustee. A member of the NAACP, Baldrige also helped to found the Waterbury Non-Profit Development Corporation, which promoted low-income housing, and to develop employment and recreational opportunities for blacks. As Frank Trippett recounted in *Look* (December 15, 1970), "When 1967 brought racial turbulence to the city, Baldrige, working to defuse tensions, personally stalked the streets and pool halls of the predominantly black North Square section."

In his work with other civic groups Baldrige was chairman of the Waterbury Mayor's Citizens Advisory Committee, member of the Connecticut Governor's Committee on the Status of Women and of the Connecticut Citizens Commission on the State Legislature, and delegate to the Connecticut Constitutional Convention in 1965. His political activities included his service as a member of the Connecticut state Republican budget committee and of the finance committee, of which he was chairman from 1969 to 1972. He was also a member of the platform committee.

Besides holding important positions in his state's political organization, Baldrige has been a delegate to every Republican National Convention since 1964. During the 1968 Presidential campaign he was the Connecticut co-chairman of the United Citizens for Nixon-Agnew. When George Bush decided to seek the 1980 Republican Presidential nomination, he asked Baldrige, a longtime friend, to head his campaign in Connecticut because he felt that he needed a good manager. The Connecticut primary in March 1980 gave Bush one of his few victories over Ronald Reagan in their contest for the nomination. After the 1980 Republican National Convention, Baldrige led a fund-raising drive for his party's candidates as cochairman of the Connecticut Reagan-Bush for President Committee and national vice-chairman of the Business for Reagan-Bush Committee. He has also served as a member of the national Republican finance committee.

On December 11, 1980 President-elect Ronald Reagan announced that he had chosen Malcolm Baldrige as Secretary of Commerce. The Senate confirmed the nomination on January 22, 1981, and the following day he took his oath of office. Shortly after the announcement of his appointment, Baldrige said in a press interview, as quoted in *Congressional Quarterly Weekly Report* (December 20, 1980), that his priorities would be "working on the problem of productivity, helping to increase our exports, and trying to get rid of excessive government regulation." He explained that he would be a member of "a core economic team" endeavoring to win Congressional approval of Reagan Administration policies. He sits on three Cabinet councils: the Council on Commerce and Trade, of which he is chairman, the Council on Economic Affairs, and the Council on Natural Resources.

As a newcomer to Washington, Baldrige was at first troubled by what he once called "an inordinate amount of meetings." Reviewing his experiences as Secretary of Commerce for *U.S. News & World Report* (September 28, 1981), he said, "To my regret, 75 percent are necessary because we must make sure everyone involved is informed. In the private sector, we had almost no committees." He was convinced, however, that business practices could be applied successfully to government. At the Department of Commerce, for example, he tried

especially to introduce "management by objective"—devising plans to meet specific goals. "Leadership really hasn't changed much since man came on earth," he maintained. "But one necessary ingredient is to have a firm idea of where you are going."

"Unwieldy" is the term that many Washington observers apply to the Department of Commerce, a collection of agencies largely concerned with trade and technology. Baldrige does not agree that the department is unmanageable even though, along with the Maritime Administration, which operates the United States Merchant Marine, it includes the National Bureau of Standards, the Patent and Trademark Office, and the Bureau of the Census, among such other divisions as those that measure the Gross National Product and forecast the weather. At the time that Baldrige took office, the department had some 48,000 employees and an annual budget of \$2.8 billion.

Perhaps foremost among the immediately pressing trade questions confronting the new Secretary of Commerce was what to do about the large imports of Japanese cars, which had contributed to the decline in the American automobile industry. Working closely with William Brock, the United States Trade Representative, Baldrige took the lead in insisting that Japan be persuaded to accept voluntary restraints on its exports. By the end of his first year in office, Baldrige had cut his department's budget by about 40 percent. At the same time he expanded its analytical and economic forecasting roles, among other functions, establishing a Bureau of Competitive Assessment, which calculates where each industrial sector will stand by 1990 in worldwide competitive relationships.

Because of his conviction that one of the chief tasks of the Department of Commerce is its promotion of exports, in late 1981 Baldrige fought the plan of David Stockman, director of the Office of Management and Budget, for additional reductions in Commerce spending, primarily operating costs for the Foreign Commercial Service, the Bureau of Industrial Economics, and the Office of Export Development. As a result of Baldrige's protest, as Clyde H. Farnsworth disclosed in the *New York Times* (December 27, 1981), "of the \$174 million slash in funding sought by Mr. Stockman, Mr. Baldrige retained \$155 million."

"It seems I took an 80 percent pay cut to work 80 hours a week," Baldrige remarked in his statement in the fall of 1981 for *U.S. News & World Report*, referring to his transfer from private industry to government service. According to the *Wall Street Journal* (December 12, 1980), his salary at Scovill during the preceding year had been \$342,431. As Secretary of Commerce he earned about \$70,000, only a small part of his 1981 income, which he reported, in compliance with the Ethics in Government Act, exceeded \$1,500,000 and possibly

\$2,500,000. A large share from bonuses, several benefits that he received.

A direct, plainspoken, no-nonsense crusading against inefficiency and abuse of language. In a memo to the Department of Commerce in short sentences, trim modifiers, in a style that between Ernest Hemingway and no bureaucrats.

Among the words to "parameter," "viable," verbs derived from nouns "to interface," and "tolerance with fuzzy" and him to complain in a memo of 1981, "I notice government many people words and phrases that understood completely. I see for talking that kind of conscious urge to cover kind of protection in a vague that it can be in ways on a single is averse to redundant outcome," "future plans," and "end result."

Before he joined the Baldrige, who had become a proper in the 1960's, rodeo as a year as a headman team who lassos while his partner catches 1981 in Phoenix, in his taking office as Secretary won the Professional Rodeo's Man of the Year, enjoying the excitement of finds steer roping to be a tion of timing, rhythm between you and your horse perfectly danced gavotte Ames, who quoted him in *Magazine* (September 20) say of his hobby, "The and natural touch with and self-reliant group of ably left in the U.S.A." moreover, include hold partnership, the South Farms.

Malcolm Baldrige the look and posture ing six feet one inch pounds. In Washington prize saddle in his office Western belt with his goes horseback riding from time to time. On married Margaret Trowbridge have two daughters, Margaret Trowbridge. Mrs. Baldrige husband's interest in a woman to join the volun-

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that many Washingtonians to the Department of Commerce largely and technology. Baldridge that the department is enough, along with the nation, which operates the Marine, it includes Standards, the Patent and the Bureau of the other divisions as those National Product and At the time that Baldridge department had some an annual budget of

among the immediately is confronting the new was what to do about Japanese cars, which had declined in the American Working closely with the United States Trade Representative the lead in insisting to accept voluntary cuts. By the end of his Baldridge had cut his debt about 40 percent. At the led its analytical and roles, among other functions Bureau of Competitive Estimates where each industry by 1990 in worldwide percentages.

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80 percent pay cut to "ok," Baldridge remarked the fall of 1981 for U.S. referring to his transfer to government service. *Street Journal* (December 1981) during the pre-1982, 431. As Secretary of about \$70,000, only a income, which he received with the Ethics in Government \$1,500,000 and possibly

\$2,500,000. A large share of his earnings came from bonuses, severance pay, and pension benefits that he received when he left Scovill.

A direct, plainspoken man, Baldridge has been crusading against Washingtonian wordiness and abuse of language since the spring of 1981. In a memo to employees of the Department of Commerce he urged the writing of short sentences, trimmed of unnecessary modifiers, in a style that would be "halfway between Ernest Hemingway and Zane Grey, with no bureaucratese."

