Originally Processed With FOIA(s): S

FOIA Number: S

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the George Bush Presidential Library Staff.

Record Group/Collection: George H.W. Bush Presidential Records
Collection/Office of Origin: Speechwriting, White House Office of
Series: Speech File Backup Files
Subseries: Chron File, 1989-1993

OA/ID Number: 13841
Folder ID Number: 13841-010

Folder Title:
Malcolm Baldridge Quality Awards 12/14/92 [OA 7583]

Stack:	Row:	Section:	Shelf:	Position:
G	26	23	2	3

MALCOLM BALDRIGE QUALITY AWARDS
MALCOLM BALDRIGE GREAT HALL, D.O.C.
MONDAY, DECEMBER 14, 1992 \ 11:30 A.M.

THANK YOU, SECRETARY FRANKLIN. LET ME FIRST RECOGNIZE OUR BALDRIGE FOUNDATION TRUSTEES, OUR PRIVATE SECTOR EXAMINERS AND JUDGES AND ALL THOSE WHO COORDINATED THIS YEAR'S BALDRIGE AWARDS. I also want to recognize Members of Congress ALSO, IT IS MY SPECIAL PRIVILEGE TO SALUTE MEMBERS OF THE BALDRIGE FAMILY WITH US TODAY.

I ALWAYS LOOK FORWARD TO THIS YEARLY AWARDS CEREMONY. AN OPPORTUNITY TO HONOR INDUSTRY'S BEST. AND A CHANCE TO REVISIT THE LEGACY OF AN EXTRAORDINARY MAN -- MALCOLM BALDRIGE.

I REMEMBER A STORY PRESIDENT REAGAN LOVED TO TELL OF THE DAY HE PHONED MAC TO ASK HIM TO JOIN HIS CABINET.

HE WAS TOLD BY HIS WIFE, MIDGE, THAT HE'D HAVE TO CALL BACK LATER: MAC WAS OUT ON HIS HORSE ROPING AND COULDN'T COME TO THE PHONE. THAT WAS MAC.

HE WAS A MAN WHOSE COLLECTION OF BELT BUCKLES WAS THE ONLY THING THAT COULD OUTNUMBER HIS MANY ACHIEVEMENTS.

IN A HAND-TOOLED WESTERN BELT AND A PIN-STRIPE SUIT, MAC WAS THE CONNECTICUT COWBOY, A MAN WHOSE NAME IS NOW ENSHRINED IN THE COWBOY HALL OF FAME -- AND THE ONLY GUY I KNEW WHO'D COMPLAIN OF SADDLE SORES FROM SITTING AT A DESK TOO LONG. //

HE USED TO SAY THAT THE THING HE LIKED ABOUT COWBOYS WAS THAT THEY DIDN'T TALK UNLESS THEY HAD SOMETHING TO SAY, AND WHEN THEY SAID SOMETHING, THEY MEANT IT. THAT WAS TRUE OF MAC. WHEN HE TALKED BUSINESS, HE MEANT BUSINESS. AND WHEN HE TALKED OF MAKING AMERICA'S PRODUCTS SECOND TO NONE, YOU LISTENED.

THE STANDARDS OF EXCELLENCE MAC EMBODIED ARE STILL VERY MUCH WITH US. FAIRNESS, HONESTY, TENACITY. THESE WERE HIS YARDSTICKS. THE SAME YARDSTICKS WE USE TODAY IN LOOKING FOR THE VERY BEST THAT AMERICAN INDUSTRY HAS TO OFFER. AND THIS YEAR, WE HAVE FOUND THEM IN FIVE EXCEPTIONAL COMPANIES.

NINETY COMPANIES, THIS YEAR, DECIDED THEY WERE TOUGH ENOUGH TO TAKE THE BALDRIGE TEST. THOUSANDS -- ROUGHLY 175,000 OTHERS -- USED THE BALDRIGE CRITERIA AS AN INTERNAL TEST, AS A WAY TO BE TOUGH ON THEMSELVES. A FEW OF OUR PAST WINNERS, LIKE MOTOROLA AND IBM, HAVE EVEN GONE SO FAR AS TO URGE THEIR SUPPLIERS TO FOLLOW THE BALDRIGE CRITERIA.

WHAT THIS TELLS US IS SIMPLE: AMERICA IS NUMBER ONE BECAUSE IT DEMANDS NOT ONLY THE BEST <u>FOR</u> ITSELF, BUT ALSO <u>FROM</u> ITSELF. //

AND NOW TO THIS YEAR'S WINNERS.

SOME MIGHT THINK THE COMMERCE DEPARTMENT OFFERED A TWO-FOR-ONE DEAL WITH AT&T -- BUT NOT SO.

THOUGH BOTH TRANSMISSION SYSTEMS AND UNIVERSAL CARD SERVICES ARE DIVISIONS OF AT&T, THEY ARE TWO SEPARATE BUSINESSES, WHO SHARE ONE COMMON GOAL -- A COMMITMENT TO QUALITY. AT&T CHAIRMAN ROBERT ALLEN SAID OF THIS COMMITMENT: "THE REAL CHALLENGE IS TO DEFINE QUALITY NOT FROM OUR OWN PERSPECTIVE, BUT FROM THE CUSTOMER'S."

THIS BOTH DIVISIONS HAVE DONE. TRANSMISSION SYSTEMS BUSINESS UNIT DEDICATES ITSELF NOT ONLY TO ITS CUSTOMERS' SHORT-TERM NEEDS, BUT ITS LONG-TERM NEEDS AS WELL. WITH THE INPUT OF MORE THAN 7500 EMPLOYEES AT NINE U.S. SITES, TRANSMISSION SYSTEMS HAS INITIATED PROGRAMS TO PREDICT WHAT NEW TECHNOLOGIES WILL BE NEEDED TO MEET THEIR CUSTOMERS' LONG-TERM GOALS.

IN SLIGHTLY MORE THAN 3 YEARS, TRANSMISSION SYSTEMS HAS NEARLY DOUBLED INTERNATIONAL SALES AND NOW SELLS SYSTEMS TO MORE THAN 50 COUNTRIES. THAT'S A LOT OF SATISFIED CUSTOMERS.

UNIVERSAL CARD SERVICES HASN'T BECOME A BENCHMARK OF OTHER COMPANIES BY ACCIDENT, BUT BY EFFORT -- TOP PERFORMANCES BY ALL OF ITS 2500 EMPLOYEES.

UNIVERSAL CARD LED ITS CHARGE TO EXCELLENCE BY CENTRALIZING THEIR BUSINESS AROUND ONE KEY PRINCIPLE: "DELIGHT THE CUSTOMER." AND IT SEEMS THEY ARE, INDEED, DELIGHTED. 98% OF THEIR CUSTOMERS RATE OVERALL SERVICES AS BETTER THAN THE COMPETITION. 98%. [[THAT'S ONE POLL I COULD HAVE USED ABOUT A MONTH AGO. //]]

IT'S NOT OFTEN THAT A SMALL BUSINESS MEANS BIG BUSINESS, BUT IT'S TRUE FOR THE GRANITE ROCK COMPANY. WITH THE INITIATION OF THEIR TOTAL QUALITY PROGRAM, GRANITE ROCK HAS EXCEEDED ITS INDUSTRY STANDARDS FOR HIGH QUALITY AND UNMATCHED SERVICE.

RATHER THAN FOLLOW A WELL-WORN PATH, GRANITE ROCK CHOSE TO CHART ITS OWN WAY -- A JOURNEY THAT HAS BROUGHT THEM HERE TODAY -- AN AWARD-WINNING COMPANY THAT DEFINES SUCCESS IN THREE LITTLE WORDS: "ANOTHER SATISFIED CUSTOMER."

RITZ-CARLTON WON 121 QUALITY-RELATED AWARDS IN 1991, BUT ASK ANY EMPLOYEE HOW THEY GAUGE THEIR SUCCESS AND THEY'LL SAY -- THE GOLD STANDARDS -- THE RITZ-CARLTON'S BIBLE FOR PREMIUM SERVICE.

WITH ALMOST 12,000 EMPLOYEES, THE RITZ-CARLTON HAS IMPLEMENTED A RIGOROUS QUALITY PROGRAM THAT SEEKS "A MEMORABLE VISIT" FOR EVERY GUEST.

THIS LUXURY HOTEL BUSINESS KNOWS THAT A MINT ON THE PILLOW ISN'T ENOUGH TO KEEP A CUSTOMER COMING BACK. IT'S THE PRINCIPLE "SERVICE MUST BE EXCELLENT IF IT IS ANYTHING" THAT HAS EARNED RITZ-CARLTON ONE OF THE MOST LOYAL FOLLOWINGS IN THE TRAVEL AND TOURISM INDUSTRY.

FOR TEXAS INSTRUMENTS DEFENSE SYSTEMS & ELECTRONICS GROUP, ITS BEST PRODUCT IS ALWAYS SURPASSED BY ITS NEXT INNOVATION.

MAC USED TO CALL THIS KIND OF INVENTIVENESS "YANKEE INGENUITY." [[I'M NOT SURE A TEXAS-BASED COMPANY COTTONS TO BEING CALLED "YANKEE" -- BUT INGENIOUS, I THINK THEY'LL ACCEPT. //]] FORMED DURING WORLD WAR II, THIS T.I. SUBSIDIARY HAS GROWN TO BECOME THE NATION'S EIGHTH LARGEST DEFENSE ELECTRONICS CONTRACTOR.

WE KNOW FROM THE SUCCESS OF DESERT STORM, THAT IN MATTERS OF ADVANCED WEAPONRY, QUALITY IS KEY. AND WE KNOW, TOO, FROM THE SUCCESS OF DESERT STORM, THAT T.I.'S CONTRIBUTIONS TO THIS EFFORT WERE INVALUABLE.

IN TODAY'S COMPETITIVE GLOBAL MARKETPLACE, QUALITY OF SERVICE AND QUALITY OF GOODS TAKES ON TOP PRIORITY IN AMERICAN BUSINESS.

- 19 -

PREMIUM STANDARDS ARE NO LONGER LOFTY GOALS, BUT VITAL COMPONENTS OF EVERY BASIC BUSINESS STRATEGY. THIS YEAR'S BALDRIGE AWARD WINNERS KNOW THAT QUALITY STANDARDS DO NOT IMPEDE SUCCESS, THEY ENCOURAGE IT. MAC WOULD AGREE.

- 20 -

EACH TIME WE REVISIT OUR MEMORIES OF MAC BALDRIGE AT THIS CEREMONY, I'M REMINDED OF THE WISDOM HE USED TO IMPART MOST OFTEN -- ALWAYS, IN ANYTHING AND EVERYTHING, RISE TO THE HIGHEST STANDARD. THIS YEAR'S MALCOLM BALDRIGE QUALITY AWARD WINNERS HAVE ALL DONE JUST THAT.

- 21 -

CONGRATULATIONS. MAY GOD BLESS YOU ALL AND THE UNITED STATES OF AMERICA.

# # #

Call Kathy Monday a.m.
- Members of Congress

No cab members yet

✓ Secretary Franklin

✓ Private Sector Examiners and Judges

✓ Foundation Trustees

✓ Baldrige Family Members (wife will not be there)

Accepting for their companies:

AT&T TSBU -- Greg Hughes, President

Texas Instruments -- Jerry Junkins, Chairman, President and CEO

AT&T Universal Card -- Paul Kahn, President and CEO

Ritz-Carlton -- Horst Schulze, President and CEO

Granite Rock Company -- Bruce Woolpert, Co-President and CEO

Did not include Member of Congress Sam Johnson

the Associate Deputy Administrator for Logistics at the Veterans Administration. Prior to this, she served in several other capacities at the Veterans Administration, including Associate Deputy Administrator for Management, 1985–1986, and Associate Deputy Administrator for Logistics, 1985. From 1981 to 1985, Ms. Livingstone served as the Executive Assistant to the Associate Deputy Director of the Veterans Administration for Logistics.

Ms. Livingstone graduated from the College of William and Mary (A.B., 1968), the University of Montana (M.A., 1972), and the Fletcher School of Law and Diplomacy (M.A., 1973). She was born January 13, 1946, in Carthage, MO. Ms. Livingstone is married and currently resides in Washington, DC.

Nomination of Abraham N.M. Shashy, Jr., To Be Assistant General Counsel of the Treasury

November 1, 1989

The President today announced his intention to nominate Abraham N.M. Shashy, Jr., to be Assistant General Counsel of the Treasury (Chief Counsel for the Internal Revenue Service). He would succeed William F. Nelson.

Since 1984 Mr. Shashy has served as a partner with the firm of Jones, Day, Reavis and Pogue in Dallas, TX. Prior to this, he was a partner with Kronish, Lieb, Shainswit, Weiner and Hellman in New York, 1981–1984, and an associate, 1976–1981. In addition, he served as an adjunct professor of taxation at Southern Methodist University School of Law, 1985–1986; adjunct professor of taxation at New York University School of Law, 1977–1984; instructor of taxation at New York University School of Law, 1975–1976; and instructor at the University of Florida College of Law, 1974.

Mr. Shashy graduated from the University of Florida (B.S., 1970), the University of Florida College of Law (J.D., 1973), and New York University School of Law (LL.M., 1975). He was born January 13, 1950, in Ocala, FL. Mr. Shashy is married, has two children, and resides in Dallas, TX.

Remarks at the Presentation Ceremony for the Malcolm Baldrige National Quality Awards

November 2, 1989

Thank you, Secretary Mosbacher, for the warm welcome. It's great to be back across the street, almost, at this wonderful Department. I first want to salute the Baldrige family—a special hello to Midge. Of course, I'm delighted to see the Secretary of the Treasury here and Ambassador Hills; able members of my Cabinet sitting next to them; Dr. Bromley, our Science Advisor, who has a keen interest in the success of the work of this Department.

I want to salute Deputy Secretary Murrin and Under Secretary Betti. And I think I spotted Strom—I know I did—over here. And it's a little hard to see, but Jesse Helms was to be here, Congressmen Sherry Boehlert, Don Ritter. George Brown, I do see, Howard Coble, Doug Walgren, and Nancy Johnson. And if I missed a few—Alec McMillan, I think. And I can't see who else we've got over there, but nevertheless, welcome to the Members of Congress, whose support is absolutely essential for the workings of the Commerce Department.

In just a few moments, it will be my pleasure to present awards named after a

great public servant and a close and dear friend, Malcolm Baldrige. So, let me just say a few words about Mac. He had a zest for life—Nancy, I didn't see you—had a zest for life, love of family, and a love of country that was uncommon. He was an outstanding Secretary of Commerce for 6½ years, and he was also an outstanding friend. Mac's word of honor—as those of you who worked with him—was his bond, as good as a $20 gold piece.

And he never quite fit any mold. In this town, they always try to make you fit into some mold. Baldrige never quite fit the mold. He was the president of a very successful company who spent a lot of his time with volunteer firemen when his wife wasn't doing that kind of work. He was the son of the East who rode horses and loved his place in New Mexico. He felt at home with cowboys because he roped with them all of his life. You'd never have known it from his friendly, easygoing manner, but he was also a bit of a perfectionist, in word and deed.

As a leader in business, Mac strived for quality in products; as Commerce Secretary, for quality in public policies. Even the language—some of you may well remember, to your horror—the language of his memos was lean and exact. In fact, he had a special computer software program for Commerce Department documents, one that automatically weeded out jargon like impacted, viable, infrastructure. [*Laughter*] Sort of Gramm-Rudman cut of the English language, if you will. [*Laughter*]

But like all perfectionists, he knew that perfection is not reaching the attainable. Rather, it's a never-ending quest for the unattainable. His life was such a quest, a life whose legacy leaves us with a profound insight: A truly successful man or woman is someone who has, indeed, served others.

Companies, like people, are successful only to the extent to which they provide service. This is true for all business, from the humblest mom-and-pop operation to the largest corporation. The improvement of quality in products and the improvement of quality in service—these are national priorities as never before. In recent years, Americans have felt the sting of fierce competition on a global scale, and we've learned to see foreign competition not as an excuse to close doors and raise barriers but as an incentive to renew our own commitment to excellence.

American managers have reconsidered every time-honored belief, every traditional practice, every customary procedure; and they've embraced what works and rejected the past. They've studied examples of innovation from home and abroad and adopted only the best. And we now know the result of this historic reassessment: When it comes to meeting the competition, America is back in business.

We're here today to honor two companies that are leading this resurgence. They're leading the resurgence in American business leadership. Most companies catch hell from the competition, but these two companies are in the lead because no competitor gave them a tougher time than they gave themselves. Of course, in business, success is its own reward. And yet all American firms benefit by having a standard of excellence to match and perhaps, one day, to surpass. For 1989 there can be no higher standard of quality management than those provided by the winners of the Malcolm Baldrige National Quality Award: Milliken & Company and the Xerox Corporation.

Both of these manufacturing firms were well-established leaders in their markets, yet both were being steadily squeezed out by the intense foreign and domestic competition. In the midst of this crisis, the men and women of these companies found within themselves the will to make a painstaking reassessment and the drive to win back that market share. Both companies started down this path of reassessment with a simple premise: In business, there is only one definition of quality—the customer's definition. And then they proceeded from this one premise to restructure their production and marketing plan. Sounds simple. But I know, as a former tiny businessman myself, how difficult it is to restructure a firm from top to bottom. And today's winners know what is possible when a firm restructures itself from the bottom up. They know that a company can no longer afford to regard employees as automatons in a production line. They know that a company

must rely on the intelligence, judgment, and good character of the people it employs.

And there are as many successful forms of management as there are successful companies. But for these two companies, success came when they developed their human as well as their technological potential. Milliken, for example, a 125-year-old textile manufacturer in South Carolina—but its management style is sheer 21st century. Milliken scrapped the old management hierarchy in favor of what they call a flat management structure—good thing they're not a tire company—[*laughter*]—flat management structure. Milliken even gave a new title to its employees, calling them associates. And this is no hollow accolade for public relations. Every Milliken employee, I'm told, truly is an associate. In fact, any Milliken worker has the power to halt that production line if he or she detects a problem in quality or safety.

Our other winner takes a similar approach with its "Team Xerox" philosophy. Xerox employees are given the authority that they have to have, that they need, to make day-to-day decisions. And they are, the company says, expected to take the initiative in finding and fixing problems—and they do. While every manager works, every worker is managing.

One of the best things about this award is that it allows successful companies to share what they have learned to set an example. Perhaps these two companies ought to merge—and be careful of the antitrust. [*Laughter*] Can you imagine it? Your wardrobes wouldn't just be coordinated; it would be collated. [*Laughter*]

Many firms will learn a great deal from their example. Others will need to follow their own path. But to those who say that we have lost our edge, that the days are past when "Made in America" meant the best, I say: Tell that to the people of the Milliken plant in Spartanburg, South Carolina. Tell that to the Xerox teams in upstate—up in Monroe County, New York.

Quality products and service is no accident. It's the result of a certain can-do, no-excuses attitude, an aggressive impatience with the status quo even in the best of times. And it's this attitude, more than anything else, that is responsible for the creation of wealth and jobs that we have seen over the last 7 years.