Among the words to which he objected were "parameter," "viable," and "orient," along with verbs derived from nouns, such as "to impact," "to interface," and "to prioritize." His impatience with fuzzy and extraneous language led him to complain in a speech during the summer of 1981, "I noticed when I first came to government many people spoke in multisyllabic words and phrases that I'm not sure even they understood completely. The only reason I could see for talking that kind of talk was a subconscious urge to cover oneself. There is a kind of protection in . . . a recommendation so vague that it can be interpreted two or three ways on a single issue." Baldridge also is averse to redundant phrases such as "final outcome," "future plans," "important essentials," and "end result."

Before he joined the Reagan Administration, Baldridge, who had become a professional steer roper in the 1960's, competed in about ten rodeos a year as a heeler—the rider in a two-man team who lassos the steer's hind legs while his partner catches the horns. In March 1981 in Phoenix, in his first competition since taking office as Secretary of Commerce, he won the Professional Rodeo Cowboys Association's Man of the Year award. Besides enjoying the excitement of competition, Baldridge finds steer roping to be "a beautiful combination of timing, rhythm and coordination between you and your horse that is almost like a perfectly danced gavotte," as he told Lynne Ames, who quoted him in the *New York Times Magazine* (September 20, 1981). He went on to say of his hobby, "The rodeo puts you in close and natural touch with the most independent and self-reliant group of people that are probably left in the U.S.A." His business interests, moreover, include holdings in a cattle-raising partnership, the Southwest Grazing and Macron Farms.

Malcolm Baldridge blends urbanity with the look and posture of a cowboy, standing six feet one inch tall and weighing 175 pounds. In Washington he keeps a lasso and prize saddle in his office, wears a hand-tooled Western belt with his business suits, and goes horseback riding with President Reagan from time to time. On March 31, 1951 Baldridge married Margaret Trowbridge Murray. They have two daughters, Megan Brewster and Mary Trowbridge. Mrs. Baldridge, who shares her husband's interest in civic affairs, was the first woman to join the volunteer fire department in

Waterbury, where the family home is a colonial house on a rural estate large enough to raise horses and cattle.

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Barrett, William (C.)

Dec. 30, 1913- Philosopher; critic. Address: h. 34 Harwood Ave., North Tarrytown, N.Y. 10591

With the publication of his memoir *The Truants: Adventures Among the Intellectuals*, William Barrett has emerged as a leading chronicler of the post-World War II generation of radical New York intellectuals. An associate editor of *Partisan Review*, which in the late 1940's and 1950's was the nation's most influential literary and political journal, Barrett worked with such prominent writers as Philip Rahv, Mary McCarthy, Dwight Macdonald, Hannah Arendt, and Delmore Schwartz, the ill-fated poet who for many years was Barrett's closest friend. Also one of the best-known philosophers in the United States, Barrett was at the center of a small group of philosophers who, after World War II, introduced European existentialism to America. Although Barrett was a Marxist with Trotskyist leanings in his

Bucking the Trend

At Solectron, High Tech Doesn't Mean High Wreck

By CHARLES BIDERMAN

COMPUTER manufacturers throughout the world are suffering from a painful ailment: shrinking operating margins. From 1980 to 1990, the 16 largest U.S. high-tech producers saw their combined operating margins more than cut in half, from almost 18% to less than 9%. The movement to non-proprietary systems and networks, plus an increasingly shorter product cycle, has made computer hardware more and more of a commodity item.

All this bad news, however, has created good news for contract manufacturers, who occupy probably the most rapidly growing segment of the high-tech sphere. Of the three industry leaders, only one—San Jose, Calif.-based Solectron Corp.—is public.

"Whenever I see large companies struggle with the competitive cost problem, I see opportunities," exclaims Walt Wilson, the company's senior vice president of operations.

Solectron's forte, according to President KO Nishimura, is its ability to use a leading-edge knowledge of process manufacturing technology to improve customers' cash flows and to help them launch new products more quickly than they could on their own.

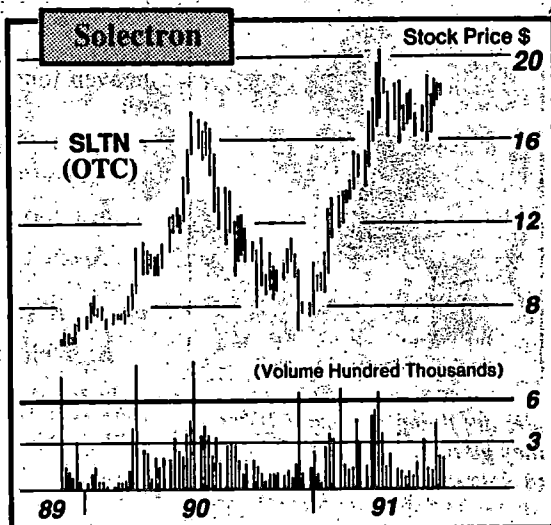
Solectron was recently picked by Librex, a Nippon Steel subsidiary, to manufacture a laptop computer in the U.S. It was one of the few times that a Japanese outfit has used an American company to produce an entire high-tech product. The relationship with Nippon Steel simply reinforces Solectron's reputation for quality.

"Whenever I see large companies struggle, I see opportunities."

The company has built up a long roster of demanding clients, including Sun Microsystems, IBM, Exabyte, Conner Peripherals, Honeywell, Applied Materials, Siemens and Apple.

Solectron's sales soared from \$60 million in fiscal 1987 to \$205 million in fiscal 1990. For fiscal 1991, which ends next

Charles Biderman is editor of *Market Trim Tabs*, a stock-market newsletter published in Santa Rosa, Calif.



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month, sales will be around \$260 million. In comparison, Solectron's top rival, Avex Electronics, a unit of privately owned J.M. Huber, has an estimated \$250 million-\$300 million a year in sales. The No. 3 company in the high-tech contract manufacturing business, Jabil Corp., has revenues of around \$200 million a year.

Solectron's profits have risen apace. Earnings this year should climb to around \$9 million, or \$1.35 a share, vs. \$7.44 million, or \$1.26, in fiscal '90. Next year, earnings could rise to around \$1.65-\$1.75 a share.

While building up its business, Solectron has been able to push its after-tax return on equity to 25%, and its cash-flow return on equity has been a whopping 40%-plus per year. That means that the company is generating excess cash, not using all its greenbacks to feed growth. Long-term debt amounts to about \$14 million, a sum equal to about 25% of the company's capital.

Susan Wang, Solectron's chief financial officer, says it normally takes anywhere from six months to two years to sign up a new customer. The pitch usually starts with a demonstration of the cash savings available by using contract manufacturing. Solectron claims to be able to purchase raw materials more cheaply and to use them more cost-effectively. Solectron executives say that, while most larger high-tech manufacturers have a shop rate cost of \$50-\$100 per hour, its costs are only \$20-\$25 in the U.S. and just \$6-\$11 in its new plant in Malaysia.

In contrast, shop costs in Japan are even higher than in the U.S. (owing to utility costs that are triple those here, plus much higher rents).

To bring a new product to market, a potential customer with, say, \$50 million in annual

sales would typically have to invest one to two years and \$8.3 million in inventory and equipment.

Solectron claims that it

could do the same job in six months, while cutting the customer's investment in equipment and inventory to just \$1.1 million. With Solectron's fees thrown in, the company could still save several million dollars.

Solectron was founded in 1977 by Roy Kusomoto, a Silicon Valley engineer. The current chairman, Winsten Chen, joined the company a year later after leaving IBM, where he had helped develop laser printers and various disk-drive products.

That a high percentage of Solectron's top management of Asian-American heritage certainly won't hurt the company in its efforts to woo Japanese and other Far Eastern customers. President Nishimura, who speaks Japanese, says that Solectron offers a blend of Japanese *kaizen* (continuous improvement) manufacturing techniques and American computer-aided management. With

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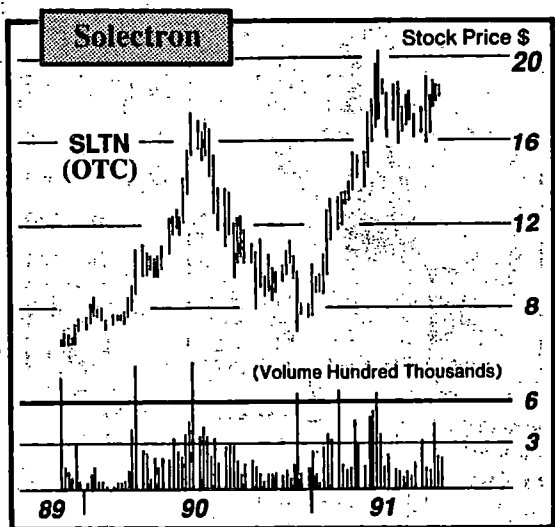
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*Source: IBC/Donoghue's Money Fund Report for 2/23/89-6/30/91 during which of which are now being borne by the Fund. Had expenses not been absorbed, Fund be no guarantee that the Fund will be able to maintain a stable net asset value of shares insured or guaranteed by the U.S. Government. Yield fluctuates. Past performance not guaranteed. Dreyfus Service Corporation, Distributor.

the Trend

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obvious pride, Nishimura adds that his management cadre is at the front edge of high-tech manufacturing knowledge.

Solectron has 40 process engineers and 35 quality-control engineers. That has enabled it to start shipping new products, such as a complex motherboard for a computer workstation, within eight weeks of start-up and with very high quality.

The company now operates 19 assembly lines, 18 in California and one in Malaysia. Wilson, the senior vice president for operations, says that Solectron is running at about 90% of capacity. However, the company plans to expand its manufacturing capacity in Malaysia, the U.S. and perhaps elsewhere.

CFO Wang just came back from Scotland, where she was looking for a potential site in Europe, which is virtually untapped territory high-tech contract manufacturing.

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His manhood breathes in every line,—
Was ever heart more human?

O. W. HOLMES, *For the Burns Centennial Celebration*.

¹ 'Tis but a cot roofed in with straw, a hovel
built of clay;

One door shuts out the snow and storm, one
window greets the day.

And yet I stand within this room and hold all
thrones in scorn,

For here, beneath this lowly thatch, love's
sweetest bard was born.

R. G. INGERSOLL, *The Burns Cottage in Ayr*.

² Each little lyrical

Grave or satirical

Musical miracle!

F. L. KNOWLES, *On a Fly-Leaf of Burns's Songs*.

³ A dreamer of the common dreams,
A fisher in familiar streams,

He chased the transitory gleams
That all pursue;

But on his lips the eternal themes
Again were new.

WILLIAM WATSON, *The Tomb of Burns*.

He came when poets had forgot
How rich and strange the human lot;

How warm the tints of Life; how hot
Are Love and Hate:

And what makes Truth divine, and what
Makes Manhood great.

WILLIAM WATSON, *The Tomb of Burns*.

His greatness, not his littleness,
Concerns mankind.

WILLIAM WATSON, *The Tomb of Burns*.

⁴ Give lettered pomp to teeth of Time,
So "Bonnie Doon" but tarry:

Blot out the epic's stately rhyme,
But spare his Highland Mary!

WHITTIER, *Burns*. St. 29.

⁵ I mourned with thousands, but as one
More deeply grieved, for he was gone
Whose light I hailed when first it shone,
And showed my youth

How verse may build a princely throne
On humble truth.

WORDSWORTH, *At the Grave of Burns*. St. 6.

BUSINESS

See also Commerce, Corporations, Finance

I—Business: Apothegms

⁶ Business tomorrow. (Οὐκοῦν εἰς αὔριον τὰ σπουδαία.)

ARCHIAS, to a messenger who arrived during a banquet with a letter which he said should be read at once, since it was on serious business. It contained warning of a plot to assassinate

Archias, but he slipped it unread under the pillow of his couch, and a few minutes later the assassins broke in and killed him. "Wherefore," says Plutarch, "these words of his are a current proverb to this day among the Greeks." (PLUTARCH, *Lives: Pelopidas*. Ch. 10, sec. 4.)

⁷ The playthings of our elders are called business. (Majorum nugæ negotia vocantur.)
ST. AUGUSTINE, *Confessions*. Bk. i, sec. 15.

⁸ Come home to men's business and bosoms.
FRANCIS BACON, *Essays: Dedication to the Duke of Buckingham*.

⁹ Mr. Morgan buys his partners; I grow my own.

ANDREW CARNEGIE. (HENDRICK, *Life*.)

¹⁰ Steel is Prince or Pauper.

ANDREW CARNEGIE. (HENDRICK, *Life*.)

Homestead, Braddock, Birmingham, they make
their steel with men.

Smoke and blood is the mix of steel.

CARL SANDBURG, *Smoke and Steel*.

¹¹ Keep thy shop, and thy shop will keep thee.

GEORGE CHAPMAN, *Eastward Hoe*. Act i, sc. 1. (1610) Attributed to Sir William Temple by Steele. (*Spectator*, No. 509.)

Mind your till and till your mind.

C. H. SPURGEON, *Salt-Cellars*.

¹² You foolish man, you don't even know your own foolish business.

LORD CHESTERFIELD, to John Amstis, the Garter King of Arms. (JESSE, *Memories of the Courts of the Stuarts: Nassau and Hanover*.)

You silly old fool, you don't even know the alphabet of your own silly business.

Attributed to JUDGE WILLIAM HENRY MAULE, speaking to a witness in his court.

A silly old man who does not understand even his silly old trade.

Attributed to RICHARD BETHELL, first Baron Westbury, while Lord Chancellor, speaking of a witness from the Herald's College.

¹³ This business will never hold water.

COLLEY CIBBER, *She Wou'd and She Wou'd Not*. Act iv.

¹⁴ Like inscriptions over the graves of dead businesses.

DICKENS, *Our Mutual Friend*. Bk. i, ch. 14.

¹⁵ Whose talk is of bullocks.

Apocrypha: *Ecclesiasticus*, xxxviii, 25.

¹⁶ Sir, it was my partner made that bargain, not myself; and I don't hold myself bound by it, for he is the sleeping partner only, and not empowered to act in the way of business.

MARIA EDGEWORTH, *The Absentee*. Ch. 1.

BUSINESS

BUSINESS

¹ Drive thy business or it will
BENJAMIN FRANKLIN, *Poor Richard*.

² The citizen is at his business
GEORGE HERBERT, *Jacula Prudentis*.

³ Ask the grave tradesman to die
He ne'er deceives but when he
JOHN GAY, *Trivia*. Bk. ii, l. 71.

⁴ And, if you want it, he
Makes a reduction on taking it
W. S. GILBERT, *The Sorcerer*.

⁵ Business is other people's money
fares, c'est l'argent des autres
MADAME DE GIRARDIN, *Marguerite*. 104. (1852)

Business? That's very simple—it's money. (Les affaires? C'est bien l'argent des autres.)
ALEXANDRE DUMAS, fils, *La Quinze-Vingts*. Act ii, sc. 7. (1857)

⁶ Lord Stafford mines for coal
The Duke of Norfolk deals in
The Douglas in red herrings.
FITE-GREENE HALLECK, *Alnwick*.

⁷ I attend to the business of other
ing lost my own. (Aliena negotia cussus propriis.)
HORACE, *Satires*. Bk. ii, sat. 3, l. 1.

Have you so much time to spare
business that you can attend to
with which you have no concern
ad re tuast oti tibi Aliena ut cure te attinent?)

TERENCE, *Heauton Timorumenos*. i, sc. 1.)