In these years, our total national wealth has grown by almost a third, and more than 20 million new jobs created. And we are still enjoying the rewards of what has proven to be the longest peacetime expansion in American history. So, given the right policies, and a reduced capital gains tax would be one—Congress, I hope you're listening—this expansion will continue. And given the right tools, the American people can reach even greater heights. The potential of this nation is as boundless as the imagination and drive of the American people. All we have to do for our citizens is what these two companies have done for their employees: give them the freedom to do what they do best—freedom to imagine, freedom to create, and freedom to excel. Our winners had such freedom, and they certainly made the most of it.

I give my heartiest congratulations to Roger Milliken, who is here, and to David Kearns. And I give my heartiest congratulations to your employees, your associates. And thank you all for being here to honor these two successful stories. Thank you very, very much.

Note: The President spoke at 10:34 a.m. in Malcolm Baldrige Hall at the Commerce Department. In his remarks, he referred to Secretary of Commerce Robert A. Mosbacher; Malcolm Baldrige's widow, Margaret (Midge); Secretary of the Treasury Nicholas F. Brady; U.S. Trade Representative Carla A. Hills; Deputy Secretary of Commerce Thomas J. Murrin; Under Secretary of Defense John A. Betti; Senators Strom Thurmond of South Carolina and Jesse Helms of North Carolina; Roger Milliken, chairman and chief executive officer of Milliken & Co.; and David T. Kearns, chairman and chief executive officer for business and products systems for Xerox Corp.

Excerpt of a White House Fact Sheet on the Soviet Union and International Financial Institutions

December 12, 1990

The President has proposed a special association of the Soviet Union with the International Monetary Fund (IMF) and the World Bank that will give Moscow access to the economic and financial expertise in those institutions. He has asked Secretary of the Treasury Brady, as U.S. Governor of the IMF and World Bank, to pursue this proposal with the institutions and other countries and to develop with them the necessary new arrangements.

We believe it is best for the Soviet Union to establish such a relationship with these institutions before addressing the issue of full membership.

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 Advisor 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 competitiveness. 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, chairman of the board; the president and chairman of the board of Federal Express, 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 Wallace Company.

And then I also want to salute the Members 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 Commerce, was a true leader in business. And when it came business, he really did understand that quality cannot be assured with some slogan or an ad campaign. And he knew that it begins with winning and keeping business. And it begins with understanding that only customers can define quality. And in short, it begins and ends with the unsentimental judgment of the marketplace.

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 survival, and nothing less.

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

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

So, we're here today not only to honor these four deserving firms but to promote an awareness of quality in American business and to share successful management strategies—strategies that can, indeed, sharpen America's lead in the world marketplace. 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 understand that quality management must cut through organization charts, across departments 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 cooperations 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 prove 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.

Remarks at a Briefing on the Points of Light Foundation
December 13, 1990

Thank you very, very much. A warm welcome to the White House. Merry Christmas! Happy holidays! We're beginning to get the spirit around here. And may I salute the Attorney General and thank him for his leadership and for his keen interest in the subject that you've been discussing, that I'm about to discuss. Because I am really delighted to be here to help introduce the Points of Light Foundation to this impressive group of nonprofit organizations and State leaders and to announce three initiatives designed to reduce barriers hindering voluntary service efforts.

Since our founding, America has been distinguished among nations for the extraordinary degree to which our people have voluntarily banded together to help those among us in need. And today we're faced with perhaps more pressing needs than at any time in our history—needs that many of your organizations, the organizations represented here today, strive to meet year in and year out.

The needs of our nation are so great that the Points of Light Foundation seeks to make direct and consequential service aimed at serious social problems central to the life and work of every American. To achieve this goal, most institutions will need to adopt a new way of thinking. They must come to see solving these social problems as not just the responsibility of government and nonprofit organizations. Institutions will have to refine their missions to include the engagement of all of their members in community problem-solving.

Of course, service to others is and has been the mission of much of the nonprofit community. But your challenge is to find a way to engage all of your members in service. To help engage all of your members in service, the foundation is urging every institution to appoint Points of Light representatives. And to ensure that every community has multiple places to which individuals and institutions can turn for counsel about how to serve others and where to obtain service, the foundation is calling on a wide variety of institution to become what we call Points of Light centers.

As part of my commitment to advance the Points of Light movement, I'm determined to help remove barriers to service. Now, no obstacle—no obstacle is more chilling than the fear of personal liability and the high cost of insurance to protect against liability. Often programs are curtailed or those contemplated are not undertaken because of the fear of personal liability—outrageous claims, often, about personal liability. And I'm aware of the genuine interest that volunteer leaders in this room have expressed in limiting exposure to the risk of liability and the high cost of insurance.

And therefore, today I am announcing three new initiatives that will bring about much-needed change. First, I call on the nonprofit community to support a private, nongovernmentally controlled national volunteer risk management center, a central place to which volunteer organizations can

Nix
December 8, 1992
Draft Three
BALDRIGE.1

PRESIDENTIAL REMARKS: MALCOLM BALDRIGE QUALITY AWARDS
MALCOLM BALDRIGE GREAT HALL, DOC
MONDAY, DECEMBER 14, 1992
11:30 A.M.

[Acknowledgments] I always look forward to this yearly awards ceremony. An opportunity to honor industry's best. And a chance to revisit the legacy of an extraordinary man -- Malcolm Baldrige.

I remember a story President Reagan loved to tell of the day he phoned Mac to ask him to join his Cabinet. He was told by Midge that he'd have to call back later: Mac was out on his horse roping and he couldn't come to the phone. That was Mac.

He was a man whose collection of belt buckles was the only thing that could outnumber his many achievements. In a hand-tooled western belt and a pin-stripe suit, Mac was the Connecticut cowboy, a man whose name is now enshrined in the Cowboy Hall of Fame -- and the only guy I knew who'd complain of saddle sores from sitting at a desk too long. // He used to say that the thing he liked about cowboys was that they didn't talk unless they had something to say, and when they said something, they meant it. That was true of Mac. When he talked business, he meant business. And when he talked of making America's products second to none, you listened.

The standards of excellence Mac embodied are still very much with us. Fairness, honesty, tenacity. These were his yardsticks. The same yardsticks we use today in looking for the

very best that American industry has to offer. And this year, we have found them in five exceptional companies.

Ninety companies, this year, decided they were tough enough to take take the Baldrige test. Thousands -- roughly 175,000 others -- used the Baldrige criteria as an internal test, as a way to be tough on themselves. A few of our past winners like Motorola and IBM have even gone so far as to urge their suppliers to follow the Baldrige criteria. What this tells us is simple: America is number one because it demands not only the best <u>for</u> itself, but also <u>from</u> itself. //

And now to the winners themselves.

Some might think the Commerce Department offered a two-for-one deal with AT&T -- but not so. Though both Transmission Systems and Universal Card Services are divisions of AT&T, they are two separate businesses, who share one common goal -- a commitment to quality. AT&T Chairman Robert Allen said of this commitment: "The real challenge is to define quality not from our own perspective, but from the customer's."

This both divisions have done. Transmission Systems Business Unit dedicates itself not only to its customers' short-term needs, but its long-term needs as well. With the input of more than 7500 employees at nine U.S. sites, Transmission Systems has initiated programs to predict what new technologies will be needed to meet their customers' long-term goals. In slightly more than 3 years, Transmission Systems has nearly doubled international sales and now sells systems to more than 50 countries. That's a lot of satisfied customers.

Universal Card Services hasn't become a benchmark of other companies by accident, but by effort -- top performances by all of its 2500 employees. Universal Card led its charge to excellence by centralizing their business around one key principle: "delight the customer." And it seems they are, indeed, delighted. 98% of their customers rate overall services as better than the competition. 98%. [[That's one poll I could have used a month ago. //]]

It's not often that a small business means big business, but it's true for the Granite Rock Company. With the initiation of their Total Quality Program, Granite Rock has exceeded its industry standards for high quality and unmatched service. Rather than follow a well-worn path, Granite Rock chose to chart its own way -- a journey that has brought them here today -- an award-winning company that defines success in three little words: "another satisfied customer."

Ritz-Carlton won 121 quality-related awards in 1991, but ask any employee how they gauge their success and they'll say -- the Gold Standards -- the Ritz-Carlton's bible for premium service. With almost 12,000 employees, the Ritz-Carlton has implemented a rigorous quality program that seeks "a memorable visit" for every guest. This luxury hotel business knows that a mint on the pillow isn't enough to keep a customer coming back. It's the principle "service must be excellent if it is anything" that has earned Ritz-Carlton one of the most loyal followings in the travel and tourism industry.

For Texas Instruments Defense Systems & Electronics Group,

its best product is always surpassed by its next innovation. Mac used to call this kind of inventiveness "Yankee ingenuity." [[I'm not sure a Texas-based company cottons to being called "yankee" -- but ingenious, I think they'll accept. //]] Formed during World War II, this TI subsidiary has grown to become the nation's eighth largest defense electronics contractor. We know from the success of Desert Storm, that in matters of advanced weaponry, quality is key. And we know, too, from the success of Desert Storm, that TI's contributions to this effort were invaluable.

In today's competitive global marketplace, quality of service and quality of goods takes on top priority in American business. Premium standards are no longer lofty goals, but vital components of every basic business strategy. This year's Baldrige award winners know that quality standards do not impede success, they encourage it. Mac would agree.

Each time we revisit our memories of Mac Baldrige at this ceremony, I'm reminded of the wisdom he used to impart most often -- always, in anything and everything, rise to the highest standard. This year's Malcolm Baldrige Quality Award Winners have all done just that.

Congratulations. May God bless you all and the United States of America.

# # #

10 minutes of remarks

OAS Building Hall of the Americas

7:30 pm.

Secretary-General

Canada

Ottawa

Prompted

Facsimile Cover Sheet

Malcolm Baldrige National Quality Award Office
National Institute of Standards and Technology (NIST)
Administration Building, Room A537
Gaithersburg, MD 20899

DATE: December 7, 1992

TO: Name: Michele Nix, Speech Writer

Organization: White House

Telephone #: 202-456-6218 FAX #: 202-466-7750

FROM: Name: JILL RUSPI

Telephone #: 301-975-2715 FAX #: 301-948-3716

No. of Pages (incl. cover): 18 If all pages are not received, please call.

Enclosed are:

1992 Winners Briefs
Malcolm Baldrige National Quality Award Fact Sheet
Contact Sheet for Malcolm Baldrige National Quality Award Winners
Bio for Malcolm Baldrige

Please let me know if I can be of any further help.

MALCOLM BALDRIGE NATIONAL QUALITY AWARD 1993 FACT SHEET

MALCOLM BALDRIGE NATIONAL QUALITY AWARD

Public Law 100-107, the Malcolm Baldrige National Quality Improvement Act of 1987, signed by President Reagan on August 20, 1987, established an annual U.S. National Quality Award. The purposes of the Award are to promote awareness of quality excellence, to recognize quality achievements of U.S. companies, and to publicize successful quality strategies. The Secretary of Commerce and the National Institute of Standards and Technology (NIST, formerly the National Bureau of Standards) have responsibility to develop and administer the Award with cooperation and financial support from the private sector.

THE AWARDS

Up to two Awards may be given each year in each of three categories:

- manufacturing companies or subsidiaries
- service companies or subsidiaries
- small businesses

Fewer than two Awards may be given in a category if the high standards of the Award Program are not met. The following Awards have been presented - **1988:** Motorola, Inc.; Commercial Nuclear Fuel Division of Westinghouse Electric Corporation; and Globe Metallurgical, Inc. **1989:** Milliken & Company; and Xerox Corporation's Business Products and Systems. **1990:** Cadillac Motor Car Division; IBM Rochester; Federal Express Corporation; and Wallace Co., Inc. **1991:** Marlow Industries; Solectron Corporation; and Zytec Corporation. **1992:** AT&T Network Systems Group, Transmission Systems Business Unit; AT&T Universal Card Services; Granite Rock Company; Texas Instruments Incorporated, Defense Systems & Electronics Group; and The Ritz-Carlton Hotel Company. Recipients receive a medallion in a crystal base. Winning companies are required to share with other American organizations information about their successful quality strategies.

ELIGIBILITY

Businesses located in the United States may apply for Awards. Subsidiaries are defined as divisions or business units of larger companies. Subsidiaries must primarily serve either the public or businesses other than the parent company. For companies engaged in both services and manufacturing, classification is determined by the larger percentage of sales. Small businesses are independently owned with not more than 500 full-time employees.

AWARD CRITERIA

Seven areas are examined: (1) leadership; (2) information and analysis; (3) strategic quality planning; (4) human resource development and management; (5) management of process quality; (6) quality and operational results; and (7) customer focus and satisfaction. Applicants must address a set of examination items within each of these categories. Heavy emphasis is placed on quality achievement and quality improvement as demonstrated through quantitative data furnished by applicants.

EXAMINATION PROCESS

Each written application is evaluated by members of the Board of Examiners. High-scoring applicants are selected for site visits. Award recipients are recommended to the Secretary of Commerce by a panel of judges from among the applicants site visited. Applicants receive a written feedback summary of strengths and areas for improvement in their quality management. The American Society for Quality Control assists in the administration of the examination process.

EXAMINERS

The Board of Examiners is comprised of quality experts selected from industry, professional and trade organizations, and universities. Those selected meet the highest standards of qualification and peer recognition. Examiners must take part in a preparation program based upon the Criteria, the scoring system, and the examination process. Each fall applications are solicited from quality experts to serve as Examiners for the following year. The schedule for the 1993 Board is:

1993 Examiner Applications available . . . . . September 1992
1993 Examiner Applications due . . . . . November 3, 1992

1993 AWARD TIMETABLE

Award Applications available . . . . . December 1992
Award Eligibility Determination Forms due . . . . . February 18, 1993
Award Applications due . . . . . April 1, 1993
Award Application review/site visits . . . . . April-October 1993
Site Visits . . . . . September 7 - October 1, 1993
Award Ceremony . . . . . Fall 1993

CONFIDENTIALITY

All applications are confidential. Applicants are not expected to provide proprietary information about products or processes. Examiners are assigned to avoid conflicts of interest. Information on the successful strategies of Award recipients is released only after written approval is received from recipients.

FEES

Fees are set to cover some of the costs of review. Fees for 1993 include a nonrefundable payment of $50 that must accompany the Eligibility Determination Form. The written application review fee for manufacturing and service companies is $4000, while the fee for small business review is $1200. There is a separate fee of $1500 if Supplemental Sections are necessary. Separate site visit fees are set at the time the visits are scheduled.

For applications or information, write or call:

Malcolm Baldrige National Quality Award
National Institute of Standards and Technology
Administration Building - Room A537
Gaithersburg, Maryland 20899
TELE: 301-975-2036
FAX: 301-948-3716

11/92



Malcolm Baldrige
1922-1987

Malcolm Baldrige

26th Secretary of Commerce

Malcolm Baldrige was nominated to be Secretary of Commerce by President Ronald Reagan on December 11, 1980, and confirmed by the United States Senate on January 22, 1981.

During his tenure, Baldrige played a major role in developing and carrying out Administration trade policy. He took the lead in resolving difficulties in technology transfers with China and India. Baldrige held the first Cabinet-level talks with the Soviet Union in seven years which paved the way for increased access for U.S. firms to the Soviet market. He was highly regarded by the world's most pre-eminent leaders.

Leading the Administration's effort to pass the Export Trading Company Act of 1982, Baldrige was named by the President to chair a Cabinet-level Trade Strike Force to search out unfair trading practices and recommend ways to end those practices. He was the leader in the reform of the nation's antitrust laws.

Baldrige's award-winning managerial excellence contributed to long-term improvement in economy, efficiency, and effectiveness in government. Within the Commerce Department, Baldrige reduced the budget by more than 30% and administrative personnel by 25%.

Prior to entering the Cabinet, Baldrige was chairman and chief executive officer of Scovill, Inc., Waterbury, Connecticut. Having joined Scovill in 1962, he is credited with leading its transformation from a financially troubled brass mill to a highly diversified manufacturer of consumer, housing, and industrial goods.

Baldrige began his career in the manufacturing industry in 1947 as a foundry hand in an iron company in Connecticut and rose to the presidency of that company by 1960. During World War II, Baldrige served in combat in the Pacific as Captain in the 27th Infantry Division. He was born in Omaha, Nebraska and graduated from Yale University with a bachelor's degree in 1944.

Baldrige worked during his boyhood as a ranch hand and earned several awards as a professional team roper on the rodeo circuit. He was a Professional Rodeo Man of the Year in 1980 and was installed in the National Cowboy Hall of Fame in Oklahoma City in 1984.

Malcolm Baldrige died July 25, 1987 in a rodeo accident in California. His service as Secretary of Commerce was one of the longest in history. He is said to have been possibly the most colorful Secretary of Commerce and one of the most beloved. He is survived by his wife Margaret and his two children.

DEC-07-1992 14:05 FROM NIST MBNQA TO 2024566218 P.05

MALCOLM BALDRIGE NATIONAL QUALITY AWARD
1992 WINNERS

COMPANY	QUALITY CONTACT	PUBLIC AFFAIRS CONTACT
AT&T NETWORK SYSTEMS GROUP **TRANSMISSION SYSTEMS BUSINESS UNIT** **MANUFACTURING**	Louis E. Monteforte, Manager Transmission Quality Planning 475 South Street, Room 2W-44 Morristown, NJ 07962-1976 **TELE: 201-606-2488** **FAX: 201-606-3363 or** **QUALITY HOTLINE: 1-800-682-7759**	Patricia Stortz Public Relations Morristown, NJ **TELE: 201-606-2478** **FAX: 201-606-3307**
AT&T UNIVERSAL CARD SERVICES **SERVICE**	Robert A. Davis Chief Quality Officer 8787 Baypine Rd. Jacksonville, FL 32256 **TELE: 904-443-8875** **FAX: 904-443-8722**	Bruce Reid Media Relations Jacksonville, FL **TELE: 904-443-8894** **FAX: 904-443-8720**
GRANITE ROCK COMPANY **SMALL BUSINESS**	Bruce W. Woolpert President and CEO P.O. Box 50001 Watsonville, CA 95077-5001 **TELE: 408-761-2300**	Greg Diehl Marketing Services Watsonville, CA **TELE: 408-724-5611** **FAX: 408-724-3484**
TEXAS INSTRUMENTS INCORPORATED **DEFENSE SYSTEMS** **& ELECTRONICS GROUP** **MANUFACTURING**	Mike Cooney, Vice President Quality Assurance P.O. Box 660246, M/S 3124 Dallas, TX 75266 **TELE: 214-480-4800** **FAX: 214-480-4880**	Tony Geishauser Media Relations Dallas, TX **TELE: 214-480-1417** **FAX: 214-480-3281**
THE RITZ-CARLTON HOTEL COMPANY **SERVICE**	Patrick Mene Corporate Director of Quality 3414 Peachtree Road, N.E. Atlanta, GA 30326 **TELE: 404-237-5500** **FAX: 404-261-0119**	Karon Cullen Corporate Dir. of Public Relations Atlanta, GA **TELE: 404-237-5500** **FAX: 404-365-9643**

DEC-07-1992 14:06 FROM NIST MBNQA TO 2024566218 P.06

MALCOLM BALDRIGE NATIONAL QUALITY AWARD
PREVIOUS WINNERS

COMPANY	QUALITY CONTACT	PUBLIC AFFAIRS CONTACT
CADILLAC MOTOR CAR COMPANY - 1990 **MANUFACTURING**	Rosetta Riley, Director Continuous Improvement Process General Motors Building 3044 West Grand Blvd., Room 6-160 Detroit, MI 48202 **TELE: 313-556-1965** **FAX: 313-974-4933**	Ann Sylvester 2860 Clark Street Detroit, MI 48232 **TELE: 313-554-6818** **FAX: 313-554-5074**
FEDERAL EXPRESS CORPORATION - 1990 **SERVICE**	QUALITY QUESTIONS & INFORMATION Jean Ward-Jones, Manager Quality Education & Administration P.O. Box 727 Memphis, TN 38194-2142 **TELE: 901-395-4539** **FAX: 901-395-4641**	Shirley Finley, Senior Specialist Media Relations 2005 Corporate Avenue Memphis, TN 38132 **TELE: 901-395-3463** **FAX: 901-346-1013 or 395-4928** QUALITY SPEAKER SERVICE Sally Davenport, Senior Specialist Public Relations 2005 Corporate Avenue Memphis, TN 38132 **TELE: 901-395-3466** **FAX: 901-346-1013**
GLOBE METALLURGICAL, INC. - 1988 **SMALL BUSINESS**	Norman Jennings, Quality Director P.O. Box 157 Beverly, OH 45715 **TELE: 614-984-2361** **FAX: 614-984-8695**	Sherryl Hennessey, Public Relations P.O. Box 157 Beverly, OH 45715 **TELE: 614-984-2361** **FAX: 614-984-8695**
IBM ROCHESTER - 1990 **MANUFACTURING**	IBM Rochester Center for Excellence 3605 Highway 52 North Rochester, MN 55901-7829 **TELE: 507-286-5000 (HOTLINE)** **FAX: 507-286-5010**	MEDIA REQUESTS ONLY Jon Iwata Corporate Media Relations Old Orchard Road Armonk, NY 10504 **TELE: 914-765-6630** **FAX: 914-765-5099**

DEC-07-1992 14:06 FROM NIST MBNQA TO 2024566218 P.07

COMPANY	QUALITY CONTACT	PUBLIC AFFAIRS CONTACT
MARLOW INDUSTRIES - 1991 **SMALL BUSINESS**	Joy Janco Baldrige Activities Coordinator 10451 Vista Park Road Dallas, TX 75238-1645 **TELE: 214-342-4293** **FAX: 214-341-5212**	SAME AS QUALITY CONTACT
MILLIKEN & COMPANY - 1989 **MANUFACTURING**	Dr. Patrick C. Bowie Vice President, Quality P.O. Box 1926, M-186 Spartanburg, SC 29304 **TELE: 803-573-2003** **FAX: 803-573-2505** TOURS: Sandra Howell **TELE: 803-573-1988**	Terry J. May Director of Public Affairs P.O. Box 1926, MS-285 Spartanburg, SC 29304 **TELE: 803-573-2546** **FAX: 803-573-2100**
MOTOROLA, INC. - 1988 **MANUFACTURING**	Richard Buetow Senior V. President & Dir. of Quality 1303 East Algonquin Road Schaumburg, IL 60196 **TELE: 708-576-5516** **FAX: 708-538-2663**	Margot Brown Manager, Media Relations 1303 East Algonquin Road Schaumburg, IL 60196 **TELE: 708-576-5304** **FAX: 708-576-7653**
SOLECTRON CORPORATION - 1991 **MANUFACTURING**	Margaret Smith Marketing Program Specialist 777 Gilbraltar Drive Building #5 Milpitas, CA 95035 **TELE: 408-956-6768** **FAX: 408-956-6056**	Mike Peak, Principal Peak Public Relations 21710 Stevens Creek Blvd. Suite 220 Cupertino, CA 95014 **TELE: 408-446-0407** **FAX: 408-446-0450**
WALLACE CO., INC. - 1990 **SMALL BUSINESS**	John W. Wallace Chief Executive Officer P.O. Box 2597 Houston, TX 77252-2597 **TELE: 713-672-5803** **FAX: 713-672-5815**	SAME AS QUALITY CONTACT

P.08 2024566218 TO FROM NIST MBNQA DEC-07-1992 14:07

MALCOLM BALDRIGE NATIONAL QUALITY AWARD
PREVIOUS WINNERS (continued)

COMPANY	QUALITY CONTACT	PUBLIC AFFAIRS CONTACT
WESTINGHOUSE ELECTRIC CORP. COMMERCIAL NUCLEAR FUEL DIV. - 1988 **MANUFACTURING**	SAME AS PUBLIC AFFAIRS CONTACT	Carl Arendt, Mgr. Communications Productivity and Quality Center P.O. Box 160 Pittsburgh, PA 15230-0160 **TELE: 412-778-5008** **FAX: 412-778-5153**
XEROX CORPORATION BUSINESS PRODUCTS & SYSTEMS - 1989 **MANUFACTURING**	John G. Lawrence, Manager National Quality Communications Office 1387 Fairport Road, Building 1100 Fairport, NY 14450 **TELE: 716-383-7502** **FAX: 716-383-7517**	Samuel M. Malone, Jr., Manager Quality Communications 1387 Fairport Road, Bldg. 1100 Fairport, NY 14450 **TELE: 716-383-7534** **FAX: 716-383-7517**
ZYTEC CORPORATION - 1991 **MANUFACTURING**	Karen Scheldroup Baldrige Office 7575 Market Place Drive Eden Prairie, MN 55344 **TELE: 612-941-1100 x104** **FAX: 612-829-1837**	SAME AS QUALITY CONTACT

KEY DATES FOR THE 1993 AWARD CYCLE

1993 Award Criteria Available	December 1992
1993 Eligibility Forms Due	March 1, 1993
1993 Award Applications Due	April 1, 1993
1993 Site Visits Take Place	September 7 - October 2, 1993



Texas Instruments Defense Systems & Electronics Group

1992 AWARD WINNER

The Texas Instruments Defense Systems & Electronics Group has made total quality basic to its business. The Dallas-based maker of precision-guided weapons and other advanced defense technology believes that its full-scale conversion to total quality management (TQM) is making it a stronger competitor, one up to building market share in a contracting defense industry.

Aiming to achieve six sigma* quality by 1995 and to reduce product development time by 25 percent each year, TI-DSEG is reaping the benefits of accelerating quality-improvement efforts that began in the early 1980s. The reliability of TI-DSEG systems exceeds the specifications of its Defense Department customers, in several instances by four or five times. Effective strategic planning, wide use of concurrent engineering methods, and strong relationships with key suppliers have helped TI-DSEG penetrate new defense markets, while increasing its share in five of the company's six existing markets.

Increased efficiency and cost-accounting measures that encourage waste reduction and recycling have reduced emissions and solid hazardous waste disposal through reclamation. TI-DSEG's printed wiring board plant has eliminated hazardous waste, and the company's initiative to phase out use of ozone-depleting chlorofluorocarbons by 1995, 5 years before the Montreal Protocol deadline, is on track.

TI-DSEG: A Snapshot

A subsidiary of Texas Instruments Inc., TI-DSEG designs and manufactures precision-guided weapons, airborne radar systems, infrared vision equipment and other electro-optic systems, and electronic warfare systems, which altogether accounted for 95 percent of 1991 revenues totaling nearly $2 billion. Recently, the company won contracts to make antiarmor weapon systems and airborne computers, new markets that are expected to account for growing shares of company revenues. About 10 percent of total sales are to U.S. allies.

Formed during World War II, TI-DSEG has grown to become the nation's eighth largest defense electronic contractor. Employing 15,000 people, the company operates 11 manufacturing, testing, research, and distribution facilities at sites located in the North and Central Texas area.

TQM Strategy

At TI-DSEG, quality goals and business goals are one and the same. Executives view TQM as the best approach to accomplish any objective—from increasing market share to controlling employee health care costs—and teams as the most effective means to execute the company's quality strategy. From a pilot group of four worker teams formed in 1983, a network of more than 1,900 teams has grown to link all units and levels, from top management to individual work teams.

The network continues to evolve, with the aim of trimming organizational levels and transferring day-to-day decision-making authority to workers. In 1987, the company began experimenting with self-directed work teams and documented significant decreases in defects and production time. As a result, the TI-DSEG Quality Improvement Team (QIT), which is made up of the company's 14 top executives, has

* Six sigma is a statistical term, signifying a world-class level of performance. It translates into 3.4 defects or errors per 1 million parts or process steps.

set the 1995 goal of increasing participation on unsupervised teams to at least half of the workforce.

Chaired by President Hank Hayes, the TI-DSEG QIT initiates and guides strategic quality planning, beginning with the setting of company-wide long-term goals and ending with final approval of each division's annual objectives and implementation plans. Annual objectives are evaluated to ensure they will advance the company toward accomplishing its 5- to 10-year goals, a planning horizon that reflects the development time for next-generation defense systems.

Evaluations of customer needs drive the entire planning process. These draw on an extensive database assembled from information gathered from a variety of sources, including formal surveys, informal interviews and visits to military program offices and laboratories, policy statements, contract specifications, and customer-provided requirements documents. For each market segment, TI-DSEG translates key requirements, such as reducing the power demands, size, and weight of airborne radar systems, into clear improvement goals for products, processes, and services. In turn, measures for tracking progress toward customer satisfaction objectives and managing internal processes are established for all units. Clear quality requirements also are set for suppliers, since up to half the content of TI-DSEG systems may consist of purchased parts.

The iterative planning process also integrates core technical capabilities, product markets, and so-called "enabling strategies," such as worker training or process automation. This cross-cutting analysis helps the TI-DSEG QIT develop realistic "multiyear investment plans" to guide annual budgeting for research, new equipment, worker education, and other areas.

TI-DSEG's evolving TQM approach reflects, in part, an accumulation of lessons learned from other companies. An active benchmarking program, managed by a full-time benchmarking "champion," has pointed the way to improvements in virtually every part of the company, from accounting to printed wiring board manufacture. TI-DSEG's goal to achieve six-sigma quality, for example, is based on its study of the quality program at the Motorola Co.

As the company has trimmed organizational layers to five (down from eight in 1990) and increased the number of employees per supervisor, it has increased its investment in training. With the completion of six-sigma quality training in 1992, the entire workforce will be schooled in design quality, statistical tools, and other quantitative problem-solving methods. TI-DSEG's 1992 goal is to provide an average of 40 hours of training for each employee, up from 25 hours in 1991. In addition, the company plans to spend $11 million between 1989 and 1996 to provide continuing education to workers for reading, writing, and mathematics to meet ever-increasing job demands.

This strategy to empower individuals and teams is complemented by continuing investment in information technology and tools for diagnosing and solving problems. On-line computer systems with standardized data formats and interfaces, bar coding, and integrated data collection strategies are elements of a company thrust to make information immediately available and easily accessible at all points in the company. TI-DSEG is linked electronically to customers and suppliers, significantly reducing paperwork. Fifty-six percent of purchases from suppliers are done electronically.

Returns on these and other efforts to improve TI-DSEG performance, products, and service have been documented throughout the business and by customers. For example, a Navy evaluation of 17 missiles found the TI-DSEG-made HARM and Shrike missiles to be the most reliable, having the longest mean time between failures. An ongoing Navy study evaluates manufacturing operations at 35 defense contractors. Since 1986, 106 processes and techniques used by TI-DSEG were designated as "best manufacturing practices," more than any other company. Customers are recognizing TI-DSEG's quality improvements in other ways as well. Since 1987, the number of customer-conducted quality audits has decreased 72 percent, while formal complaints have fallen by 62 percent since 1988. In a TI-DSEG-commissioned, independently conducted survey of 2,000 company customers, TI-DSEG topped its main competitors in all 11 customer-satisfaction categories—from cost-effective pricing, deployment of technology, and product support.

Company-wide, revenues per worker have increased from about $80,000 in 1987 to more than $125,000 in 1991.

★ ★ ★ ★ ★ ★ ★ ★ ★ ★

For more information, contact:
Mike Cooney
Vice-President,
Quality Assurance
P.O. Box 660246, M/S 3124
Dallas, TX 75266
Telephone: 214-480-4800
Fax: 214-480-4880



The Ritz-Carlton Hotel Company

1992 AWARD WINNER

The Ritz-Carlton Hotel Company aims to succeed in one of the most logistically complex service businesses. Targeting primarily industry executives, meeting and corporate travel planners, and affluent travelers, the Atlanta-based company manages 25 luxury hotels that pursue the distinction of being the very best in each market. It does so on the strength of a comprehensive service quality program that is integrated into marketing and business objectives.

Hallmarks of the program include participatory executive leadership, thorough information gathering, coordinated planning and execution, and a trained workforce that is empowered "to move heaven and earth" to satisfy customers. Of these, committed employees rank as the most essential element. All are schooled in the company's "Gold Standards," which set out Ritz-Carlton's service credo and basics of premium service.

The Ritz-Carlton: A Snapshot

The Ritz-Carlton Hotel Company is a management company that develops and operates luxury hotels for W.B. Johnson Properties, also based in Atlanta. In 1983, W.B. Johnson acquired exclusive U.S. rights to the Ritz-Carlton trademark, a name associated with luxury hotels for 100 years.

The Ritz-Carlton Hotel Company operates 23 business and resort hotels in the United States and two hotels in Australia. It also has nine international sales offices and employs 11,500 people. Two subsidiary products, restaurants and banquets, are marketed heavily to local residents. The company claims distinctive facilities and environments, highly personalized services, and exceptional food and beverages.

"Gold Standards"

Quality planning begins with President and Chief Operating Officer Horst Schulze and the other 13 senior executives who make up the corporate steering committee. This group, which doubles as the senior quality management team, meets weekly to review the quality of products and services, guest satisfaction, market growth and development, organizational indicators, profits, and competitive status. Each year, executives devote about one-fourth of their time to quality-related matters.

The company's business plan demonstrates the value it places on goals for quality products and services. Quality goals draw heavily on consumer requirements derived from extensive research by the travel industry and the company's customer reaction data, focus groups, and surveys. The plan relies upon a management system designed to avoid the variability of service delivery traditionally associated with hotels. Uniform processes are well defined and documented at all levels of the company.

Key product and service requirements of the travel consumer have been translated into Ritz-Carlton Gold Standards, which include a credo, motto, three steps of service, and 20 "Ritz-Carlton Basics." Each employee is expected to understand and adhere to these standards, which describe processes for solving problems guests may have as well as detailed grooming, housekeeping, and safety and efficiency standards. Company studies prove that this emphasis is on the mark, paying dividends to customers and, ultimately, to Ritz-Carlton.

The corporate motto is "ladies and gentlemen serving ladies and gentlemen." To provide superior service, Ritz-Carlton trains employees with a thorough orientation, followed by on-the-job training, then job certification. Ritz-Carlton values are reinforced continuously by daily "line ups," frequent recognition for extraordinary achievement, and a performance appraisal based on expectations explained during the orientation, training, and certification processes.

To ensure problems are resolved quickly, workers are required to act at first notice—regardless of the type of problem or customer complaint. All employees are empowered to do whatever it takes to provide "instant pacification." No matter what their normal duties are, other employees must assist if aid is requested by a fellow worker who is responding to a guest's complaint or wish.

Much of the responsibility for ensuring high-quality guest services and accommodations rests with employees. Surveyed annually to ascertain their levels of satisfaction and understanding of quality standards, workers are keenly aware that excellence in guest services is a top hotel and personal priority. A full 96 percent of all employees surveyed in 1991 singled out this priority—even though the company had added 3,000 new employees in the previous 3 years.

Detailed Planning

At each level of the company—from corporate leaders to managers and employees in individual work areas—teams are charged with setting objectives and devising action plans, which are reviewed by the corporate steering committee. In addition, each hotel has a "quality leader," who serves as a resource and advocate as teams and workers develop and implement their quality plans.

Teams and other mechanisms cultivate employee commitment. For example, each work area is covered by three teams responsible for setting quality-certification standards for each position, problem solving, and strategic planning.

The benefits of detailed planning and the hands-on involvement of executives are evident during the 7 days leading up to the opening of a new hotel. Rather than opening a hotel in phases, as is the practice in the industry, Ritz-Carlton aims to have everything right when the door opens to the first customer. A "7-day countdown control plan" synchronizes all steps leading to the opening. The company president and other senior leaders personally instruct new employees on the "Gold Standards" and quality management during a 2-day orientation, and a specially selected start-up team composed of staff from other hotels around the country ensures all work areas, processes, and equipment are ready.

Quality Data

Daily quality production reports, derived from data submitted from each of the 720 work areas in the hotel system, serve as an early warning system for identifying problems that can impede progress toward meeting quality and customer-satisfaction goals. Coupled with quarterly summaries of guest and meeting planner reactions, the combined data are compared with predetermined customer expectations to improve services.

Among the data gathered and tracked over time are guest room preventive maintenance cycles per year, percentage of check-ins with no queuing, time spent to achieve industry-best clean room appearance, and time to service an occupied guest room.

From automated building and safety systems to computerized reservation systems, Ritz-Carlton uses advanced technology to full advantage. For example, each employee is trained to note guest likes and dislikes. These data are entered in a computerized guest history profile that provides information on the preferences of 240,000 repeat Ritz-Carlton guests, resulting in more personalized service.

The aim of these and other customer-focused measures is not simply to meet the expectations of guests but to provide them with a "memorable visit." According to surveys conducted for Ritz-Carlton by an independent research firm, 92 to 97 percent of the company's guests leave with that impression. Evidence of the effectiveness of the company's efforts also includes the 121 quality-related awards received in 1991 and industry-best rankings by all three major hotel-rating organizations.

★ ★ ★ ★ ★ ★ ★ ★ ★ ★

For more information, contact:
Patrick Mene
Corporate Director of Quality
3414 Peachtree Road, N.E.
Atlanta, GA 30326
Telephone: 404-237-5500
Fax: 404-261-0119



Granite Rock Company

1992 AWARD WINNER

Vying for customers in a commodity industry that typically buys from the lowest-bid supplier, Granite Rock Company, a California producer of construction materials, is expanding the terms of competition to include high quality and speedy service.

The strategy is working for the Watsonville-based firm. Since 1980, the regional supplier to commercial and residential builders and highway construction companies has increased its market share significantly. Productivity also has increased, with revenue earned per employee rising to about 30 percent above the national industry average.

Most of the improvement has been realized since 1985, when Granite Rock started its Total Quality Program. The program stresses satisfying two types of customers: the contractor who normally makes the purchasing decisions and the end point customer who ultimately pays for the buildings or roads made with Granite Rock materials. By emphasizing the hidden costs associated with slow service and substandard construction materials, such as rework and premature deterioration, the company is convincing a growing number of contractors of the value of using their high-quality materials and unmatched service. To spread its quality message, Granite Rock sponsors seminars for contractors, developers, architects, and suppliers.