Let every man mind his own business
CERVANTES, *Don Quixote*. Pt. i.

Each one to his trade; then would
well cared for.

FLORIAN, *Le Vacher et le Garçon*.

"If everybody minded their own business
Duchess said, in a hoarse growl, "they
go round a great deal faster than
LEWIS CARROLL, *Alice's Adventures Under Ground*, p. 84.

⁸ Never fear the want of business
qualifies himself well for his
fails of employment.

THOMAS JEFFERSON, *Writings*.

⁹ The ugliest of trades have their
pleasure. Now, if I were a
even a hangman, there are some
could work for with a great content.

DOUGLAS JERROLD, *Jerrold's Wit*.

¹⁰ The sign brings customers.
LA FONTAINE, *Fables*. Bk. vii, f.

he slipped it unread under the
s couch, and a few minutes later
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The Absentee. Ch. 1.

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BENJAMIN FRANKLIN, *Poor Richard*, 1758.

2 The citizen is at his business before he rises.
GEORGE HERBERT, *Jacula Prudentum*.

3 Ask the grave tradesman to direct thee right;
He ne'er deceives but when he profits by 't.
JOHN GAY, *Trivia*. Bk. ii, l. 71.

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W. S. GILBERT, *The Sorcerer*. Act i.

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ALEXANDRE DUMAS, fils, *La Question d'Argent*.
Act ii, sc. 7. (1857)

6 Lord Stafford mines for coal and salt,
The Duke of Norfolk deals in malt,
The Douglas in red herrings.
FITZ-GREENE HALLECK, *Alnwick Castle*.

7 I attend to the business of other people, hav-
ing lost my own. (Aliena negotia curo, Ex-
cussus propriis.)

HORACE, *Satires*. Bk. ii, sat. 3, l. 19.

Have you so much time to spare from your own
business that you can attend to another man's
with which you have no concern? (Tantumne
ad re tuast oti tibi Aliena ut cures ea quæ nil ad
te attinent?)

TERENCE, *Heauton Timorumenos*, l. 75. (Act
i, sc. 1.)

Let every man mind his own business.

CERVANTES, *Don Quixote*. Pt. i, ch. 8.

Each one to his trade; then would the cows be
well cared for.

FLORIAN, *Le Vacher et le Garde-chasse*.

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Duchess said, in a hoarse growl, "the world would
go round a great deal faster than it does."

LEWIS CARROLL, *Alice's Adventures in Won-
derland*, p. 84.

8 Never fear the want of business. A man who
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fails of employment.

THOMAS JEFFERSON, *Writings*. Vol. viii, p. 385.

9 The ugliest of trades have their moments of
pleasure. Now, if I were a grave-digger, or
even a hangman, there are some people I
could work for with a great deal of enjoy-
ment.

DOUGLAS JERROLD, *Jerrold's Wit: Ugly Trades*.

10 The sign brings customers.

LA FONTAINE, *Fables*. Bk. vii, fab. 15.

11 Business today consists in persuading crowds.
GERALD STANLEY LEE, *Crowds*. Bk. ii, ch. 5.

A man's success in business today turns upon his
power of getting people to believe he has some-
thing that they want.

GERALD STANLEY LEE, *Crowds*. Bk. ii, ch. 9.

12 When I see a merchant over-polite to his
customers, begging them to taste a little
brandy and throwing half his goods on the
counter—thinks I, that man has an axe to
grind.

CHARLES MINER, *Essays from the Desk of Poor
Robert the Scribe: Who'll Turn Grindstones?*
(1815) in *Luzerne Federalist*, 7 Sept., 1810.

13 Business is business. (Les affaires sont les
affaires.)

OCTAVE MIRBEAU. Title of play, produced at
Comédie Française, Paris, 20 April, 1903.

"Business is business," the Little Man said,
"A battle where 'everything goes,'
Where the only gospel is 'get ahead,'
And never spare friends or foes."
BERTON BRALEY, *Business is Business*.

14 Strife never; business seldom; a quiet mind.
(Lis numquam, toga rara, mens quieta.)

MARTIAL, *Epigrams*. Bk. x, epig. 47, l. 5. A
prescription for a happy life.

15 Good merchandise finds a ready buyer.
(Proba mers facile emptorem reperit.)
PLAUTUS, *Pænulus*, l. 342. (Act i, sc. 2.)

Ill ware is never cheap. Pleasing ware is half sold.
GEORGE HERBERT, *Jacula Prudentum*.

16 Not slothful in business; fervent in spirit.
New Testament: Romans, xii, 11.

17 We demand that big business give people a
square deal.

THEODORE ROOSEVELT, *Letter*, when suit was
brought to dissolve the Steel Trust.

18 It is easy to escape from business, if you
will only despise the rewards of business.
(Facile est autem occupationes evadere, si
occupationum pretia contempseris.)

SENECA, *Epistula ad Lucilium*. Epis. xxii, sec. 9.

19 Every man has business and desire,
Such as it is.

SHAKESPEARE, *Hamlet*. Act i, sc. 5, l. 130.

Has this fellow no feeling of his business?

SHAKESPEARE, *Hamlet*. Act v, sc. 1, l. 73.

This weighty business will not brook delay.

SHAKESPEARE, *II Henry VI*. Act i, sc. 1, l. 170.

20 I am ill at reckoning; it fitteth the spirit of
a tapster.

SHAKESPEARE, *Love's Labour's Lost*. Act i,
sc. 2, l. 42.

¹ To things of sale a seller's praise belongs.
SHAKESPEARE, *Love's Labour's Lost*. Act iv, sc. 3, l. 240.

² A man who has no office to go to—I don't care who he is—is a trial of which you can have no conception.

BERNARD SHAW, *The Irrational Knot*. Ch. 18.

³ Except during the nine months before he draws his first breath, no man manages his affairs as well as a tree does.

BERNARD SHAW, *Maxims for Revolutionists*.

⁴ Everyone lives by selling something.

R. L. STEVENSON, *Beggars*.

⁵ Neither above nor below his business. (Par negotiis neque supra.)

TACITUS, *Annals*. Bk. vi, sec. 39.

He who thinks his business below him, will always be above his business.

THOMAS FULLER, *Gnomologia*. No. 2333.

Those that are above business.

MATTHEW HENRY, *Commentaries: Matthew xx*.

⁶ We are all proud or humble, according as our business prospers or fails. (Omnibus nobis ut res dant sese, ita magni atque humiles sumus.)

TERENCE, *Hecyra*, l. 380. (Act iii, sc. 2.)

⁷ And that ye study to be quiet, and to do your own business.

New Testament: *1 Thessalonians*, iv, 11.

⁸ I have postponed my serious business for their sport. (Posthabui tamen illorum mea seria ludo.)

VERGIL, *Eclogues*. No. vii, l. 17.

⁹ I remember that a wise friend of mine did usually say, "That which is everybody's business is nobody's business."

ISAAC WALTON, *The Compleat Angler*. Pt. i, ch. 2. (Third edition.)

Everybody's business is nobody's business.

MACAULAY, *Essays: Hallam's Constitutional History*. (1828) Quoted as an "old maxim."

¹⁰ I cannot sit still, James, and hear you abuse the shopocracy.

JOHN WILSON, *Noctes Ambrosianæ*. No. 39.

¹¹ Go to your business, pleasure, whilst I go to my pleasure, business.

WYCHERLEY, *The Country Wife*. Act ii.

Business was his aversion; pleasure was his business.

MARIA EDGEWORTH, *The Contrast*. Ch. 1. See also under PLEASURE.

II—Business: Its Virtues

¹² Business is really more agreeable than pleasure; it interests the whole mind . . . more deeply. But it does not look as if it did.

WALTER BAGEHOT, *English Constitution*, p. 117.