As a result of its investments in computer-controlled processing equipment and widespread use of statistical process control, Granite Rock can assure customers that its materials exceed specifications. Customers also can be confident that the materials will arrive when they need them. Granite Rock's record for delivering concrete on time, a key determinant of customer satisfaction, has risen from less than 70 percent in 1988 to 93.5 percent in 1991. That record tops the on-time delivery average of a prominent national company that Granite Rock benchmarked to improve its process.

Granite Rock: A Snapshot

Founded in 1900, Granite Rock produces rock, sand, and gravel aggregates; ready-mix concrete; asphalt; road treatments; and recycled road-base material. It also retails building materials made by other manufacturers and runs a highway-paving operation. It competes in a six-county area extending from San Francisco southward to Monterey. Most of its major competitors are firms owned by multinational construction-material companies.

A vertically integrated company, Granite Rock employs 400 people, who are distributed among branch offices, several quarries, 15 batch plants, and other facilities. Approximately 250 of the employees are members of five unions.

"Total Quality"

Nine complementing corporate objectives, distilled from analyses of customers' requirements, are the cornerstone of Granite Rock's quality program. During the annual integrated business and quality planning process, senior executives systematically evaluate company-gathered data and develop measurable "baseline goals" to help the company advance toward each objective.

Charts for each product line help executives assess Granite Rock's performance relative to competitors on key product and service attributes, ranked according to customer priorities. By

1995, the company aims to build a 10-percent lead over its nearest competitor for each indicator of customer satisfaction.

After annual improvement targets are set, the executive committee expects branches and divisions to develop their own implementation plans. Coordination across divisions is fostered by 10 Corporate Quality Teams that oversee and help align improvement efforts across the entire organization. Although committees are chaired by senior executives, members include managers, salaried professional and technical workers, and hourly union employees. Teams carry out quality improvement projects as well as many day-to-day activities and operations. In 1991, nearly all workers took part in at least one of the company's 100-plus quality teams.

In 1987, the company introduced the Individual Professional Development Plan, a voluntary program in which 74 percent of Granite Rock people now participate. At least once a year, workers meet with supervisors to define their job responsibilities, review accomplishments, assess their skills, and set skill- and career-development goals.

Granite Rock encourages all employees to continue learning and sponsors a series of classes and speakers on technical topics. In 1991, Granite Rock employees averaged 37 hours of training at an average cost of $1,697 per employee, three times more than the mining-industry average and 13 times more than the construction-industry average.

As part of Granite Rock's effort to reduce process variability and increase product reliability, many employees are trained in statistical process control, root-cause analysis, and other quality-assurance and problem-solving methods. This workforce capability helps the company exploit the advantages afforded by investments in computer-controlled processing equipment. Its newest batch plant features a computer-controlled process for mixing batches of concrete, enabling real-time monitoring of key process indicators. With the electronically controlled system, which Granite Rock helped a supplier design, the reliability of several key processes has reached the six-sigma level (3.4 errors per 1 million chances to err). The new system and real-time data collection will be adopted by the company's other concrete plants, where control of product variability either approaches or exceeds the three-sigma level.

Applying statistical process control to all product lines has helped the company reduce variable costs and produce materials that exceed customer specifications and industry- and government-set standards. For example, Granite Rock's concrete products consistently exceed the industry performance specifications by 100 times.

Innovative applications of technology have helped the company enhance its service offerings. Granite Rock's Arthur R. Wilson Quarry may be the most advanced aggregate production facility in the country. Heavy investments in recent years have improved production efficiency, quality control, and customer service. Responding to customer concern over rising trucking costs, the company developed GraniteXpress, the construction industry's version of an automatic teller machine. With the automated system for loading aggregate, a driver inserts the equivalent of a credit card into a terminal, keys in the type and amount of aggregate, and proceeds to the loading facility where the truck is accurately filled over an electronic scale. The service, which operates 24 hours a day, 7 days a week, has reduced the time a trucker spends at the quarry to 9 minutes, as compared with 24 minutes before GraniteXpress was installed.

Granite Rock uses an annual survey that allows buyers to match up the company with its competitors. Every 3 to 5 years, more detailed surveys are conducted. Customer complaints are handled through product/service discrepancy reports that require analysis of the problem and identification of the root cause. Ultimate customer satisfaction is assured through a system where customers can choose not to pay for a product or service that doesn't meet expectations. Dissatisfaction is rare, however. Costs incurred in resolving complaints are equivalent to 0.2 percent of sales, as compared with the industry average of 2 percent.

★ ★ ★ ★ ★ ★ ★ ★ ★ ★

For more information, contact:
Bruce W. Woolpert
President and CEO
P.O. Box 50001
Watsonville, CA 95077-5001
Telephone: 408-761-2300



AT&T Network Systems Group

—

Transmission Systems Business Unit

1992 AWARD WINNER

The Transmission Systems Business Unit (TSBU) of AT&T's Network Systems Group aspires to be an overachiever in the eyes of its customers. Although not yet perfect, the nation's largest maker of transmission equipment for telecommunications networks knows what it must do to earn top grades for customer satisfaction.

At least once a year, many of TSBU's major customers issue detailed, individualized "report cards," grading the equipment supplier on the product and service characteristics they deem most important. Guided by analyses of 11 types of customer-related information—from report cards to various measures of the quality and responsiveness of customer-support services—TSBU's integrated strategic planning process ensures that accomplishing performance-improvement goals contributes directly to increases in customer satisfaction and gains in the market.

For telecommunications companies, reliability is the top priority for transmission equipment. The reliability of TSBU products exceeds customer expectations in all of the company's markets. On the basis of that record and continuing improvement in product quality, TSBU was the first in the industry to offer a 5-year warranty. Warranty costs average 1 percent of revenues, just as they did when TSBU offered a 2-year guarantee.

Since 1989, TSBU has cut new product-development time in half and realized cost savings totaling $300 million. The company has pursued high-growth export markets, picking up 37 new international customers since 1985.

TSBU: A Snapshot

A division of AT&T since 1955, TSBU was reorganized in 1989 into one of the six separate business units within the AT&T Network Systems Group. Headquartered in Morristown, N.J., the company employs 7,500 people at nine U.S. sites. Approximately two-thirds are employed at TSBU's manufacturing plant in North Andover, Mass. Five facilities in Europe employ another 3,000 people.

Competing in a $15-billion international market, the company develops, manufactures, markets, and services systems for transporting data, voice, and images over public and private telecommunications networks. Digital loop carrier systems, digital access and cross-connect systems, and network multiplex equipment generate half of total sales. Lightwave systems and an array of other systems and equipment account for the remainder.

TSBU is the world's second largest maker of transmission systems. Sales to the seven Regional Bell Operating Companies and the AT&T worldwide network account for a large portion of revenues. Sales to independent telephone companies, private networks, interexchange carriers, cable television companies and cellular providers, and, in particular, foreign telephone companies account for a growing share of business.

Quality Approach

Fine-tuned on the basis of lessons learned from internal evaluations and benchmarking studies, TSBU's planning process is designed to create a clear cause-and-effect relationship among priorities, goals, and subsequent improvement actions. Called "policy deployment," the iterative process establishes links from

AT&T's quality principles through TSBU's 13 "detailed objectives" to the specific quality improvement projects now being carried out by more than 800 teams.

To tighten linkages within TSBU and speed decision making, the company's Quality Council, chaired by President Greg Hughes, is approaching the goal of trimming two management layers. Concurrently, TSBU reduced the number of classifications for hourly workers to 80, down from 1,300. An additional measure to help tighten the focus on quality improvement was to train union leaders in the policy deployment process.

The eight executives on the Quality Council initiate planning and serve as members on any one of four steering committees, which also include high- level managers of TSBU's major units. Supported by business management teams, the cross-organizational steering committees translate the TSBU goals into specific quality projects required to accomplish the company's annual and 5-year goals. The draft strategic plan is communicated to employees at all levels and to key suppliers. Units develop their own plans, detailing the steps and resources required to reach their specific goals. They also can suggest changes in the TSBU strategic plan. Once the plan is approved, progress is reviewed at the Quality Council's biweekly meetings.

Teams, training, and increased authority for workers are key elements of quality-improvement efforts. Seventy-nine percent of the workforce participated on teams in 1991. To help accomplish their objectives, teams are aided by company-trained employees, who provide skills training and serve as resources throughout all phases of the teams' work. New employees participate in a 2-day customer-focused Quality Orientation Program; each employee is expected to receive a minimum of 40 hours of training and education a year.

TSBU's information systems helps executives, managers, and workers track key processes in all phases and at all levels of the business. Performance indicators are selected carefully and reviewed regularly to ensure that the information supports decision making as well as management and improvement of processes determined to impact customer satisfaction. High-level, aggregated analyses of TSBU data show direct correlation between quality improvement and measures of customer satisfaction and financial performance.

At the manufacturing level, TSBU emphasizes automated data collection. Bar codes and electronic links between machines enable real-time updates on process performance and ensure the accuracy of the manufacturing data. This and other information guide company efforts to reduce production time and speed development of new products.

Design for manufacturability is an essential element of these efforts. For example, data on the reliability of components guide decisions on suppliers. During the extensive review and certification process, manufacturing representatives on the product development team can refuse designs that will not match or exceed yields of existing products.

TSBU uses a variety of methods to build and maintain customer relationships and to gather feedback on the quality of its products and services. In addition to the report cards customers use to evaluate TSBU against the performance characteristics they define as most important, TSBU uses summaries of contacts, customer focus groups, complaints, requests for technical assistance, evaluations of competitors, and surveys to assess its performance from the customer's perspective.

TSBU also has programs to ascertain customers' long-term needs and to predict what new technology will be needed to meet those needs. For example, in 1991 it conducted 23 forums during which TSBU shared (under non-disclosure agreements) its future technical directions and customers explained their long-term plans and expectations. The information helps TSBU strengthen its customer relationships and sharpen its focus on the steps it must take to accomplish its 1997 goal of being the world's largest supplier of transmission equipment.

★ ★ ★ ★ ★ ★ ★ ★ ★ ★

For more information, contact:
Louis E. Monteforte
Manager, Transmission Quality Planning
475 South Street
Room 2W-44
Morristown, NJ 07962-1976
Telephone: 201-606-2488
Fax: 201-606-3363
or
AT&T's Quality Hotline:
1-800-682-7759



AT&T Universal Card Services

1992 AWARD WINNER

Customer focused. That's what AT&T Universal Card Services (UCS) believes it must continue to be if it is to maintain the rapid ascent that, in 30 months, made its Universal Card the second largest in the credit card industry. Indeed, the young business was designed around the use of quality principles to "delight the customer."

A comprehensive data and tracking system helps the AT&T subsidiary chart a well-marked course for continuous improvement in its customer relationships, internal operations, supplier partnerships, and business performance. For example, determinants of customer satisfaction—the starting point for all quality planning—are studied in layers of detail.

UCS's eight broad categories of "satisfiers," including price and customer service, are used to define the company's quality focus. In turn, these prioritized determinants of how customers perceive the value of credit-card services are underpinned by 125 "satisfiers," each one also weighted to reflect its relative importance.

One practical product of this increasing specificity is an exhaustive set of concrete performance measures linking internal operations and customer satisfaction. Another is a clear picture of what UCS must to do to better its services, performance, and market share. Management knows what improvements are likely to yield the greatest gains in quality. Each part of the business, from UCS as a whole to individual work units, has a list of "10 most wanted" quality improvements.

Through its benchmarking program, UCS has determined what constitutes world-class performance and service, and it has set its quality goals accordingly. Now, other companies are using UCS as their benchmark. UCS reports that it leads the credit card industry in such areas as speed and accuracy of application processing, and customer satisfaction. UCS also cites its industry leadership position in all eight primary customer satisfiers.

UCS: A Snapshot

Since AT&T established UCS in March 1990, the AT&T Universal Card—a combination general-purpose credit and long-distance calling card—has attracted 16 million cardholders. UCS now employs 2,500 people, or 10 times more than its initial payroll. Nearly 90 percent work at UCS's main facility and headquarters in Jacksonville, Fla. The collections operation in Houston and the payment processing center in Columbus, Ga., employ the remainder. Two-thirds of all employees are in customer-contact positions.

AT&T views its Universal Card as a strategic tool for protecting and bolstering its long-distance customer base. In 1991, UCS's first full year, AT&T documented a 40-percent annual increase in calling-card revenues from UCS customers.

UCS competes against some 6,000 national, regional, and local issuers of general-purpose credit cards.

"Delight Customers"

UCS began with a straightforward strategy: Offer a credit card with a comprehensive set of competitive services. Then, through a carefully conceived and executed strategic plan, continuously improve internal performance and continuously pursue enhancements in product and service offerings. The twofold aim was "delighting custom-

ers" and distancing the Universal Card from competitors' products.

Fundamental to the strategy was the need to listen to customers—resulting, for example, in eight customer-related databases and 11 monthly surveys that track overall satisfaction and the quality of specific services. Also fundamental was an organizational structure that could respond quickly to changing customer requirements and competitive conditions by efficiently carrying out quality-improvement initiatives.

From the onset, quality has been a top concern of UCS President and Chief Executive Officer Paul Kahn and the other 11 members of the business team. The team crafted a long-term incentive plan that rewards members for accomplishing quality objectives. In addition, executives and managers "own" specific short- and long-term quality goals, numbering more than 100 in 1991, each with a predetermined target date.

Although the business team develops UCS's annual and long-term strategic plans, mechanisms that go beyond evaluating all relevant trend data provide other avenues for customer and employee input into the setting of quality and business goals. For example, during 1992, all employees have met with a senior executive to exchange ideas in gatherings of no more than 10 people. Employee suggestions also feed into the planning process. So far in 1992, UCS personnel have submitted more than 6,200 suggestions, compared with 1,727 in 1990. Nearly half of all suggestions made last year were accepted and acted on by management.

All business team members are required to devote some of their time to meeting with customers. Several also serve on the Customer Listening Post Team, which evaluates the effectiveness of UCS procedures for gathering, responding to, and evaluating customer comments and survey results.

The business team translates goals into key initiatives. At the top of the list are the business team's "10 most wanted" quality improvements. All key initiatives are assigned to teams composed of representatives of various UCS units. In support of each initiative, these cross-functional teams develop specific programs as well as the associated performance measures that link programs to UCS's strategic goals.

Another tier of cross-functional teams, which include supplier representatives, implements the programs. If the goal of the program is to develop a new service, customer focus groups also participate in the process. If the goal is improving an existing process or service, a company-wide quality assurance group helps the team establish measures for assessing how changes affect levels of customer satisfaction.

Employees Key

UCS exhibits a strong culture of concern for its people. Associates are made to feel that they are the key to "delighting the customer." This is made real by empowering line employees. Intending to move beyond project-focused quality teams, the company has begun a pilot program to introduce self-directed work teams responsible for all day-to-day activities and decisions. Customer-contact employees already have considerable authority to act on their own. For example, they can grant credit line increases and adjust customers' bills without management approval.

Training opportunities are numerous, ranging from traditional classroom sessions to computer-based instruction. In 1991, hourly employees underwent, on average, 84 hours of training, not including the 8-week orientation for new customer-service employees. Monthly surveys track employee satisfaction. UCS has developed a list of employee "satisfiers" that guides improvements in training, recognition programs, and other human resource activities.

Widespread use of advanced information technology undergirds important components of quality improvement efforts. A Strategic Systems Plan, now in its final phase, will provide the company with world-class on-line processing and analysis capabilities. In 1991, UCS spent $20 million on computer workstations providing customer-support personnel with easy access to detailed card-member information.

In many key areas of performance and customer satisfaction—for example, speed in processing telephone applications (3 days versus 10 days for the nearest competitor)—UCS ranks as best in its class. In setting ever-higher standards for itself, the company is nurturing customer loyalty. The company reports that over 98 percent of customers rate overall service as better than the competition.

★ ★ ★ ★ ★ ★ ★ ★ ★ ★

For more information, contact:
Robert A. Davis
Chief Quality Officer
8787 Baypine Rd.
Jacksonville, FL 32256
Telephone: 904-443-8875
Fax: 904-443-8722

National Institute of Standards and Technology
(NIST)

PUBLIC AFFAIRS DIVISION

TELECOPIER COVER SHEET

Building 101 - Room A903
Gaithersburg, MD 20899

Date: Dec. 7

To: Michelle Nix

FAX 202-456-6218

ORIG.

TELEPHONE X7750

From: **Jan Kosko**

FAX 301-926-1630

ORIG. NIST/PUBLIC AFFAIRS OFFICE

TELEPHONE 301-975-2767

Number of Pages (including cover sheet): _____

FYI- Attached is info on Dec. 14 Baldrige Award ceremony plus a 1-page fact sheet. A Baldrige quote will follow later today or tomorrow.

Malcolm Baldrige National Quality Award

Malcolm Baldrige National Quality Award Ceremony and Other Events

December 14, 1992

DESCRIPTION OF EVENTS

The President, with your assistance, will present the Award to top executives of the five 1992 winners in an 11:30 ceremony to be attended by approximately 500 people. In addition to hosting the ceremony, you are asked to participate in a series of events during the day: a press briefing with executives from the winning companies; winners presentation following the ceremony; a luncheon for the winners, Baldrige Foundation trustees, the Boards of Overseers and Examiners, and other key supporters of the Award; and other functions involving the Examiners and Foundation Trustees.

CEREMONY EVENTS

Press Briefing

- You would host a press briefing (lasting 30 minutes) at DoC with top officials of the winning companies.
- Business, trade, and general news reporters would be invited.
- You would make brief remarks (three to four minutes) and introduce the top officials, who would not make remarks.
- You and the officials would then answer reporters' questions. Curt Reimann (NIST) will be available to assist.

Award Ceremony

- At an 11:30 a.m. ceremony in the DoC Malcolm Baldrige Great Hall, you would introduce the President and he would give brief remarks.
- You would announce the recipients of the 1992 award.
- The President, with your assistance, would present a folder containing a photograph of the award and a letter of congratulations to each top official of the 1992 winning companies (1 per winner).

- The company executives would not give remarks.

- Guests would include members of the Baldrige family, trustees of the award's Foundation, members of the Boards of Overseers and Examiners, members of the Cabinet, selected Members of Congress, representatives and guests of the winning companies, E and E-star winners, the President's Export Council, and the news media.

- At the conclusion of the ceremony, you would announce a 5-minute break to be followed by remarks by you and the top executives.

Winners' Presentations

- The award ceremony would be followed by remarks lasting approximately 35 minutes. The presentations are intended to inform guests attending the ceremony and the news media about each winner's quality management strategies and accomplishments.

- You would open the session with remarks (4 minutes) followed by remarks from each executive (5 minutes each).

Luncheon

- Following the presentations, you would host an appreciation luncheon for approximately 275 guests from the winning companies, Foundation, Boards of Overseers and Examiners, Cabinet and Congress. You and selected individuals, primarily winners' representatives, would make brief remarks. You also would present Malcolm Baldrige National Quality Award flags to each company's representatives.

Other Events

At separate events scheduled throughout the day, you would meet with members of the award's Foundation, Boards of Overseers and Examiners, and Panel of Judges. These sessions will provide you with the opportunity to thank the various members for their time and support, to present certificates, and take photos.

11:00 a.m. News Briefing ends
Secretary returns to office.