¹³ I have always recognized that the object of business is to make money in an honorable manner. I have endeavored to remember that the object of life is to do good.

PETER COOPER, *Speech*, at a reception given in his honor in 1874. (*Dict. of American Biog.*, iv, 410.)

¹⁴ A business with an income at its heels
Furnishes always oil for its own wheels.

COWPER, *Retirement*, l. 615.

¹⁵ Business is the salt of life.

THOMAS FULLER, *Gnomologia*. No. 1026.

¹⁶ Without business, debauchery.

GEORGE HERBERT, *Jacula Prudentum*. See also under DEVIL.

¹⁷ The aim of all legitimate business is service, for profit, at a risk.

BENJAMIN C. LEEMING, *Imagination*.

¹⁸ There is no better ballast for keeping the mind steady on its keel, and saving it from all risk of crankiness, than business.

J. R. LOWELL, *Among My Books: New England Two Centuries Ago*.

¹⁹ Cherish the little trade which thou hast learned and be content therewith. (Τὸ τεχνίον, ὃ ἐμάθες, φίλει, τοῦτ' ἐπισταμένει.)

MARCUS AURELIUS, *Meditations*. Bk. iv, sec. 31

²⁰ Seest thou a man diligent in his business? he shall stand before kings; he shall not stand before mean men.

Old Testament: *Proverbs*, xxii, 29.

²¹ To business that we love we rise betime,
And go to 't with delight.

SHAKESPEARE, *Antony and Cleopatra*. Act iv, sc. 4, l. 20.

III—Business: Its Faults

²² The market is a place set apart where men may deceive each other.

ANACHARSIS. (DIOGENES LAERTIUS, *Anacharsis* Sec. 5.)

²³ Look round, look up, and feel, a moment's space,
That carpet-dusting, though a pretty trade,
Is not the imperative labour after all.

E. B. BROWNING, *Aurora Leigh*. Bk. i, l. 878.

The buying and the selling, and the strife
Of little natures.

ROBERT BUCHANAN, *De Berney*.

¹ I care not a fig for the cares of business;
Politics fill me with doubt and dizziness.

ROBERT BUCHANAN, *Fine Weather on the Dignitia*. St. 4.

² Thou shalt not covet: but tradition
Approves all forms of competition.

ARTHUR HUGH CLOUGH, *The Latest Decalogue*.

³ Hackney'd in business, wearied at that oar
Which thousands, once fast chain'd to, quit
no more.

COWPER, *Retirement*, l. 1.

Stamps God's own name upon a lie just made,
To turn a penny in the way of trade.

COWPER, *Table Talk*, l. 420.

⁴ We must hold a man amenable to reason for the choice of his daily craft or profession. It is not an excuse any longer for his deeds that they are the custom of his trade. What business has he with an evil trade? Has he not a calling in his character?

EMERSON, *Essays, First Series: Spiritual Laws*.

The ways of trade are grown selfish to the borders of theft, and supple to the borders (if not beyond the borders) of fraud.

EMERSON, *Nature Addresses and Essays: Man the Reformer*.

⁵ Why so serious, why so grave?
Man of business, why so muddy?
Thyself from chance thou canst not save
With all thy care and study.

Look merrily then, and take thy repose;
For 'tis to no purpose to look so forlorn,
Since the world was as bad before thou wert
born,

And when it will mend who knows?

THOMAS FLATMAN, *The Whim*.

⁶ When a man's business does not fit him, 'tis as oftentimes with a shoe—if too big for the foot it will trip him, if too small, will chafe. (Cui non conveniet sua res, ut calceus olim, Si pede major erit, subvertet, si minor, uret.)

HORACE, *Epistles*. Bk. i, epis. 10, l. 42.

⁷ The rust of business is sometimes polished off in a camp, but never in a court. (L'air bourgeois se perd quelquefois à l'armée, mais il ne se perd jamais à la cour.)

LA ROCHEFOUCAULD, *Maximes*. No. 393.

⁸ Curse on the man who business first designed,
And by 't enthralled a free-born lover's mind!

JOHN OLDHAM, *Complaining of Absence*.

The lover too shuns business.

COWPER, *Retirement*, l. 219.

⁹ Swear, fool, or starve; for the dilemma's even;

A tradesman thou! and hope to go to Heav'n?
PERSIUS, *Satires*. Sat. v, l. 168. (Dryden, tr., l. 204.)

He looked upon the whole generation of woollen-drappers to be such despicable wretches that no gentleman ought to pay them.

SAMUEL JOHNSON, *The Rambler*. No. 9.

¹⁰ How happy the life unembarrassed by the cares of business! (Quam est felix vita, quam sine odiis transiit.)

PUBLILIUS SYRUS, *Sententiae*. No. 725.

¹¹ Bad is the trade that must play fool to sorrow.

SHAKESPEARE, *King Lear*. Act iv, sc. 1, l. 40.

Half way down

Hangs one that gathers samphire, dreadful trade!
SHAKESPEARE, *King Lear*. Act iv, sc. 6, l. 14.

¹² Of all the damnable waste of human life that ever was invented, clerking is the very worst.

BERNARD SHAW, *Misalliance*, p. 70.

This counter-caster.

SHAKESPEARE, *Othello*. Act i, sc. 1, l. 31.

IV—Business: Its Dispatch

¹³ Talk of nothing but business and dispatch that business quickly.

ALDUS, placard on the door of his printing office. (T. F. DIBDIN, *Introduction to the Knowledge of Rare and Valuable Editions of the Greek and Latin Classics*, p. 436.)

¹⁴ There is nothing more requisite in business than despatch.

ADDISON, *The Drummer*. Act v, sc. 1.

¹⁵ Of all virtues for rising to honour, quickness of despatch is the best; for superiors many times love not to have those they employ too deep or too sufficient, but ready and diligent.

FRANCIS BACON, *Advancement of Learning: Civil Knowledge*. Sec. 9.

¹⁶ Business dispatched is business well done, but business hurried is business ill done.

BULWER-LYTTON, *Caxtoniana: Readers and Writers*.

¹⁷ Despatch is the soul of business.

LORD CHESTERFIELD, *Letters*, 5 Feb., 1750.

¹⁸ Cecil's despatch of business was extraordinary, his maxim being, "The shortest way to do many things is to do only one thing at once."

SAMUEL SMILES, *Self-Help*. Ch. 9.

V—Business and Busyness

¹⁹ Nowhere so busy a man as he there was,
And yet he seemed busier than he was.

CHAUCER, *Canterbury Tales: Prologue*, l. 321.

¹ Who more busy than he that hath least to do?
THOMAS DRAXE, *Biblio. Scho. Inst.*, 20. (1633)

² To be too busy gets contempt.
GEORGE HERBERT, *Jacula Prudentum*.

³ Without any sort of business, is forever busy. (Sans aucune affaire, est toujours affairé.)

MOLIERE, *Le Misanthrope*. Act ii, sc. 4, l. 30.

⁴ Nor will he be in business for the mere sake of being busy. (Nec in negotiis erit negotii causa.)

SENECA, *Epistulae ad Lucilium*. Epis. xxii, 8.

⁵ No one is so busy as the man who has nothing to do. (Il n'y a pas de gens plus affairés que ceux qui n'ont rien à faire.)

UNKNOWN. A French proverb. See also LEISURE.

BUTCHER

⁶ He would have made a good butcher, but for the by-blow.

JOHN CLARKE, *Paræmiologia*, 77. (1639)

⁷ Butchers! whose hands are dy'd with blood's foul stain,

And always foremost in the hangman's train.
JOHN GAY, *Trivia*. Bk. ii, l. 43.