11:10 a.m. CEO's, Acting Deputy Secretary Willkie, Under Secretary White, NIST Director Lyons, and NIST Baldrige Award Director Reimann move to Holding Room. Companies' seconds take seats in Malcolm Baldrige Great Hall - front row.

11:20 a.m. Doors close to Malcolm Baldrige Hall

11:20 a.m. Secretary moves to Secretary's courtyard entrance to greet President.

11:30 a.m. President Bush arrives at Department (Secretary's entrance) and goes directly to Secretary's office for private meeting (photo).

Band begins to play in Malcolm Baldrige Great Hall.

11:35 a.m. President and Secretary leave Secretary's office for Holding Room adjacent to Malcolm Baldrige Great Hall

11:38 a.m. President and Secretary arrive Holding Room. CEO's of winning companies, Foundation Trustees, Acting Deputy Secretary Willkie, Under Secretary White, NIST Director Lyons, NIST Baldrige Award Director Reimann, and Baldrige Family ready for group photo with President and Secretary

11:42 a.m. President and Secretary have private moment with Baldrige Family

CEO's, "Second's in Command," Foundation Trustees, Acting Deputy Secretary Willkie, Under Secretary White, NIST Director Lyons, and NIST Baldrige Award Director Reimann take seats in front row in Great Hall

Baldrige family takes seats in Great Hall

Ceremony - Malcolm Baldrige Great Hall

11:45 a.m. President and Secretary are announced and enter Malcolm Baldrige Hall. Ceremony begins.

Presentation of colors and National Anthem

Guests include members of the Baldrige family, trustees of the award's Foundation, members of the Boards of Overseers and Examiners, members of the Cabinet, selected Members of Congress, representatives and guests of the winning companies, E and E-star winners,

the President's Export Council, and the news media. Ceremony will be broadcast via satellite to about 40 sites of the 5 winners.

11:46 a.m. Secretary makes introductory remarks and presents the President

11:47 a.m. President makes remarks

11:52 a.m. Secretary calls names of CEO's of winning companies one at a time (AT&T Network Systems Group/TSBU/Greg Hughes; Texas Instruments Inc./DSEG/Jerry Junkins; AT&T Universal Card Services/Paul Kahn; The Ritz-Carlton Hotel Co./Horst Schulze; Granite Rock Co./Bruce Woolpert)

President presents red folders for awards to CEO's individually

12:02 p.m. Pictures are taken of CEO's with President and Secretary (individual and group)

12:04 p.m. Special awards presentation

12:07 p.m. Secretary concludes ceremony and announces Winners' Presentations to begin in 5 minutes (30 seconds)

12:08 p.m. President and Secretary leave stage. President departs. CEO's group on stage for presentations.

Extra chairs placed on stage.

Band plays during break in program.

12:11 p.m. Secretary returns to Great Hall

Secretary and CEO's of winning companies move to stage to participate in Winners' Presentations.

12:13 p.m. **WINNERS' PRESENTATIONS**

12:13 p.m. Secretary's remarks

12:18 p.m. Secretary introduces CEO's of winning companies one-by-one (AT&T Network Systems Group/TSBU/Greg Hughes; Texas Instruments Inc./DSEG/William Hayes; AT&T Universal Card Services/Paul Kahn; The Ritz-Carlton Hotel Co./Horst Schulze; Granite Rock Co./Bruce Woolpert) to speak (6 minutes)

United States Department of Commerce
Technology Administration—National Institute of Standards and Technology

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 1990 President Bush said, "In just a few years, the National Quality Award has literally become the standard of business 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, strategic quality planning, human resource development and management, management of process quality, quality and operational results, and customer focus and satisfaction. Applicants must provide data to substantiate quality achievement and quality improvement in each area.

WHICH COMPANIES HAVE WON THE AWARD? A total of 17 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.
- 1992—AT&T Network Systems Group/ Transmission Systems Business Unit, Texas Instruments Inc. Defense Systems & Electronics Group, AT&T Universal Card Services, The Ritz-Carlton Hotel Co., and Granite Rock Co.

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

Remarks by President George Bush

Malcolm Baldrige National Quality Award Ceremony

December 14, 1992

- I am very pleased to once again participate in this ceremony and present the award named in honor of my good friend, Mac Baldrige. I consider this award, and the quality improvement and public-private partnership it celebrates, to be among the most positive recent developments for corporate America.
- Mac understood well that quality management is vital to this country's prosperity and long-term strength. I can say without a doubt that he would be extremely proud of this award and all that it stands for.
- The spirit of Mac Baldrige lives on in our award winners and everyone who has worked so hard to make this trophy the centerpiece of a national effort to improve quality. The award that bears his name embodies all that is best in corporate America.
- I am privileged to present this award today to <u>five</u> companies representing a broad spectrum of industries. The award recipients this year are:

  --Transmission Systems Business Unit of AT&T's Network Systems Group, Morristown, New Jersey;

  --Texas Instrument's Defense Systems & Electronics Group, Dallas, Texas;

--AT&T's Universal Card Services, Jacksonville, Florida;

--The Ritz-Carlton Hotel Co., Atlanta, Georgia, and

--Granite Rock Co., Watsonville, California.

- In addition to being the greatest number of awards ever given in a single year, 1992 has been a banner year in a number of areas:
  - It is the first time two divisions of the same corporation -- AT&T -- have received the award.
  - It is the first time we have had two companies in the service category.
  - And, it is the first time we've presented the award to companies in the hospitality, construction, and financial services industries.
- While all of these companies have very different approaches to quality management, they all have one thing in common: a passion for excellence, for being the best at what they do.
- They also share a few basic principles:

  --They know that quality is judged by the customer.

  --They have learned that company leaders must be personally committed.

  --Through long-term planning, they have set aggressive goals that are both customer- and employee-oriented.

  --They have concluded that the best investment are well-trained, "empowered" employees.
- They also understand that being good is no longer good enough.

With nimble competitors worldwide and savvy consumers, they know they must continuously strive for better ways to improve their products and their services and satisfy and respond to customers.

- Quality has emerged and will continue to be a major factor in international trade.

  --Japan and the Pacific Rim countries continue to intensify their quality improvment efforts.

  --The European Community is placing great emphasis on quality. The European Foundation for Quality Management, an organization founded by many of Europe's leading corporations, just presented their first award in October.

  --Mexico now has a quality award and Sweden and other countries are working to establish their own.

- Many of these international awards are based on our own Baldrige award.

- That's because the award contains what many believe are all of the necessary facets for establishing a world-class system of managing a company.

- The five companies we are honoring today, as well as all of our award recipients, use the Baldrige Award criteria not with the purpose of winning an award, but as a strategy for running their business.

- While we are here today to honor these companies for their well-deserved achievements, it is also important to remember that the award is more than a contest.

- The award was established in 1987 not only to recognize U.S. companies that have successful quality management strategies, but also to publicize these stratgies as examples for other companies and to raise U.S. corporate consciousness about quality management.
- Mac would be proud. This program has succeeded far beyond all expectations.
- The award winning companies and others, including the examiners, and the Commerce Department, through the National Institute of Standards and Technology, have taken seriously the charge to be "quality missionaries."
- They have spread the quality message to many people and places, quickly and effectively.
- We are seeing a dramatic change in companies that are not just talking about quality improvement, but are doing something about it.
- The Baldrige Award is a tremendous success story for both the private and the public sectors.
- Its positive effects are spilling over into education, health care and government as leaders in these sectors realize they must adopt the same standards as American business.
- I'm convinced that this great enthusiasm for quality, not only in the award recipients, but in thousands of others, is here to stay. I believe we are in the middle of a quality "revolution," and those who think this is a fad that will slip

silently into obscurity had better change their minds or get out of the way.

- Once again I'd like to congratulate these five companies. They are proof that quality management is the wave of the future -- and the future has arrived!

Nix
December 8, 1992
Draft Two
BALDRIGE

PRESIDENTIAL REMARKS: MALCOLM BALDRIGE QUALITY AWARDS
MALCOLM BALDRIGE GREAT HALL, DOC
MONDAY, DECEMBER 14, 1992
11:30 A.M.

[Acknowledgments] I always look forward to this yearly awards ceremony. An opportunity to honor industry's best. And a chance to revisit the legacy of an extraordinary man -- Malcolm Baldrige.

I remember a story President Reagan loved to tell of the day he phoned Mac to ask him to join his Cabinet. He was told by Midge that he'd have to call back later: Mac was out on his horse roping and he couldn't come to the phone. That was Mac.

He was a man whose collection of belt buckles was the only thing that could outnumber his many achievements. In a hand-tooled western belt and a pin-stripe suit, Mac was the Connecticut cowboy, a man whose name is now enshrined in the Cowboy Hall of Fame -- and the only guy I knew who'd complain of saddle sores from sitting at a desk too long. // He used to say that the thing he liked about cowboys was that they didn't talk unless they had something to say, and when they said something, they meant it. That was true of Mac. When he talked business, he meant business. And when he talked of making America's products second to none, you listened.

The standards of excellence Mac embodied are still very much with us. Fairness, honesty, tenacity. These were his yardsticks. The same yardsticks we use today in looking for the

companies by accident, but by effort -- top performances by all of its 2500 employees. Universal Card led its charge to excellence by centralizing their business around one key principle: "delight the customer." And it seems they are, indeed, delighted. 98% of their customers rate overall services as better than the competition. 98%. [[That's one poll I could have used a month ago. //]]

It's not often that a small business means big business, but it's true for the Granite Rock Company. With the initiation of their Total Quality Program, Granite Rock has exceeded its industry standards for high quality and unmatched service. Rather than follow a well-worn path, Granite Rock chose to chart its own way -- a journey that has brought them here today -- an award-winning company that defines success in three little words: "another satisfied customer."

Ritz-Carlton won 121 quality-related awards in 1991, but ask any employee how they gauge their success and they'll say -- the Gold Standards -- the Ritz-Carlton's bible for premium service. With almost 12,000 employees, the Ritz-Carlton has implemented a rigorous quality program that seeks "a memorable visit" for every guest. This luxury hotel business knows that a mint on the pillow isn't enough to keep a customer coming back. It's the principle "service must be excellent if it is anything" that has earned Ritz-Carlton one of the most loyal followings in the travel and tourism industry.

For Texas Instruments Defense Systems & Electronics Group, its best product is always surpassed by its next innovation. Mac

used to call this kind of inventiveness "Yankee ingenuity." [[I'm not sure a Texas-based company cottons to being called "yankee" -- but ingenious, I think they'll accept. //]] Formed during World War II, this TI subsidiary has grown to become the nation's eighth largest defense electronics contractor. We know from the success of Desert Storm, that in matters of advanced weaponry, quality is key. And we know, too, from the success of Desert Storm, that TI's contributions to this effort were invaluable.

In today's competitive global marketplace, quality of service and quality of goods takes on top priority in American business. Premium standards are no longer lofty goals, but vital components of every basic business strategy. This year's Baldrige award winners know that quality standards do not impede success, they encourage it. Mac would agree.

Each time we revisit our memories of Mac Baldrige at this ceremony, I'm reminded of the wisdom he used to impart most often -- always, in anything and everything, rise to the highest standard. This year's Malcolm Baldrige Quality Award Winners have all done just that.

Congratulations. May God bless you all and the United States of America.

# # #

very best that American industry has to offer. And this year, we have found them in five exceptional companies.

This year, 90 companies decided they were tough enough to take take the Baldrige test. Thousands -- roughly 175,000 others -- used the Baldrige criteria as an internal test, as a way to be tough on themselves. A few of our past winners like Motorola and IBM have even gone so far as to ~~strongly~~ urge their suppliers to follow the Baldrige criteria. What this tells us is simple: America is number one because it demands not only the best <u>for</u> itself, but also <u>from</u> itself. And now to the winners themselves.

Some might think the Commerce Department offered a two-for-one deal with AT&T -- but not so. Though both Transmission Systems and Universal Card Services are divisions of AT&T, they are two separate businesses, who share one common goal -- a commitment to quality. AT&T Chairman Robert Allen said of this commitment: "The real challenge is to define quality not from our own perspective, but from the customer's."

This both divisions have done. Transmission Systems Business Unit dedicates itself not only to its customers' short-term needs, but its long-term needs as well. With the input of more than 7500 employees at nine U.S. sites, Transmission Systems has initiated programs to predict what new technologies will be needed to meet their customers' long-term goals. In slightly more than 3 years, Transmission Systems has nearly doubled international sales and now sells systems to more than 50 countries. That's a lot of satisfied customers.

Universal Card Services hasn't become a benchmark of other

(301) 975-2762
Pub Affairs

Malcolm Baldrige Great Hall 11:30

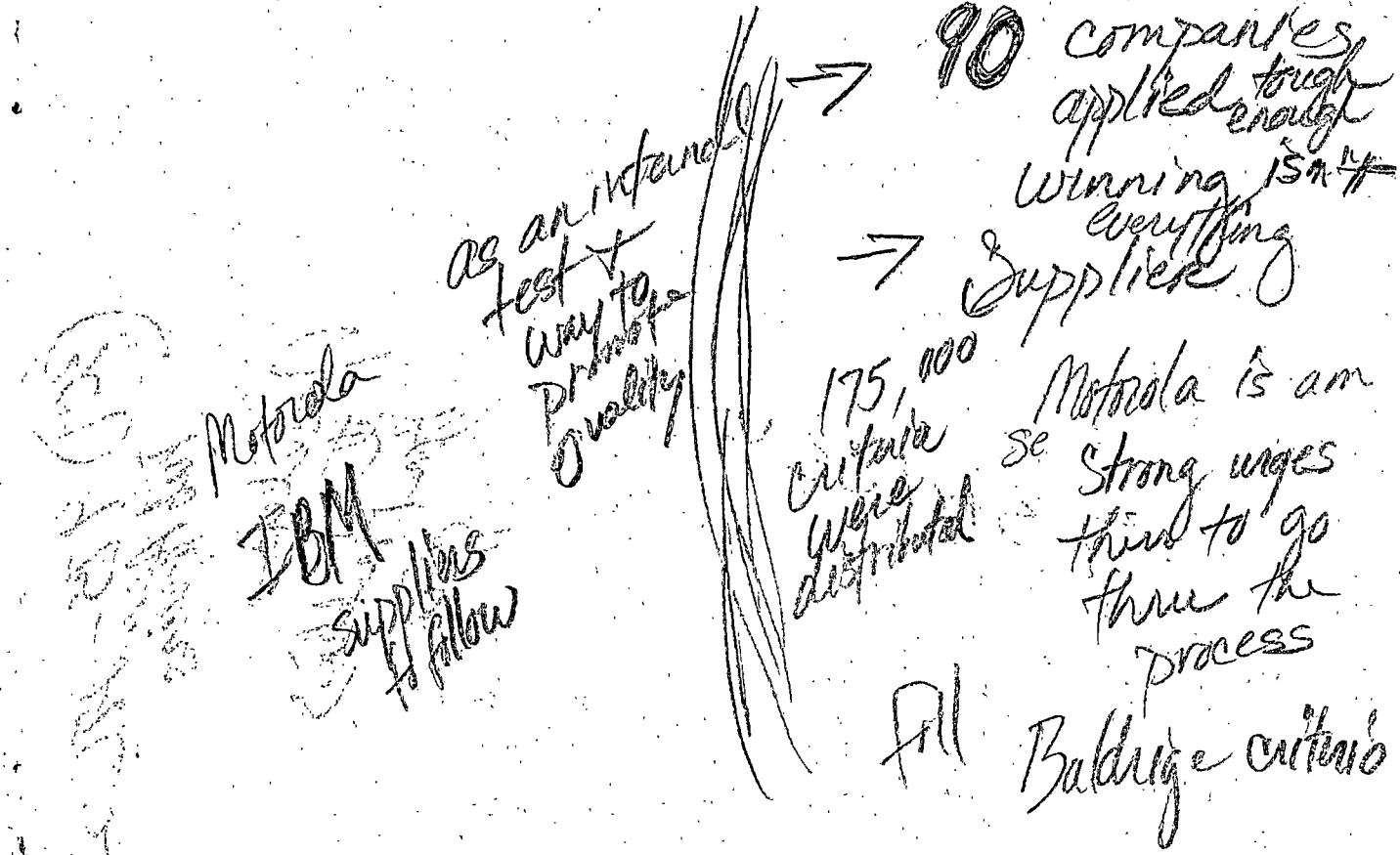
Jocelyn at Ben Franklin's office

- Being in business myself
- Happy Holidays
- Prepare for insert from Agenda
- humor - jokes or ~~so~~ As Mac used to say
- can do attitude - "Yankee ingenuity." ~~Mac used to say~~

He ~~A man~~ who didn't ever know where the Commerce building was, who didn't know politics gave belt buckle to Glorbacher

He strived for quality

as he sits upon his horse looking down I think he would be proud to see We've taken the right course


Motorola
IBM
suppliers follow
as an internal test + way to promote quality
175,000 criteria were distributed
90 companies applied
tough enough
Winning is not everything
Suppliers
Motorola is an example
Strong urges third to go thru the process
All Baldrige criteria

- Check acknowledgements for Malcolm Baldrige Awards Ceremony
- Check POTUS comments
- Check with Cab Affairs -- is POTUS receiving award; AT&T comment

He will

— No Cab members

— Sec Franklin

— ~~Judges~~ Private Sector Examiners + Judges

— Foundation Trustees for MacBaldr.

— Baldrige Family Members

~~Exec~~

- ATT TSBU Greg Hayes Pres

GraniteRock Bruce Woolpert Co-Pres + CEO — TI Jerry Junkins, Chairman Pres & CEO

— ATT UC Paul Kahn Pres + CEO

— Ritz Carl Horst Schulze Pres + CEO

500

Nix
December 8, 1992
Draft One
BALDRIGE

PRESIDENTIAL REMARKS: MALCOLM BALDRIGE QUALITY AWARDS
MALCOLM BALDRIGE GREAT HALL, DOC
MONDAY, DECEMBER 14, 1992
11:30 A.M.

[Acknowledgments] I always look forward to this yearly awards ceremony. An opportunity to honor industry's best. And a chance to revisit the legacy of an extraordinary man -- Malcolm Baldrige.

I remember a story President Reagan loved to tell of the day he phoned Mac to ask him to join his Cabinet. He was told by Midge that he'd have to call back later: Mac was out on his horse roping and he couldn't come to the phone. That was Mac.

He was a man whose collection of belt buckles was the only thing that could outnumber his many achievements. After being appointed Commerce Secretary, a reporter asked him what made him why he would make a good Secretary qualified for such a post when he didn't even know where the Commerce building sits. "I have some, or limited, knowledge of politics," he said, "and I understand that's necessary in Washington."//

In a hand-tooled western belt and a pin-stripe suit, Mac was the Connecticut cowboy -- the only guy I knew who'd complain of saddle sores from sitting at a desk too long. He used to say that the thing he liked about cowboys was that they didn't talk unless they had something to say, and when they said something, they meant it. That was true of Mac. When he talked business, he meant business. And when he talked of making America's

Reagan Remarks July 29, 1987 Malcolm Baldrige Memorial Service

NEXIS UPI Jan 6, 1981 by Ira Allen

NEXIS Dec 12, 1980 NY Times by Richa Madden

Reagan remarks Mac B. Memorial as above

products second to none, you listened.

The standards of excellence Mac embodied are still very much with us. Fairness, honesty, tenacity. These were his yardsticks. The same yardsticks we use today in looking for the very best that American industry has to offer. And this year, we have found them in five exceptional companies.

Some might think the Commerce Department offered a two-for-one deal with AT&T -- but not so. Though both Transmission Systems and Universal Card Services are divisions of AT&T, they are two separate businesses, who share one common goal -- a commitment to quality. AT&T Chairman Robert Allen said of this commitment: "The real challenge is to define quality not from our own perspective, but from the customer's."

NEXIS Reuters Oct. 14, 1992 ATT WINS BALDRIGE

This both divisions have done. Transmission Systems Business Unit dedicates itself not only to its customers short-term needs, but its long-term needs as well. With the input of more than 7500 employees at nine U.S. sites, TSBU has initiated programs to predict what new technologies will be needed to meet their customers long-term goals. In slightly more than 3 years, TSBU has doubled international sales and now sells systems to more than 50 countries. That's a lot of satisfied customers.

Briefs by Commerce

NEXIS Boston Globe by Diane Lewis

Universal Card Services hasn't become a benchmark of other companies by accident, but by effort -- top performances by all of its 2500 employees. UCS led its charge to excellence by centralizing their business around one key principle: "delight the customer." And it seems they are, indeed, delighted. 98% of their customers rate overall services as better than the

Commerce brief

competition. 98%. [[That's one poll I could have used a month ago. //]]

It's not often that a small business means big business, but it's true for the Granite Rock Company. With the initiation of their Total Quality Program, Granite Rock has exceeded its industry standards for high quality and unmatched service. Rather than follow a well-worn path, Granite Rock chose to chart its own way -- a journey that has brought them here today -- an award-winning company that defines success in three little words: "another satisfied customer."

Ritz-Carlton won 121 quality-related awards in 1991, but ask any employee how they gauge their success and they'll say -- the Gold Standards -- the Ritz-Carlton's bible for premium service. With almost 12,000 employees, the Ritz-Carlton has implemented a rigorous quality program that seeks "a memorable visit" for every guest. This luxury hotel business knows that a mint on the pillow isn't enough to keep a customer coming back. It's the principle "service must be excellent if it is anything" that has earned Ritz-Carlton one of the most loyal followings in its industry.

For Texas Instruments Defense Systems & Electronics Group, its best product is always surpassed by its next innovation. Mac used to call this kind of inventiveness "Yankee ingenuity." [[I'm not sure a Texas-based company cottons to being called "yankee" -- but ingenious, I think they'll accept. //]] Formed during World War II, this TI subsidiary has grown to become the nation's eighth largest defense electronics contractor. We know

from the success of Desert Storm, that in matters of advanced weaponry, quality is key. And we know, too, from the success of Desert Storm, that TI's contributions to this effort were invaluable.

In today's competitive global marketplace, quality of service and quality of goods takes on top priority in American business. Premium standards are no longer lofty goals, but vital components of every basic business strategy. This year's Baldrige award winners know that quality standards do not impede success, they encourage it. Mac would agree.

Each time we revisit our memories of Mac Baldrige at this ceremony, I'm reminded of the wisdom he used to impart most often -- always, in anything and everything, rise to the highest standard. This year's Malcolm Baldrige Quality Award Winners have all done just that.

Congratulations. May God bless you all and the United States of America.

# # #

Nix
December 8, 1992
Draft Two
BALDRIGE.1

PRESIDENTIAL REMARKS: MALCOLM BALDRIGE QUALITY AWARDS
MALCOLM BALDRIGE GREAT HALL, DOC
MONDAY, DECEMBER 14, 1992
11:30 A.M.

[Acknowledgments] I always look forward to this yearly awards ceremony. An opportunity to honor industry's best. And a chance to revisit the legacy of an extraordinary man -- Malcolm Baldrige.

I remember a story President Reagan loved to tell of the day he phoned Mac to ask him to join his Cabinet. He was told by Midge that he'd have to call back later: Mac was out on his horse roping and he couldn't come to the phone. That was Mac.

He was a man whose collection of belt buckles was the only thing that could outnumber his many achievements. In a hand-tooled western belt and a pin-stripe suit, Mac was the Connecticut cowboy -- the only guy I knew who'd complain of saddle sores from sitting at a desk too long. // He used to say that the thing he liked about cowboys was that they didn't talk unless they had something to say, and when they said something, they meant it. That was true of Mac. When he talked business, he meant business. And when he talked of making America's products second to none, you listened.

The standards of excellence Mac embodied are still very much with us. Fairness, honesty, tenacity. These were his yardsticks. The same yardsticks we use today in looking for the very best that American industry has to offer. And this year, we

Nix
December 8, 1992
Draft Two
BALDRIGE.1

PRESIDENTIAL REMARKS: MALCOLM BALDRIGE QUALITY AWARDS
MALCOLM BALDRIGE GREAT HALL, DOC
MONDAY, DECEMBER 14, 1992
11:30 A.M.

[Acknowledgments] I always look forward to this yearly awards ceremony. An opportunity to honor industry's best. And a chance to revisit the legacy of an extraordinary man -- Malcolm Baldrige.

I remember a story President Reagan loved to tell of the day he phoned Mac to ask him to join his Cabinet. He was told by Midge that he'd have to call back later: Mac was out on his horse roping and he couldn't come to the phone. That was Mac.

He was a man whose collection of belt buckles was the only thing that could outnumber his many achievements. In a hand-tooled western belt and a pin-stripe suit, Mac was the Connecticut cowboy -- the only guy I knew who'd complain of saddle sores from sitting at a desk too long. He used to say that the thing he liked about cowboys was that they didn't talk unless they had something to say, and when they said something, they meant it. That was true of Mac. When he talked business, he meant business. And when he talked of making America's products second to none, you listened.

The standards of excellence Mac embodied are still very much with us. Fairness, honesty, tenacity. These were his yardsticks. The same yardsticks we use today in looking for the very best that American industry has to offer. And this year, we

have found them in five exceptional companies.

Some might think the Commerce Department offered a two-for-one deal with AT&T -- but not so. Though both Transmission Systems and Universal Card Services are divisions of AT&T, they are two separate businesses, who share one common goal -- a commitment to quality. AT&T Chairman Robert Allen said of this commitment: "The real challenge is to define quality not from our own perspective, but from the customer's."

This both divisions have done. Transmission Systems Business Unit dedicates itself not only to its customers short-term needs, but its long-term needs as well. With the input of more than 7,500 employees at nine U.S. sites, Transmission Systems has initiated programs to predict what new technologies will be needed to meet their customers' long-term goals. In slightly more than 3 years, Transmission Systems has nearly doubled international sales and now sells systems to more than 50 countries. That's a lot of satisfied customers.

Universal Card Services hasn't become a benchmark of other companies by accident, but by effort -- top performances by all of its 2,500 employees. Universal Card led its charge to excellence by centralizing their business around one key principle: "delight the customer." And it seems they are, indeed, delighted. 98% of their customers rate overall services as better than the competition. 98%. [[That's one poll I could have used a month ago. //]]

It's not often that a small business means big business, but it's true for the Granite Rock Company. With the initiation of

their Total Quality Program, Granite Rock has exceeded its industry standards for high quality and unmatched service. Rather than follow a well-worn path, Granite Rock chose to chart its own way -- a journey that has brought them here today -- an award-winning company that defines success in three little words: "another satisfied customer."

Ritz-Carlton won 121 quality-related awards in 1991, but ask any employee how they gauge their success and they'll say -- the Gold Standards -- the Ritz-Carlton('s) bible for premium service. With almost 12,000 employees, the Ritz-Carlton has implemented a rigorous quality program that seeks "a memorable visit" for every guest. This luxury hotel business knows that a mint on the pillow isn't enough to keep a customer coming back. It's the principle "service must be excellent if it is anything" that has earned Ritz-Carlton one of the most loyal followings in ~~its~~ the travel and tourism industry.

For Texas Instruments Defense Systems & Electronics Group, its best product is always surpassed by its next innovation. Mac used to call this kind of inventiveness "Yankee ingenuity." [[I'm not sure a Texas-based company cottons to being called "yankee" -- but ingenious, I think they'll accept. //]] Formed during World War II, this TI subsidiary has grown to become the nation's eighth largest defense electronics contractor. We know from the success of Desert Storm, that in matters of advanced weaponry, quality is key. And we know, too, from the success of Desert Storm, that TI's contributions to this effort were invaluable.

In today's competitive global marketplace, quality of service and quality of goods takes on top priority in American business. Premium standards are no longer lofty goals, but vital components of every basic business strategy. This year's Baldrige award winners know that quality standards do not impede success, they encourage it. Mac would agree.

Each time we revisit our memories of Mac Baldrige at this ceremony, I'm reminded of the wisdom he used to impart most often -- always, in anything and everything, rise to the highest standard. This year's Malcolm Baldrige Quality Award Winners have all done just that.

Congratulations. May God bless you all and the United States of America.

# # #

4TH STORY of Level 1 printed in FULL format.

Copyright 1992 Reuters, Limited

October 14, 1992, Wednesday, BC cycle

SECTION: Financial Report.

LENGTH: 302 words

HEADLINE: ATT <T.N> WINS BALDRIDGE AWARD ON CRITERIA IT USES

DATELINE: NEW YORK, OCT 14, REUTER

BODY:

American Telephone and Telegraph Co Chairman Robert Allen said maybe the four-year effort to gauge quality gains within his company by borrowing criteria of the government's Baldridge awards is paying off.

The U.S. Commerce Department today named two of ATT's 18 business units among five winners of the 1992 Malcolm Baldridge Quality awards.

"In 1989, we decided to use the Baldridge criteria as guidelines for our quality program. I said then that the real challenge is to define quality not from our own perspective, but from the customer's," Allen told reporters afterward.

The two ATT winners, Transmission Systems and Universal Card services, make up only a small fraction of ATT's total revenues. ATT has 16 other units.

"We do not intend to convey the message that ATT won this award for all its business," Allen said, answering a question.

In 1989, ATT was reorganized into 21 business units, since reduced to 18. Ever since, these units have competed against each other in profits, sales and apparently quality.

Allen said ATT asks 18 units to evaluate themselves along 100 criteria borrowed from the Baldridge awards application. Then corporate staff choose internal winners.

Transmission Systems, one of its oldest businesses and the one that manufactures transmission equipment sold to telephone companies worldwide, won the Baldridge manufacturing Award.

Universal Card, ATT's second newest business, a credit card operation that has nothing to do with telephones, won in the service category.

The Baldridge awards were started by the late U.S. Commerce Secretary Malcolm Baldridge.

Texas Instruments Inc's defense systems electronics group also won a 1992 award for manufacturing and Granite Rock Co won the Baldridge award for small business quality.

LEXIS·NEXIS® LEXIS·NEXIS® LEXIS·NEXIS®
Services of Mead Data Central, Inc.

3RD STORY of Level 1 printed in FULL format.

Copyright 1992 McGraw-Hill Inc.
Aerospace Daily

October 22, 1992

SECTION: Vol. 14, No. 15; Pg. 121

LENGTH: 181 words

HEADLINE: Texas Instruments wins Malcolm Baldridge quality award

BODY:

Texas Instruments' Defense Systems and Electronics Group, maker of the High-speed Anti-Radiation Missile (HARM) and the Paveway guidance system, has won the 1992 Malcolm Baldridge National Quality Award in manufacturing, becoming the first major defense contractor to capture the Commerce Dept. prize.

Group President Hank Hayes said the ~~15,000-employee~~ unit has used the contest's standards since 1990 as a "once-a-year physical" to gauge its total quality management growth. Even though TI is prohibited from re-entering the competition for five year, the company will continue to fill out the 75-page application to mark its progress, Hayes said. Because it's not the award, it's the goal.

Repeated applications, including two that were followed by three-day site visits, have required persistence and hard work-maybe more than other defense contractors are willing to give, company officials said. "They don't have the patience that is necessary to do what you have to do to improve all the time," a spokesman said.

The Commerce Dept. awards two prizes annually in manufacturing, service and small business.

LEXIS·NEXIS® LEXIS·NEXIS® LEXIS·NEXIS®
Services of Mead Data Central, Inc.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release July 29, 1987

REMARKS BY THE PRESIDENT
AT MEMORIAL SERVICE FOR
MALCOLM BALDRIGE

The National Cathedral
Washington, D.C.

10:12 A.M. EDT

THE PRESIDENT: Midge, Megan, Molly, distinguished ladies and gentlemen, the day I called Mac Baldrige to ask him to join the Cabinet, I was told by Midge I would have to call back later. He was out on his horse roping and couldn't come to the phone. Right then I knew he was the kind of man I wanted.

It's a gift to be simple, we're told. If that means to hold simple, strong, and decent values, Mac had that gift.

You could see it in the way he moved around the White House. He seemed to know everyone -- not just those in the public eye, but the secretaries and assistants as well. And he treated everyone with the same measure of courtesy and respect -- from his driver to the President. He never judged a man or woman by rank or trappings. Despite his many remarkable successes, worldly success was not the way he measured people. No, money was not, position was not, qualities of character were. Honesty, courage, industry and humility. These were his yardsticks. And if you had these simple qualities, you'd made it in his eyes -- whether you were rich or poor, famous or unknown.

Language was one way he decided if you were his kind of person. It's well known now that he insisted on simple language in memos at the Commerce Department. He banned phrases that were vague or redundant. He once said that the thing he liked about cowboys was that they didn't talk unless they had something to say, and when they said something, they meant it.

To him, simple language did not mark a simple mind, but a strong and fearless one. It was a sign of those who didn't hide their meaning behind a cloud of ambiguous words.

Mac, of course, never hid his opinions. Even if the tide was against him, he was forceful and clear and unflinching. I always knew where he stood, and so did the country. I could always count on him for the truth as he saw it -- no matter how unpleasant or unpopular. There were times the Cabinet came down on an issue 12-to-1, and he was on the short end. But I knew that if he believed somethng that others didn't, he wouldn't reign himself in and follow the herd. He would step forward and be clear.

What I'm saying about Mac Baldrige adds up to a simple but extraordinary quality that I would call, more than anything else, "American." In his directness, in his honesty, in his independence, in his disregard for rank, in his courage, he embodied the best of the American spirit. I suppose we think of that spirit as living most of all in cowboys. And that's why I've always suspected that it was more than just roping and his place here in Washington that got Mac voted into the Cowboy Hall of Fame. He belonged there. It was in his blood. It was in his heart and soul.

MORE

Let me say a word about his many contributions to his country. These were not simple, although they were built on simple principles -- principles like his reverence for the independence of the American character, for the freedom that lets independence flourish, and for the opportunities of a free society.

Mac was an architect of American international economic policy during years in which that policy moved to center stage. He also helped shape our policy towards East-West trade in a period in which that was a source of new questions and concerns. And perhaps the least recognized of his major achievements was the securing of trade ties with China. In just four years since his 1983 visit to China, trade has become a pillar of the Sino-American relationship.

To contribute so much required skill and persistence -- qualities Mac had in abundance. It also required vision -- vision not only for dealing with immediate issues, but for the future of the entire world and its economy, as well.

I always prized the quality of Mac's vision. He had the capacity to look up from the dust of the plains to the distant mountains. He never forgot that all the skirmishes and battles over trade policy that we have here in Washington and around the world have one final goal. We're building a world in which our children and grandchildren will live. And we who love freedom and revere the dignity of humanity, have a sacred duty to make that an open world of real hope and abundant opportunity, a world in which the spirit of freedom -- yes, what you might call that part of the American spirit that lives in all of mankind -- in which that spirit can ride across an open range towards the peaks beyond.

I'm told that Mac's staff had orders to interrupt him at whatever time of the day with calls from only two people. I was one. And any cowboy who rang up was the other. Well, I'm honored to have been in that company. Mac, as we know, left us while he was doing what he loved most. And now, whenever any of us wants to ring him up, we'll have to remind ourselves that he's out on a horse somewhere and we'll just have to wait. Yet in his simplicity, he has entered the company of the men and women who have shaped our nation and its destiny. And he will live in that company forever.

Yes, there is sorrow, but the sorrow is with us and for us. We must believe that door is opened that God promised and he has just gone through that door into another life where there is no more pain, no more sorrow, and we must believe that we, too, will one day go through that door and join him again.

Thank you. God bless you.

END 10:18 A.M. EDT

49TH STORY of Level 2 printed in FULL format.

Copyright (c) 1980 The New York Times Company;
The New York Times

December 12, 1980, Friday, Late City Final Edition

SECTION: Section A; Page 29, Column 3; National Desk

LENGTH: 665 words

HEADLINE: MEN IN THE NEWS;
EIGHT FOR THE PRESIDENTIAL TEAM

BYLINE: By RICHARD L. MADDEN, Special to the New York Times

DATELINE: WATERBURY, Conn., Dec. 11

BODY:

Some people think that Malcolm Baldrige, who is Ronald Reagan's choice to be Secretary of Commerce, is really two people.

There is the Malcolm Baldrige who is a member of the Business Council, director of several large corporations such as AMF, Bendix and Uniroyal, and chairman of the board of Scovill Inc., a diversified manufacturing company with sales of about $1 billion a year and a sleek new corporate headquarters on the edge of town here.

Then there is the Malcolm Baldrige, known as ''Mac,'' a steer roper on the professional rodeo circuit, a ''heeler'' in a two-man roping team who lassos the hind legs and flips the steer while his partner ropes the head..

The lanky, soft-spoken industrialist, who is 58 years old, moves easily between the seemingly contradictory worlds of a corporate executive and a cowboy.

'Hideaway' Near Office

He wears a hand-tooled Western belt with his dark, pin-striped suits. Next to his handsome corporate office here is a small hideaway, with Western pictures, a saddle on a sawhorse and a high table where he can read newspapers while standing up and exercising with bar bells.

''He can move in any circle - business, politics and the rodeo,'' said a Connecticut Republican who has worked with Mr. Baldrige. ''He's very disarming, but he cuts right to the heart of a problem,'' the politician said. ''You don't have long telephone conversations with Mac. If you can't tell him something in two or three minutes, forget it.''

Mr. Baldrige, a former state Republican finance chairman, ran the Connecticut campaign for George Bush when he was seeking the Republican Presidential nomination. The Connecticut primary last March was one of the few contests in which Mr. Bush defeated Mr. Reagan.

Assignment From Bush

LEXIS·NEXIS® LEXIS·NEXIS® LEXIS·NEXIS®
Services of Mead Data Central, Inc.

(c) 1980 The New York Times, December 12, 1980

The industrialist, a longtime friend of the Bush family, at first demurred when Mr. Bush asked him last year to take charge of his Connecticut campaign. Mr. Baldrige explained that he had not been active in politics in the last few years, but Mr. Bush insisted that he could get political advice elsewhere and that what he needed was a good manager. ''He had me there,'' Mr. Baldrige said later.

Several years ago Mr. Baldrige was mentioned as a possible gubernatorial candidate, but he decided that he still had a commitment to stay with Scovill.