⁸ Whoe'er has gone thro' London Street,
Has seen a Butcher gazing at his meat,

And how he keeps

Gloating upon a sheep's

Or bullock's personals, as if his own;

How he admires his halves

And quarters—and his calves,

As if in truth upon his own legs grown;—

His fat! his suet!

His kidneys peeping elegantly thro' it!

THOMAS HOOD, *A Butcher*.

Of brutal juices the whole man is full,—

In fact, fulfilling the metempsychosis,

The Butcher is already half a Bull.

THOMAS HOOD, *A Butcher*.

⁹ A sturdy man he look'd to fell an ox,
Bull-fronted, ruddy, with a formal streak
Of well-greas'd hair down either cheek.

THOMAS HOOD, *Ode to Rae Wilson*, l. 428.

¹⁰ Where is that devil's butcher?

SHAKESPEARE, *III Henry VI*. Act v, sc. 5, l. 77.

Like to a mortal butcher bent to kill.

SHAKESPEARE, *Venus and Adonis*, l. 618.

¹¹ The butcher looked for his knife and it was in his mouth.

SWIFT, *Polite Conversation*. Dial. 1.

He'd with his candle look for his knife,
Which he had in his mouth.

UNKNOWN, *Roxburghe Ballads*, iii, 321.

¹² Beef on the butcher's stall, the slaughter-house of the butcher, the butcher in his killing-clothes.

WALT WHITMAN, *A Song For Occupations*. Sec. v, l. 26.

¹³ Begot by butchers, but by bishops bred,
How high his honour holds his haughty head.
UNKNOWN, *Epigram on Wolsey*.

BUTTERCUP

¹⁴ The royal kingcup bold

Dares not don his coat of gold.

EDWIN ARNOLD, *Almond Blossoms*.

¹⁵ He likes the poor things of the world the best;
I would not, therefore, if I could, be rich.
It pleasures him to stoop for buttercups.

E. B. BROWNING, *Aurora Leigh*. Bk. iv, l. 210.

¹⁶ All will be gay when noontide wakes anew
The buttercups, the little children's dower.

ROBERT BROWNING, *Home Thoughts from Abroad*.

¹⁷ When daisies and buttercups gladdened my sight,

Like treasures of silver and gold.

THOMAS CAMPBELL, *Field Flowers*.

¹⁸ The buttercups across the field
Made sunshine rifts of splendor.

DINAH MARIA MULOCK CRAIK, *A Silly Song*.

¹⁹ The buttercups, bright-eyed and bold,
Held up their chalices of gold

To catch the sunshine and the dew.

JULIA C. R. DORR, *Centennial Poem*, l. 165.

²⁰ I'm called little Buttercup,

Dear little Buttercup,

Though I could never tell why.

W. S. GILBERT, *H.M.S. Pinafore*. Act I.

²¹ Buttercups and daisies,

Oh, the pretty flowers;

Coming ere the spring time,

To tell of sunny hours. . . .

He who gave them hardships

And a life of care,

Gave them likewise hardy strength

And patient hearts to bear.

MARY HOWITT, *Buttercups and Daisies*.

²² And O the buttercups! that field

O' the cloth of gold, where pennons
swam— . . .

What was it to their matchless sheen,

Their million million drops of gold

Among the green!

JEAN INGELOW, *The Letter L: Present*. St. 3.

²³ And still a tiny fan turns

Above a forge of gold.

To keep, with fairy lanterns,
The world from growing old
WILFRED THORLEY, *Buttercup*.

BUTTERFLY

¹ I'd be a butterfly, born in a
Where roses and lilies and vi
THOMAS HAYNES BAYLY, *I'd*

² And all about her wheeled all
Butterflies all gold.
JOHN DAVIDSON, *Butterflies*.

³ I'll make my joy like this
Small Butterfly;

Whose happy heart has power
To make a stone a flower.
WILLIAM H. DAVIES, *The Ex*

⁴ Thou spark of life that w
gold,

Thou songless wanderer m
birds,

With Nature's secrets in
rolled. . . .

Thou winged blossom, liber.

But thou art Nature's freem
T. W. HIGGINSON, *Ode to a l*

⁵ We saw a snow-white butter
Dancing before the fitful ;

Far out at sea.

RICHARD HENGIST HORNE, *G*

⁶ There was never a Queen li
From here to the wide wo

And Balkis talked to a butt

As you would talk to a

RUDYARD KIPLING, *Just-So*

terfly that Stamped.

⁷ There will be butterflies,

There will be summer skies

And flowers upthrust,

When all that Cæsar bids,

And all the pyramids

Are dust.

HANIEL LONG, *Butterflies*.

⁸ The butterfly, an idle thing

Nor honey makes, nor yet

And though from flower to

My stock of wisdom I'll

Nor be a butterfly.

ADELAIDE O'KEEFE, *The B*

⁹ Who breaks a butterfly up

POPE, *Epistle to Dr. Arbuth*

¹⁰ Exquisite child of the air.

ALICE FREEMAN PALMER, *i*

¹¹ This was your butterfly, y

His fine wings made him

II—Work: Its Necessity

¹ It is the first of all problems for a man to find out what kind of work he is to do in this universe.

THOMAS CARLYLE, *Inaugural Address*, Edinburgh, 2 April, 1866.

That which each can do best, none but his Maker can teach him.

EMERSON, *Essays, First Series: Self-Reliance*.

On bravely through the sunshine and the showers, Time hath his work to do, and we have ours.

EMERSON, *The Man of Letters: Motto*.

² I must work the works of him that sent me, while it is day: the night cometh, when no man can work.

New Testament: John, ix, 4.

Man goeth forth unto his work and to his labour until the evening.

Old Testament: Psalms, civ, 23.

³ Hear ye not the hum of mighty workings?
KEATS, *Sonnet*. No. xiv.

⁴ Heirs of more than royal race,
Framed by heaven's peculiar grace
God's own work to do on earth!

JOHN KEBLE, *The Christian Year: Palm Sunday*.

⁵ My new-cut ashlar takes the light
Where crimson-blank the windows flare;
By my own work, before the night,
Great Overseer, I make my prayer.

RUDYARD KIPLING, *A Dedication*.

Father, I scarcely dare to pray,
So clear I see, now it is done,
How I have wasted half my day,
And left my work but just begun.

HELEN HUNT JACKSON, *A Last Prayer*.

⁶ But till we are built like angels—with hammer
and chisel and pen,
We will work for ourself and a woman, for
ever and ever, amen.

RUDYARD KIPLING, *An Imperial Rescript*.

This we learned from famous men,
Knowing not its uses,
When they showed, in daily work,
Man must finish off his work—
Right or wrong, his daily work—
And without excuses.

RUDYARD KIPLING, *A School Song*.

⁷ The Sons of Mary seldom bother, for they
have inherited that good part;
But the Sons of Martha favour their Mother
of the careful soul and the troubled
heart.

And because she lost her temper once, and because she was rude to the Lord her Guest,
Her Sons must wait upon Mary's Sons, world
without end, reprieve, or rest.

RUDYARD KIPLING, *The Sons of Martha*. St. 1.

And the Sons of Mary smile and are blessed—they know the angels are on their side.

They know in them is the Grace confessed, and for them are the Mercies multiplied.

They sit at the Feet—they hear the Word—they see how truly the Promise runs.

They have cast their burden upon the Lord, and—the Lord He lays it on Martha's Sons!

RUDYARD KIPLING, *The Sons of Martha*. St. 8.

And Jesus answered and said unto her, Martha, Martha, thou art careful and troubled about many things: But one thing is needful; and Mary has chosen that good part, which shall not be taken away from her.

New Testament: Luke, x, 41, 42.

⁸ Each morning sees some task begin,
Each evening sees it close;

Something attempted, something done,
Has earned a night's repose.

H. W. LONGFELLOW, *The Village Blacksmith*.

⁹ No man is born into the world whose work
Is not born with him; there is always work,
And tools to work withal, for those who will.

J. R. LOWELL, *A Glance Behind the Curtain*, l. 202.

¹⁰ The field, the wheel, the desk have called once
more,

And we have stooped to pick the slender
threads

By which we weave the patterns of our pride.

SCUDDER MIDDLETON, *Jezebel*.

¹¹ Man hath his daily work of body or mind
Appointed.

MILTON, *Paradise Lost*. Bk. iv, l. 618.

¹² The work of the world must still be done,
And minds are many though truth be one.

HENRY NEWBOLT, *The Echo*.

¹³ Establish thou the work of our hands upon
us: yea, the work of our hands establish thou
it.

Old Testament: Psalms, xc, 17.

¹⁴ Work, as though work alone thine end could
gain;

But pray to God as though all work were vain.
D'ARCY WENTWORTH THOMPSON, *Sales Attici*.
Paraphrasing Euripides.

¹⁵ O men, the greatest part of our work is accomplished; away with all fear as to what remains. (Maxima res effecta, viri; timor omnis abesto Quod superest.)

VERGIL, *Aeneid*. Bk. xi, l. 14.

III—Work: A Blessing

See also Labor: A Blessing

¹⁶ It is work which gives flavor to life.

AMIEL, *Journal*, 21 March, 1881.

¹ Don't worry and fret, faint-hearted,
The chances have just begun,
For the best jobs haven't been started,
The best work hasn't been done.
BERTON BRALEY, *No Chance*.

² Get leave to work
In this world,—'tis the best you get at all.
E. B. BROWNING, *Aurora Leigh*. Bk. iii, l. 164.

Free men freely work:
Whoever fears God, fears to sit at ease.
E. B. BROWNING, *Aurora Leigh*. Bk. viii, l. 784.

³ Man's work is to labour and leaven—
As best he may—earth here with heaven;
'Tis work for work's sake that he's needing
ROBERT BROWNING, *Of Pacchiarotto*. St. 21.

⁴ Work is a grand cure for all the maladies and miseries that ever beset mankind—honest work, which you intend getting done.

THOMAS CARLYLE, *Inaugural Address*, Edinburgh, 2 April, 1866.

Genuine Work alone, what thou workest faithfully, that is eternal, as the Almighty Founder and World-Builder himself

CARLYLE, *Past and Present*. Bk. ii, ch. 17.

All work . . . is noble, work is alone noble.
CARLYLE, *Past and Present*. Bk. iii, ch. 4.

Blessed is he who has found his work; let him ask no other blessedness.

CARLYLE, *Past and Present*. Bk. iii, ch. 11.

The "wages" of every noble work do yet lie in Heaven or else nowhere.

CARLYLE, *Past and Present*. Bk. iii, ch. 12.

⁵ The best worship, however, is stout working.
THOMAS CARLYLE, *Letter to His Wife*.

The glory of a workman, still more of a master-workman, that he does his work well, ought to be his most precious possession; like the "honour of a soldier" dearer to him than life.

THOMAS CARLYLE, *Shooting Niagara*. Sec. 7.

⁶ Work, and your house shall be duly fed:
Work, and rest shall be won;

I hold that a man had better be dead
Than alive when his work is done.

ALICE CARY, *Work*.

Work and thou wilt bless the day
Ere the toil be done;

They that work not, can not pray,
Can not feel the sun.

God is living, working still,
All things work and move;

Work, or lose the power to will,
Lose the power to love.

J. S. DWIGHT, *Working*.

⁷ Honor lies in honest toil.

GROVER CLEVELAND, *Letter Accepting Nomination for President*, 18 August, 1884.

⁸ Night and day! night and day!

Sound the song the hours rehearse!

Work and play! work and play!

The order of the universe.

JOHN DAVIDSON, *Piper Play*.

Give me simple laboring folk,
Who love their work.

Whose virtue is a song

To cheer God along

H. D. THOREAU, *A Week on the Concord and Merrimack Rivers*.

⁹ There is no substitute for hard work.

THOMAS A. EDISON, (*Golden Book*, April, 1931.)

As a cure for worrying, work is better than whiskey.

THOMAS A. EDISON, *Interview on Prohibition*.

Hard work is the best investment a man can make.

C. M. SCHWAN, *Ten Commandments of Success*.

¹⁰ The high prize of life, the crowning fortune of a man, is to be born with a bias to some pursuit which finds him in employment and happiness.

EMERSON, *Conduct of Life: Considerations by the Way*.

Truly, one thing is sweet

Of things beneath the Sun;

This, that a man should earn his bread and eat,
Rejoicing in his work which he hath done.

JOSEPHINE PRESTON PEABODY, *The Singing Man*.

¹¹ I look on that man as happy, who, when there is question of success, looks into his work for a reply.

EMERSON, *Conduct of Life: Worship*.

Too busy with the crowded hour to fear to live
or die.

EMERSON, *Quatrains: Nature*.

The sum of wisdom is, that the time is never lost that is devoted to work.

EMERSON, *Society and Solitude: Success*.

¹² The gods sell us all good things for hard work.
(Τῶν πόρων πωλοῦσιν ἡμῖν πάντα τὰγαθὰ θεοί.)

EPICHRMUS. (XENOPHON, *Memorabilia*. Bk. ii, ch. 1, sec. 20.)

¹³ To generous souls, every task is noble. (Φεῶ τοῖσι γενναίοισιν ὡς ἅπαν καλόν.)

EURIPIDES, *Fragments*. (NAUCK, p. 671.)

¹⁴ Our best friend is ever work. (Notre meilleur ami, c'est encor le travail.)

COLLIN D'HARLEVILLE, *Mœurs du Jour*, i, 4.

¹⁵ Your work and labour of love.

New Testament: Hebrews, vi, 10.

And only the Master shall praise us, and only the Master shall blame:

And no one shall work for money, and no one shall work for fame:

But each for the joy of the working, and each, in his separate star,

Shall draw the Thing as he sees It, for the God of Things as They Are!

RUDYARD KIPLING, *The Seven Seas: L'Envoi*.

¹ He that works after his own manner, his head aches not at the matter.

GEORGE HERBERT, *Jacula Prudentum*.

If you work for yourself you do it for your own amusement, which is all right; if you work for others, you reap nothing but ingratitude.

GUY DE MAUPASSANT, *Walter, A Book*.

Work is something you want to get done; play is something you just like to be doing.

HARRY LEON WILSON, *The Spenders*, p. 26.

² Any man who has a job has a chance.

ELBERT HUBBARD, *Epigrams*.

³ Wit can spin from work a golden robe
To queen it in.

JEAN INGELOW, *Gladys and Her Island*.

⁴ Every child should be taught that useful work is worship and that intelligent labor is the highest form of prayer.

R. G. INGERSOLL, *How to Reform Mankind*.

⁵ If you will let me, I will wish you in your future what all men desire—enough work to do, and strength enough to do your work.

RUDYARD KIPLING, *Address to Medical Students*, 1908.

⁶ But finding ample recompense
For life's ungarlanded expense
In work done squarely and unwasted days.

J. R. LOWELL, *Under the Old Elm*.

⁷ In the morning, when thou art sluggish at rousing, let this thought be present: "I am rising to a man's work." (*Ἐπὶ ἀνθρώπου ἔργον ἐγείρουμαι*.)

MARCUS AURELIUS, *Meditations*. Bk. v, sec. 1.

Give us this day our daily work.

ELBERT HUBBARD, *Philistine*. Vol. xxv, p. 51.

Thank God every morning when you get up that you have something to do that day which must be done whether you like it or not. Being forced to work and forced to do your best, will breed in you temperance and self-control, diligence and strength of will, cheerfulness and content, and a hundred virtues which the idle will never know.