''That brass ring only goes around once,'' he said of elective politics.
Malcolm Baldrige Jr. (he no longer uses the junior) was born in Omaha on Oct. 4, 1922. His father was a Republican Congressman from Nebraska in the 1930's.

His sister, Letitia Baldrige, was the social secretary at the White House when John F. Kennedy was President.

A Graduate of Yale

He traveled East to the Hotchkiss School and to Yale, where he received his bachelor of arts degree in 1944, but he never quite lost his Western roots or the flat twang of Nebraska.

As a teen-ager he worked as a $1-a-day ranch hand. He still owns a share of a cattle ranch in New Mexico. After serving with an Army infantry division in the Pacific in World War II, Mr. Baldrige said he was ''feeling antsy'' and went to work as a mill hand at the Eastern Company's iron foundry in Naugatuck, Conn. By 1960 he was president of the company.

Scovill hired him away from Eastern in 1962 and a year later he became president.

Wife Joined Fire Department

He married the former Margaret Trowbridge Murray in 1951. They have two grown daughters. Mrs. Baldrige was the first female member of the volunteer fire department in the rustic town of Woodbury, where the Baldriges have a large colonial home with horses and cattle nearby.

Mr. Baldrige once said that leaving the corporate board rooms and competing with his fellow rodeo riders invigorated him. ''They're probably the most self-reliant, independent men in the country,'' he said. ''They have no guarantees and no contracts. They've learned to depend completely on themselves, and they've got the self-confidence that comes from that.''

GRAPHIC: Illustrations: Photo of Malcolm Baldrige

LEXIS·NEXIS® LEXIS·NEXIS® LEXIS·NEXIS®
Services of Mead Data Central, Inc.

48TH STORY of Level 2 printed in FULL format.

Proprietary to the United Press International 1981

January 6, 1981, Tuesday, AM cycle

SECTION: Washington News

LENGTH: 500 words

HEADLINE: Baldrige favors industry deregulation

BYLINE: By IRA R. ALLEN

DATELINE: WASHINGTON

KEYWORD:
Baldrige

BODY:

Connecticut cowboy Malcolm Baldrige said Tuesday his blend of business experience and political acumen would make him a good commerce secretary and he immediately called for ''top to bottom'' deregulation of industry.

President-elect Ronald Reagan's choice to head the Hydra-headed department faced only friendly questioning from the Senate Commerce Committee, which is expected to confirm him unanimously by a telephone poll before the Jan. 20 inauguration.

Committee chairman Bob Packwood, R-Ore., said Baldrige could not be voted on immediately because he and ranking Democrat Howard Cannon of Nevada had not yet read the FBI report on the nominee and members wanted to submit written questions.

The 58-year-old Baldrige, head of the Connecticut-based, international conglomerate Scovill, Inc. and a political ally of Vice President-elect George Bush, said he would be the businessman's voice in the Cabinet.

''That's the way I'm built,'' Baldrige said when asked if he would speak up for businessmen in the Cabinet. ''There is no other way I would do that but to aggressively represent their views.''

Baldrige, who leads another life as an expert rodeo calf-roper, said he favors changes in the law forbidding American corporations to bribe foreign officials. He said that while the law is fine in theory, it is so confusing and expensive to monitor that a ''small manufacturer gives up before he gets into the chute'' and cannot compete overseas.

He also countered conventional wisdom that the economy will level out in the first quarter of this year. Baldrige predicted that because of continuing economic trouble in the housing, auto and farm sectors ''the economy is not going to go sideways, it's going to go down.''

Baldrige was asked why he would make a good secretary considering that he had said when appointed he had no idea where the commerce building is.

LEXIS·NEXIS® LEXIS·NEXIS® LEXIS·NEXIS®
Services of Mead Data Central, Inc.

Citing his 30 years of leadership in a multinational corporation, he added drily, ''I have some, or limited, knowledge of politics and I understand that's necessary in Washington.''

He said government regulation hurts small and medium-sized companies more than big business but ''I think we should deregulate from top to bottom.''

Asked to specify which regulations he thought should go, Baldrige gave auto safety as an example.

''If you take the cost of trying to get a zero-risk car in this country, it costs from $200 to $400.... How many of these regulations are needed I don't know but I've heard enough squawking out there to know that if there's heat, there's fire,'' Baldrige said.

''Consumers must be protected,'' he said, ''but for us to live in a no-risk society it would hurt inflation and would hurt our productivity problem to the point it may be no longer worthwhile.''

He said he would enforce laws against companies that cooperate with the Arab boycott against Israel even though he feels it is ''one more bond on the flow of free trade.''

LEXIS·NEXIS® LEXIS·NEXIS® LEXIS·NEXIS®
Services of Mead Data Central, Inc.

18TH STORY of Level 1 printed in FULL format.

Copyright (c) 1987 The New York Times Company;
The New York Times

July 26, 1987, Sunday, Late City Final Edition

NAME: Malcolm Baldrige

CATEGORY: Business and Finance; Politics and Government (US)

SECTION: Section 1; Part 1, Page 1, Column 2; National Desk

LENGTH: 654 words

HEADLINE: COMMERCE SECRETARY BALDRIGE DIES IN RODEO ACCIDENT IN CALIFORNIA

BYLINE: By The Associated Press

DATELINE: WALNUT CREEK, Calif., July 25

BODY:

Commerce Secretary Malcolm Baldrige died at a hospital here today hours after a horse he was riding in a calf-roping event fell on him.

Mr. Baldrige, 64 years old, died in surgery at John Muir Memorial Hospital here about 3:50 P.M., said Dr. Naran Patel, a surgeon at the hospital.

The Commerce Secretary, a member of President Reagan's Cabinet since 1981, was flown to the hospital by helicopter after the accident at the Jack Roddy Ranch in Brentwood, 45 miles east of San Francisco. [Obituary, page 26.] Major Internal Injuries Mr. Baldrige, who had a lifelong passion for rodeo competition, suffered internal injuries, including tears to the pancreas and heart when the horse fell on him about 1:15 P.M., doctors said.

His heart had stopped for several minutes after the accident but a doctor who was at the scene was able to revive him through cardiopulminary resuscitation.

Dr. Patel said that in surgery doctors discovered severe internal bleeding that they were unable to stem. He said the aorta and the large vein leading to the heart were both torn.

About 90 minutes into the operation, Mr. Baldrige's heart stopped and efforts to restart it through heart massage failed.

''He bled to death from the massive injuries and from the lack of coagulation,'' said Dr. Ronald LaPorta, chief surgeon at the hospital and one four doctors who operated on the Secretary. ''He was always in shock; he never got out of shock.''

Statement by Reagan

''The nation has suffered a great loss with the tragic and untimely death of Secretary Malcolm Baldridge, '' President Reagan said in a statement read by Leslye Arsht, the White House deputy press secretary.

LEXIS·NEXIS® LEXIS·NEXIS® LEXIS·NEXIS®
Services of Mead Data Central, Inc.

(c) 1987 The New York Times, July 26, 1987

''Under his stewardship, the Department of Commerce played a key role in the rebirth of our country's prosperity and all of us owe a great debt to Mac Baldrige,'' the President said.

Sgt. Larry Aulich of the Contra Costa County Sheriff's Department said Mr. Baldrige was trying to rope a calf when his horse reared and fell backward. The horse fell on Mr. Baldrige ''full force,'' Sergeant Aulich said.

Dr. Bert D. Johnson, a Stanford University gynecologist who arrived at the ranch just after the accident, said he and volunteer firefighters administered cardiopulminary resuscitation for about four minutes until Mr. Baldrige's heart started beating again and he began breathing. He was then taken to the hospital.

Condolences From Bush

From Kennebunkport, Me., where he was spending the weekend, Vice President Bush said: ''Mac Baldrige set the standard for excellence, decency and integrity in public life. He was a tower of strengh and truly a man of honor.''

From Indianapolis, Bob Dole, the Senate Republican leader, said: ''I am shocked by the sudden loss of this good man. Mac was a friend, a dedicated public servant who I admired, and a superb cabinet member who earned the respect of Capitol Hill. Elizabeth and I are deeply saddened and our thoughts are with the Baldrige family.''

Was Scheduled to Appear at Fair

Mr. Baldrige had been scheduled to appear tonight at the Contra Costa County Fair. Although he was in his 60's, he competed in about three professional rodeos a year and often participated in roping competitions.

His office was filled with mementoes of his lifelong passion: bronze cowboy statues, a coiled lasso, a saddle he won at a 1978 rodeo and a collection of belt buckles won in roping contests.

Mr. Baldrige had had several recent health problems. Last December, he came down with viral pneumonia and was hospitalized in Albuquerque. He was flat on his back for nearly four weeks, but said in April that he had made a full recovery. He said he had quit smoking and begun jogging two miles a day.

He was one of only three members of Mr. Reagan's original 1981 Cabinet team who were still on the job. The others are Defense Secretary Caspar W. Weinberger and Housing Secretary Samuel R. Pierce Jr.

GRAPHIC: Photo of Malcolm Baldrige on the ground after falling from horse (Daily Ledger Antioch/Greg Stidham via AP)

LEXIS·NEXIS LEXIS·NEXIS LEXIS·NEXIS
Services of Mead Data Central, Inc.

Mac Baldrige

July 30, 1987

Mr. Vice President -- George -- Midge, Megan and Molly.

A rich honor to be here. In the Christian experience, this is the day when we gather to celebrate the life of Mac Baldrige. We really must not mourn this magnificent life lived. But that is so very hard not to do. Christianity teaches us to celebrate his life. So we celebrate this man. His marvelous mannerisms. His friendliness. His love of life and fellow man. His wisdom. His great courage. His intellect. His heart. His soul. Those attributes were part of the essence of his stewardship in his life here on earth -- and we knew they were to be returned to God one unknown day.

But none of us were ready for that day. We mourn his loss in our own lives -- what he was to each of us. So personal. So special. It would have been much easier to celebrate his life with him here! But he is gone -- irrevocably gone.

My wife, Ann, and I have spent many marvelous moments with Mac and Midge Baldrige. I cherish the years that I have been the beneficiary of that man's wise counsel and direction. We had special and fragile and easily-remembered times together. One such occasion was a Sunday in Kenneybunkport, Maine, with Barbara and George on a beautiful Memorial Day.

Mac gave the sermon. He talked about Memorial Day and about war, and about peace. He served in the Second World War -- a decorated combatant of that war. Yet, what he really was -- always -- was a man of peace. In his face, in his actions, in his life -- a man of peace. That Sunday he spoke about war -- and his reluctant part in it -- and about killing and about innocent victims, and I remember he choked up a bit. Only a bit, for it is not always right for a cowboy to cry. Then he went on. There wasn't a sound in that little church. All were deeply moved by the beauty of his remarks.

Then at a lovely memorial service afterwards out in the town square I remember saying, "Mac, I don't think I've ever heard you speak like that -- so personal, so intimate, so powerful, so you." He said, "Well, I kind of got a little choked up there. I didn't mean to do that. I don't do that very often -- but war really is hell. We must see that we never do that again." That was his love shining through. The silence. Then a sigh and a pause, and then that shy and pixie-like grin -- that wouldn't be corny to call it his "aw shucks" look. It wasn't corny because that was him. It was a most real and authentic part of him.

Then let me mention another time much more recently at a small dinner in their Washington apartment. Two of the guests that night had recently been in deep personal extremity.

The Washington experience can inexoriably crush, pull and tear down human beings. It had so visited itself upon those two guests and I remember Mac ambling up to the man and just saying softly -- "It's been kind of a tough one hasn't it?" The guest allowed as to the fact it sure had been. Mac said, "Let me tell you about a time or two of mine in my life when I didn't know where to turn." And as I stood there, he shared a most intimate and dramatic turn of his life. Relating it slowly, softly, in his folksy, earthy, riveting and distinctly-hearable way. He revealed his own full vulnerability and his own rich humanness to that man. I saw the rigidity and pain drop a bit from the man's face and then the loosened shoulders and then a big grin.

And Mac certainly always knew what a big grin was. He was a friend to his friends. I never saw him abuse or misuse a friendship. Steady on the course. He had "no truck" with pomp or posturing. I never heard him say hateful things or speak about others in hateful ways. He was bigger than all of that.

Mac Baldrige was as comfortable with cowboys as he was with kings -- maybe even more.

He loved his job and he loved his President and Vice President and he loved his country. He brought that overwhelming human dimension of his to the task. He knew exactly what he wanted to accomplish with that intellectual

buoyancy and honesty and feeling. He made his mark as few before him have.

He made unmatched strides in the Department of Commerce in seven league boots -- cowboy boots for sure. He loved the beauty of words and language and the classics -- and then he'd get right out there and kick around in that sagebrush or in the arena with the best of the cowpokes.

He rigged those new computers over there at the Commerce Department so they would simply spit out and reject words that he just would never chamber in his own talk with fellow humans. Words like "specificity," "viable," "input," "output," "feedback" or simply any word ending in "ize!" "Finalize" and all such unrelenting garble.

He was a rainbow of life. He brought joy and love and good spirit wherever he went. He really did. Fair, tough, loving and so wise. What a huge capacity for human loving and caring he had.

My wife, Ann, said wistfully, "I wish we had seen more of Mac. He was so great a guy." Then she added quietly, "But nobody would ever see enough of a guy like Mac." For he carried a great secret of life -- the ability to love and be loved. That requires real strength and grace.

His tap root reached out across this entire land. He loved the East, here in this beautiful, pastoral community and this lovely little church -- and he loved the West, out there in the cathedrals of sky and mountain.

A great tree has fallen from the skyline. He leaves a very empty place here -- and there.

And to Midge. Dear Midge. The lady he loved -- and loved to be with. They lived, loved, laughed and danced together -- and oh how Mac loved to dance!

To you, Midge, and to dear Molly and Megan, Tish, Bob, and Craig and Malcolm and Fonda -- families now all drawn together in an ever tighter bond of love and caring -- our love and sympathy.

Midge, yours was a remarkable union. We witnessed the bond of two very strong and very dear people. A union that you often refreshed and renewed as you drew strength and comfort from each other in a very visible way. Hard to describe -- beautiful to observe.

I shall always have a vivid mental picture of Mac Baldrige. Seared here. There is his marvelous voice, the incredibly mobile face, bright, twinkling and piercing eyes -- that beautiful and very kind face with that smile you could see a mile. That friendly and all encompassing presence.

That cowboy hat scrunched down on his head and those old worn boots and white shirt and those levis just barely hanging on to that bony and wirey frame of his -- defying gravity, indeed -- and held up by an old western belt. Mac.

There really is a lore and love of the West. He often told me that it had a very special draw on him -- a compelling pull. He would tell me of the days as a boy -- and after -- when he read Zane Grey and Robert Service and Owen Wister. And from those writings of those authors who he loved comes a phrase which I guess is really about the finest thing you can ever say about a cowboy and a man. "He died with his boots on." That was Mac. Now we give him up. God, we commend him to your loving hands. Thank you for him.

2ND STORY of Level 1 printed in FULL format.

Copyright 1992 Globe Newspaper Company
The Boston Globe

October 15, 1992, Thursday, City Edition

SECTION: ECONOMY; Pg. 41

LENGTH: 586 words

HEADLINE: Excellence reins at AT&T plant;
North Andover employees earn Baldridge award

BYLINE: By Diane Lewis, Globe Staff

DATELINE: NORTH ANDOVER

KEYWORD: AWARD NAME-AT&T MERRIMACK VALLEY PLANT PROFILE- MALCOLM BALDRIDGE NATIONAL QUALITY AWARD

BODY:

For the state's battered manufacturing sector, it was a bit of bright news amid the bad.

AT&T's huge Merrimack Valley plant was awarded a prestigious Malcolm Baldridge National Quality Award for excellence in manufacturing, an area in which Massachusetts has hardly excelled in this deepest of recessions.

It was one of two Baldridge awards given to AT&T by the US Commerce Department yesterday. The company's Florida-based Universal Card operation also got a Baldridge award, making AT&T the first in the country to win two of the annual prizes.

Since the recession started in July 1990, New England has lost 133,000 manufacturing jobs, or 11 percent of all the jobs. The country as a whole is losing manufacturing jobs at just half that rate. Rhode Island and Massachusetts have been among the hardest hit states in the country.

The big losses in manufacturing - a traditional provider of good-paying jobs for a blue-collar work force - have helped deepen New England's recession, and there is a growing concensus that the region must shore up the industry if the economy is to turn around.

"This is a big, big deal," Gov. Weld said yesterday. "It will train the glare of publicity in this area and show other companies that they can be a high-end producer with no loss of jobs."

With 7,000 workers, the North Andover plant is the state's largest manufacturer. It is a leading supplier of fiber-optic lines and other transmission equipment.

John F. McKinnon, AT&T vice president and general manager, told a cheering crowd of employees the transmissions unit has doubled international sales over the last three years and now sells systems to more than 50 countries.

LEXIS·NEXIS® LEXIS·NEXIS® LEXIS·NEXIS®
Services of Mead Data Central, Inc.

Company officials credited AT&T's total quality program with a 50 percent reduction in the time it takes to bring a new product into the market, 50 percent reduction in manufacturing intervals, a 40 percent reduction in inventory and roughly $ 400 million in cost savings over the past four years.

"We sell $ 100 million worth of equipment from this plant to Japan alone," McKinnon said. "We go to head to head with . . . NEC, Hitachi - the best in the world - and we're winning because we focus on serving customers well."

Named for the late Commerce Department secretary, the Baldrige award is designed to raise awareness about quality management in US companies. Since 1988, 17 companies have won.

In addition to AT&T's two awards, other winners were Texas Instruments Inc.'s Defense Systems & Electronics Group of Dallas, also in the manufacturing category; the Ritz-Carlton Hotel Co. of Atlanta, in the service category; and Granite Rock Co. of Watsonville, Calif., in the small business category.

AT&T's Universal Card Services in Jacksonville, Fla., one of the company's newer businesses, markets and provides customer services for combination long-distance calling and general-purpose credit card.

The telephone card has had a comprehensive quality program in place since it was launched in March 1990. Since then, the combined long-distance calling card and AT&T's general purpose credit card has become the second most popular card in the industry, with 10 million accounts and 15 million cards issued.

In a televised speech, AT&T chairman Robert E. Allen said the Massachusetts and Florida units operate separate businesses, but share a strong commitment to quality. He said management and union-represented employees jointly serve on quality teams and carry out initiatives designed to serve customers quickly.

GRAPHIC: PHOTO, AT&T employee Earl Frazier pauses from his work on circuit boards at the Baldridge-winning North Andover plant. GLOBE PHOTO / EVAN RICHMAN

LEXIS·NEXIS® LEXIS·NEXIS® LEXIS·NEXIS®
Services of Mead Data Central, Inc.

old draft

Nix
December 8, 1992
Draft One
BALDRIGE

PRESIDENTIAL REMARKS: MALCOLM BALDRIGE QUALITY AWARDS
MALCOLM BALDRIGE GREAT HALL, DOC
MONDAY, SEPTEMBER 14, 1992
11:30 A.M.

[Acknowledgments] I always look forward to this yearly awards ceremony. An opportunity to honor industry's best. And a chance to revisit the legacy of an extraordinary man -- Malcolm Baldrige.