CHARLES KINGSLEY, *Town and Country Sermons*.

⁸ The sick man is not to be pitied who has a remedy in his sleeve. (Le malade n'est pas à plaindre, qui a la guérison en sa manche.) i.e., his arm, capable of work.

MONTAIGNE, *Essays*. Bk. iii, ch. 3.

Work is the sustenance of noble minds. (Generosos animos labor nutrit.)

SENECA, *Epistulae ad Lucilium*. Epis. xxxi, 5.

¹⁰ A piece of work
So bravely done, so rich, that it did strive
In workmanship and value.

SHAKESPEARE, *Cymbeline*. Act ii, sc. 4, l. 72.

^{10a} Great is work which lends dignity to man.
Babylonian Talmud: Nedarim, p. 49b.

Flay a carcass in the market to earn thy living, and say not, "I am a great man and it is beneath my station."

Babylonian Talmud: Pesachim, p. 113a.

¹¹ Good for the body is the work of the body, good for the soul the work of the soul, and good for either the work of the other.

H. D. THOREAU, *Journal*, 23 Jan., 1841.

¹² Work is the inevitable condition of human life, the true source of human welfare.

TOLSTOY, *My Religion*. Ch. 10.

IV—Work: A Curse

See also Labor: A Curse

¹³ And hold one another's noses to the grindstone hard.

ROBERT BURTON, *Anatomy of Melancholy*. Pt. iii, sec. 1, mem. 3. See also under BUSINESS.

¹⁴ And still be doing, never done.

BUTLER, *Hudibras*. Pt. i, canto 1, l. 204.

¹⁵ Unravelling the web of Penelope. (Penelopæ telam retexens.)

CICERO, *Academicarum Quæstionum*. Bk. iv, ch. 29, sec. 95.

The work she plied, but, studious of delay,
Each foll'wing night revers'd the toils of day.

HOMER, *Odyssey*. Bk. xxiv, l. 166. (Pope, tr.)

Thou, Sisyphus, either push or pursue the rock which must always be rolling down the hill again. (Aut petis aut urges rediturum, Sisyphæ saxum.)

OVID, *Metamorphoses*. Bk. iv, l. 460.

¹⁶ In the sweat of thy face shalt thou eat bread.
Old Testament: Genesis, iii, 19. Frequently misquoted "in the sweat of thy brow."

Which I have earned with the sweat of my brows.

CERVANTES, *Don Quixote*. Pt. i, bk. i, ch. 4.

Let us go forth and resolutely dare with sweat of brow to toil our little day.

MILTON, *Tractate of Education*.

¹⁷ Work—work—work
Till the brain begins to swim;

Work—work—work

Till the eyes are heavy and dim! . . .

Stitch—stitch—stitch,

In poverty, hunger, and dirt,

Sewing at once with a double thread,

A Shroud as well as a Shirt.

THOMAS HOOD, *The Song of the Shirt*.

¹⁸ For men must work, and women must weep,
And there's little to earn, and many to keep,
Though the harbour bar be moaning.

CHARLES KINGSLEY, *The Three Fishers*. St. 1.

For men must work, and women must weep,
And the sooner it's over the sooner to sleep;
And good-bye to the bar and its moaning.
CHARLES KINGSLEY, *The Three Fishers*. St. 3.

¹ Who first invented work, and bound the free
And holy-day rejoicing spirit down
To the ever-haunting importunity
Of business? . . . Sabbathless Satan!

CHARLES LAMB, *Sonnet: Work*. See also under BUSINESS.

² Hard toil can roughen form and face,
And want can quench the eye's bright grace.
WALTER SCOTT, *Marmion*. Canto i, st. 28.

³ Work is not a good. Then what is a good? The
scorning of work. (Labor bonum non est.
Quid ergo est bonum? Laboris contemptio.)

SENECA, *Epistulae ad Lucilium*. Epis. xxxi, 4.

⁴ As for work, we haven't any of consequence.
We have the Saint Vitus' dance, and cannot
possibly keep our heads still.

H. D. THOREAU, *Walden*. Ch. 2.

⁵ The more we work, the more we may;
It makes no difference to our pay.

UNKNOWN, *We Are the Royal Sappers*. British war song, 1915.

⁶ Let us be grateful to Adam, our benefactor.
He cut us out of the "blessing" of idleness and
won for us the "curse" of labor.

MARK TWAIN, *Pudd'nhead Wilson's Calendar*.

WORLD

See also Earth

I—World: Definitions

⁷ The world is a great poem, and the world's
The words it is writ in, and we souls the
thoughts.

P. J. BAILEY, *Festus: Everywhere*.

⁸ The created world is but a small parenthesis
in eternity.

SIR THOMAS BROWNE, *Christian Morals*. Pt. iii, sec. 29.

The world was made to be inhabited by beasts,
but studied and contemplated by man.

SIR THOMAS BROWNE, *Religio Medici*. Pt. i, sec. 13.

The world to me is but a dream or mock-show,
and we all therein but Pantaloons and Antics, to
my severer contemplations.

SIR THOMAS BROWNE, *Religio Medici*. Pt. i, sec. 41.

For the world, I count it not an inn, but an
hospital, and a place, not to live, but to die in.

SIR THOMAS BROWNE, *Religio Medici*. Pt. ii, sec. 11. See also LIFE: AN INN.

⁹ The severe schools shall never laugh me out
of the philosophy of Hermes, that this visible

world is but a picture of the invisible, wherein,
as in a portrait, things are not truly, but in
equivocal shapes, and as they counterfeit some
more real substance in that invisible fabric.

SIR THOMAS BROWNE, *Religio Medici*. Pt. i, sec. 15.

Hath this world, without me wrought,
Other substance than my thought?

Lives it by my sense alone,
Or by essence of its own?

FREDERIC HENRY HEDGE, *Questionings*.

The visible world is but man turned inside out
that he may be revealed to himself.

HENRY JAMES THE ELDER. (J. A. KELLOG, *Digest of the Philosophy of Henry James*.)

This outer world is but the pictured scroll
Of worlds within the soul;

A coloured chart, a blazoned missal-book,
Whereon who rightly look

May spell the splendours with their mortal eyes,
And steer to Paradise.

ALFRED NOYES, *The Two Worlds*.

My God, I would not live
Save that I think this gross hard-seeming world
Is our misshaping vision of the Powers
Behind the world, that make our griefs our gains.

TENNYSON, *The Sisters*, l. 223.

The true mystery of the world is the visible, not
the invisible.

OSCAR WILDE, *Picture of Dorian Gray*. Ch. 2.

¹⁰ What, in fact, is the world? A glass which
shines,

Which a breath has made, and which a breath
can destroy.

(Quel est-il en effet? C'est un verre qui luit,
Qu'un souffle a produit, et qu'un souffle peut
détruire.)

GILLES DE CAUX, *L'Horloge de Sable*. (D'ISRAËLI, *Curiosities of Literature*.)

¹¹ The world is a wheel, and it will all come
round right.

BENJAMIN DISRAËLI, *Endymion*. Ch. 70.

¹² The world is a divine dream, from which we
may presently awake to the glories and cer-
tainities of day.

EMERSON, *Nature, Addresses, and Lectures: Spirit*.

The existing world is not a dream, and cannot
with impunity be treated as a dream; neither is
it a disease; but it is the ground on which you
stand, it is the mother of whom you were born.

EMERSON, *Nature, Addresses, and Lectures: The Conservative*.

¹³ Our Copernican globe is a great factory or
shop of power, with its rotating constellations,
times, and tides.

EMERSON, *Letters and Social Aims: Resources*.

The world is a proud place, peopled with men of
positive quality, with heroes and demigods stand-
ing around us, who will not let us sleep.

EMERSON, *Society and Solitude: Books*.