I remember a story President Reagan loved to tell of the day he phoned Mac to ask him to join his Cabinet. He was told by Midge that he'd have to call back later: Mac was out on his horse roping and he couldn't come to the phone. That was Mac.

He was
~~A~~ man whose collection of belt buckles was the only thing that could outnumber his many achievements. After being appointed Commerce Secretary, a reporter asked him what made him qualified for such a post when he didn't even know where the Commerce building sits. "I have some, or limited, knowledge of politics," he said, "and I understand that's necessary in Washington."//

In a hand-tooled western belt and a pin-stripe suite, Mac was the Connecticut cowboy -- the only guy I knew who'd complain of saddle sores from sitting at a desk too long. He used to say that the thing he liked about cowboys was that they didn't talk unless they had something to say, and when they said something, they meant it. That was true of Mac. When he talked business, he meant business. And when he talked of making America's

products second to none, you listened.

The standards of excellence Mac embodied are still very much with us. Fairness, honesty, tenacity. These were his yardsticks. The same yardsticks we use today in looking for the very best that American industry has to offer. And this year, we have found them in five exceptional companies.

Some might think the Commerce Department offered a two-for-one deal with AT&T -- but not so. Though both Transmission Systems and Universal Card Services are divisions of AT&T, they are two separate businesses, who share one common goal -- a commitment to quality. AT&T Chairman Robert Allen said of this commitment: "The real challenge is to define quality not from our own perspective, but from the customer's."

This both divisions have done. Transmission Systems Business Unit dedicates itself not only to its customers short-term needs, but its long-term needs as well. With the input of more than 7500 employees at nine U.S. sites, TSBU has initiated programs to predict what new technologies will be needed to meet their customers long-term goals. Right now, TSBU is the second largest maker of transmission systems, but having shown an unyielding commitment to customer satisfaction, this company is sure to reach its goal to be number one in its field by 1997. In just more than 3 years, TSBU has doubled international sales and now sells systems to more than 50 countries. That's a lot of satisfied customers.

Universal Card Services hasn't become a benchmark of other companies by accident. But by effort -- top performances by all

of its 2500 employees. UCS led its charge to excellence by centralizing their business around one key principle: "delight the customer." And it seems they are, indeed, delighted. 98% of their customers rate overall services as better than the competition. 98%. [[That's one poll I could have used a month ago. //]]

It's not often that a small business means big business, but it's true for the Granite Rock Company. With the initiation of their Total Quality Program, Granite Rock has ~~outshined other construction materials businesses by~~ exceeded its industry standards for high quality and unmatched service. Rather than follow ~~the same course as its competitors~~ a well-worn path, Granite Rock chose to chart its own way -- a journey that has brought them here today -- an award-winning company that defines success in three little words: "another satisfied customer."

Ritz-Carlton won 121 quality-related awards in 1991, but ask any employee how they gauge their success and they'll say -- the Gold Standards -- the Ritz-Carlton's bible for premium service. With almost 12,000 employees, the Ritz-Carlton has implemented a rigorous quality program that seeks "a memorable visit" for every ~~customer.~~ guest. This luxury hotel business knows that a mint on the pillow isn't enough to keep a customer coming back. It's the principle "service must be excellent if it is anything" that has earned Ritz-Carlton one of the most loyal followings in its industry.

For Texas Instruments Defense Systems & Electronics Group, its best product is always surpassed by its next innovation. Mac

used to call this kind of inventiveness "Yankee ingenuity." [[I'm not sure ~~this~~ a Texas-based company cottons to being called "yankee" -- but ingenious, I think they'll accept. //]] Formed during World War II, this TI subsidiary has grown to become the nation's eighth largest defense electronics contractor. We know from the success of Desert Storm, that in matters of advanced weaponry, quality is key. And we know, too, from the success of Desert Storm, that TI's contributions to this effort were invaluable.

In today's competitive global marketplace, quality of service and quality of goods takes on top priority in American business. Premium standards are no longer lofty goals, but vital components of every basic business strategy. This year's Baldrige award winners know that quality standards do not impede success, they encourage it. Mac would agree.

Each time we revisit our memories of Mac Baldrige at this ceremony, I'm reminded of the wisdom he used to impart most often -- always, in anything and everything, rise to the highest standard. This year's Malcolm Baldrige Quality Award Winners have all done just that.

Congratulations. May God bless you all and the United States of America.

# # #

Nix
December 8, 1992
Draft One
BALDRIGE

PRESIDENTIAL REMARKS: MALCOLM BALDRIGE QUALITY AWARDS
MALCOLM BALDRIGE GREAT HALL, DOC
MONDAY, SEPTEMBER 14, 1992
11:30 A.M.

[Acknowledgments] I always look forward to this yearly awards ceremony. An opportunity to honor industry's best. And a chance to revisit the legacy of an extraordinary man -- Malcolm Baldrige.

I remember a story President Reagan loved to tell of the day he phoned Mac to ask him to join his Cabinet. He was told by Midge that he'd have to call back later: Mac was out on his horse roping and he couldn't come to the phone. That was Mac.

A man whose collection of belt buckles was the only thing that could outnumber his many achievements. After being appointed Commerce Secretary, a reporter asked him what made him qualified for such a post when he didn't even know where the Commerce building sits. "I have some, or limited, knowledge of politics," he said, "and I understand that's necessary in Washington."//

In a hand-tooled western belt and a pin-stripe suite, Mac was the Connecticut cowboy -- the only guy I knew who'd complain of saddle sores from sitting at a desk too long. He used to say that the thing he liked about cowboys was that they didn't talk unless they had something to say, and when they said something, they meant it. That was true of Mac. When he talked business, he meant business. And when he talked of making America's

products second to none, you listened.

The standards of excellence Mac embodied are still very much with us. Fairness, honesty, tenacity. These were his yardsticks. The same yardsticks we use today in looking for the very best that American industry has to offer. And this year, we have found them in five exceptional companies.

Some might think the Commerce Department offered a two-for-one deal with AT&T -- but not so. Though both Transmission Systems and Universal Card Services are divisions of AT&T, they are two separate businesses, who share one common goal -- a commitment to quality. AT&T Chairman Robert Allen said of this commitment: "The real challenge is to define quality not from our own perspective, but from the customer's."

This both divisions have done. Transmission Systems Business Unit dedicates itself not only to its customers short-term needs, but its long-term needs as well. With the input of more than 7500 employees at nine U.S. sites, TSBU has initiated programs to predict what new technologies will be needed to meet their customers long-term goals. Right now, TSBU is the second largest maker of transmission systems, but having shown an unyielding commitment to customer satisfaction, this company is sure to reach its goal to be number one in its field by 1997. In just more than 3 years, TSBU has doubled international sales and now sells systems to more than 50 countries. That's a lot of satisfied customers.

Universal Card Services hasn't become a benchmark of other companies by accident. But by effort -- top performances by all

of its 2500 employees. UCS led its charge to excellence by centralizing their business around one key principle: "delight the customer." And it seems they are, indeed, delighted. 98% of their customers rate overall services as better than the competition. 98%. [[That's one poll I could have used a month ago. //]]

It's not often that a small business means big business, but it's true for the Granite Rock Company. With the initiation of their Total Quality Program, Granite Rock has outshined other construction materials businesses by exceeding its industry standards for high quality and unmatched service. Rather than follow the same course as its competitors, Granite Rock chose to chart its own way -- a journey that has brought them here today -- an award-winning company that defines success in three little words: "another satisfied customer."

Ritz-Carlton won 121 quality-related awards in 1991, but ask any employee how they gauge their success and they'll say -- the Gold Standards -- the Ritz-Carlton's bible for premium service. With almost 12,000 employees, the Ritz-Carlton has implemented a rigorous quality program that seeks "a memorable visit" for every customer. This luxury hotel business knows that a mint on the pillow isn't enough to keep a customer coming back. It's the principle "service must be excellent if it is anything" that has earned Ritz-Carlton one of the most loyal followings in its industry.

For Texas Instruments Defense Systems & Electronics Group, its best product is always surpassed by its next innovation. Mac

used to call this kind of inventiveness "Yankee ingenuity." [[I'm not sure this Texas-based company cottons to being called "yankee" -- but ingenious, I think they'll accept. //]] Formed during World War II, this TI subsidiary has grown to become the nation's eighth largest defense electronics contractor. We know from the success of Desert Storm, that in matters of advanced weaponry, quality is key. And we know, too, from the success of Desert Storm, that TI's contributions to this effort were invaluable.

In today's competitive global marketplace, quality of service and quality of goods takes on top priority in American business. Premium standards are no longer lofty goals, but vital components of every basic business strategy. This year's Baldrige award winners know that quality standards do not impede success, they encourage it. Mac would agree.

Each time we revisit our memories of Mac Baldrige at this ceremony, I'm reminded of the wisdom he used to impart most often -- always, in anything and everything, rise to the highest standard. This year's Malcolm Baldrige Quality Award Winners have all done just that.

Congratulations. May God bless you all and the United States of America.

# # #

old drafts

Nix
December 8, 1992
Draft One
BALDRIGE

PRESIDENTIAL REMARKS: MALCOLM BALDRIGE QUALITY AWARDS
MALCOLM BALDRIGE GREAT HALL, DOC
MONDAY, SEPTEMBER 14, 1992
11:30 A.M.

[Acknowledgments] I always look forward to this yearly awards ceremony. An opportunity to honor industry's best. And a chance to revisit the legacy of an extraordinary man -- Malcolm Baldrige.

I remember a story President Reagan loved to tell of the day he phoned Mac to ask him to join his Cabinet. He was told by Midge that he'd have to call back later: Mac was out on his horse roping and he couldn't come to the phone. That was Mac.

A man whose collection of belt buckles was the only thing that could outnumber his many achievements. After being appointed Commerce secretary, a reporter asked him what made him qualified for such a post when he didn't even know where the Commerce building sits. "I have some, or limited, knowledge of politics," he said, "and I understand that's necessary in Washington."//

In a hand-tooled western belt and a pin-stripe suite, Mac was the Connecticut cowboy -- the only guy I knew who'd complain of saddle sores from sitting at a desk too long. He used to say that the thing he liked about cowboys was that they didn't talk unless they had something to say, and when they said something, they meant it. That was true of Mac. When he talked business, he meant business. And when he talked of making America's

products second to none, you listened.

The standards of excellence Mac embodied are still very much with us. Fairness, honesty, tenacity. These were his yardsticks. The same yardsticks we use today in looking for the very best that American industry has to offer. And this year, we have found them in five exceptional companies.

Some might think the Commerce Department offered a two-for-one deal with AT&T -- but not so. Though both Transmission Systems and Universal Card Services are divisions of AT&T, they are two separate businesses, who share one common goal -- a commitment to quality. AT&T Chairman Robert Allen said of this commitment: "The real challenge is to define quality not from our own perspective, but from the customer's."

This both divisions have done. Transmission Systems Business Unit dedicates itself not only to its customers short-term needs, but its long-term needs as well. With the input of more than 7500 employees at nine U.S. sites, TSBU has initiated programs to predict what new technologies will be needed to meet their customers long-term goals. Right now, TSBU is the second largest maker of transmission systems, but having shown an unyielding commitment to customer satisfaction, this company is sure to reach its goal to be number one in its field by 1997. In just more than 3 years, TSBU has doubled international sales and now sells systems to more than 50 countries. That's a lot of satisfied customers.

Universal Card Services hasn't become a benchmark of other companies by accident. But by effort -- top performances by all

of its 2500 employees. UCS led its charge to excellence by centralizing their business around one key principle: "delight the customer." And it seems they are, indeed, delighted. 98% of their customers rate overall services as better than the competition. 98%. [[That's one poll I could have used a month ago. //]]

It's not often that a small business means big business, but it's true for the Granite Rock Company. With the initiation of their Total Quality Program, Granite Rock has outshined other construction materials businesses by exceeding its industry standards for high quality and unmatched service. Rather than follow the same course as its competitors, Granite Rock chose to chart its own way -- a journey that has brought them here today -- an award-winning company that defines success in three little words: "another satisfied customer."

Ritz-Carlton won 121 quality-related awards in 1991, but ask any employee how they gauge their success and they'll say -- the Gold Standards -- the Ritz-Carlton's bible for premium service. With almost 12,000 employees, the Ritz-Carlton has implemented a rigorous quality program that seeks "a memorable visit" for every customer. This luxury hotel business knows that a mint on the pillow isn't enough to keep a customer coming back. It's the principle "service must be excellent if it is anything" that has earned Ritz-Carlton one of the most loyal followings in its industry.

For Texas Instruments Defense Systems & Electronics Group, its best product is always surpassed by its next innovation. Mac

used to call this kind of inventiveness "Yankee ingenuity." [[I'm not sure this Texas-based company cottons to being called "yankee" -- but ingenious, I think they'll accept. //]] Formed during World War II, this TI subsidiary has grown to become the nation's eighth largest defense electronics contractor. We know from the success of Desert Storm, that in matters of advanced weaponry, quality is key. And we know, too, from the success of Desert Storm, that TI's contributions to this effort were invaluable.

In today's competitive global marketplace, quality of service and quality of goods takes on top priority in American business. Premium standards are no longer lofty goals, but vital components of every basic business strategy. This year's Baldrige award winners know that quality standards do not impede success, they encourage it. Mac would agree.

Each time we revisit our memories of Mac Baldrige at this ceremony, I'm reminded of the wisdom he used to impart most often -- always, in anything and everything, rise to the highest standard. This year's Malcolm Baldrige Quality Award Winners have all done just that.

Congratulations. May God bless you all and the United States of America.

# # #

with us. Fairness, honesty, tenacity. These were his yardsticks. The same yardsticks we use today in looking for the very best that American industry has to offer. And this year, we have found them in five exceptional companies.

Some might think the Commerce Department offered a two-for-one deal with AT&T -- but not so. Though both Transmission Systems and Universal Card Services are divisions of AT&T, they are two separate businesses, who share one common goal -- a commitment to quality. AT&T Chairman Robert Allen said of this goal: "The real challenge is to define quality not from our own perspective, but from the customer's."

This both divisions have done. Transmission Systems Business Unit dedicates itself not only to its customers short-term needs, but its long-term needs as well. With the contributions of more than 7500 people at nine U.S. sites, TSBU has initiated programs to predict what new technologies will be needed to meet their customers long-term goals. Right now, TSBU is the second largest maker of transmission systems. With its commitment to keep an ear to the voice of all its customers, this company is sure to reach its 1997 goal to be number one in its field. In just more than 3 years, TSBU has doubled international sales and now sells systems to more than 50 countries. That's a lot of satisfied customers.

Universal Card Services hasn't become a benchmark of other companies by accident. But by effort -- top performances by all of its 2500 employees. UCS led its charge to excellence by centralizing their business around one key principle: "delight the customer." And it seems they are, indeed, delighted. 98% of

their customers rate overall services as better than the competition. 98%. [[That's one poll I could have used a month ago. //]]

It's not often that a small business means big business, but it's true for the Granite Rock Company. With the initiation of their Total Quality Program, Granite Rock has outshined other construction materials businesses by exceeding its industry standards for high quality and unmatched service. Rather than follow the same course as its competitors, Granite Rock chose to chart its own way -- a journey that has brought them here today -- an award-winning company that defines success in three little words: "another satisfied customer."

Ritz-Carlton won 121 quality-related awards in 1991, but ask any employee how they gauge their success and they'll say -- the Gold Standards -- the Ritz-Carlton's bible for premium service. With almost 12,000 employees, the Ritz-Carlton has implemented a rigorous quality program that seeks "a memorable visit" for every customer. This luxury hotel business knows that a mint on the pillow isn't enough to keep a customer coming back. It's the principle that "service must be excellent if it is anything" that has earned Ritz-Carlton one of the most loyal followings in its industry.

For Texas Instruments Defense Systems & Electronics Group, its best product is always surpassed by its next innovation. Mac used to call this kind of inventiveness "Yankee ingenuity." [[I'm not sure this Texas-based company cottons to being called "yankee" -- but ingenious, I think they'll accept. //]] Formed during World

War II, this TI subsidiary has grown to become the nation's eighth largest defense electronics contractor. We know from the success of Desert Storm, that in matters of advanced weaponry, quality is key. And we know, too, from the success of Desert Storm, that TI's contributions to this effort were invaluable.

In today's competitive global marketplace, quality of service and quality of goods takes on top priority in American business. Premium standards are no longer lofty goals, but vital components of every basic business strategy. This year's Baldrige award winners know that quality standards do not impede success, they encourage it. Mac would agree.

As with all great western stories, none of us are ever ready for the day the cowboy rides off into the sunset. Even so, there are some people in life whose memory you never quite let go. Each time we revisit our memories of Mac Baldrige at this ceremony, I'm reminded of the wisdom he imparted most often -- always, in anything and everything, rise to the highest standard. The Malcolm Baldrige Quality Award Winners have all done just that.

Congratulations. May God bless you all and the United States of America.

# # #

Nix
December 8, 1992
Draft One
BALDRIGE

PRESIDENTIAL REMARKS: MALCOLM BALDRIGE QUALITY AWARDS
MALCOLM BALDRIGE GREAT HALL, DOC
MONDAY, SEPTEMBER 14, 1992
11:30 A.M.

[Acknowledgments] I always look forward to this yearly awards ceremony. An opportunity to honor industry's best. And a chance to revisit the legacy of an extraordinary man -- Malcolm Baldrige.

I remember a story President Reagan loved to tell of the day he phoned Mac to ask him to join his Cabinet. He was told by Midge that he'd have to call back later: Mac was out on his horse roping and he couldn't come to the phone. That was Mac.

A man whose collection of belt buckles was the only thing that could outnumber his many achievements. After being appointed Commerce secretary, a reporter asked him what made him qualified for such a post when he didn't even know where the Commerce building sits. "I have some, or limited, knowledge of politics," he said, "and I understand that's necessary in Washington."//

In a hand-tooled western belt and a pin-stripe suite, Mac was the Connecticut cowboy -- the only guy I knew who'd complain of saddle sores from sitting at a desk too long. He used to say that the thing he liked about cowboys was that they didn't talk unless they had something to say, and when they said something, they meant it. That was true of Mac. When he talked business, he meant business. And when he talked of making America's products second to none, you listened.

The standards of excellence Mac embodied are still very much

5TH STORY of Level 1 printed in FULL format.

Copyright 1992 News World Communications, Inc.
The Washington Times

October 5, 1992, Monday, Final Edition

SECTION: Part E; COMMENTARY; Pg. E3

LENGTH: 853 words

HEADLINE: American business summit

BYLINE: Barbara Hackman Franklin

BODY:

America's ability to increase its exports abroad, thus enhancing our domestic economic prosperity, depends primarily on our ability to do three things: gain greater access to foreign markets, produce competitively priced goods and services, and ensure that the quality of these products is second to none.

Today, the Commerce Department will host a summit of major American business leaders. Our intention will be to address the third component of this equation for success: the quality of American products. This summit, like the Bush administration policy toward American business, seeks to enhance America's competitiveness and defend our role as the world's economic leader. Our goal is simple: ensure that the phrase "made in America" remains a synonym for quality.

Promoting American exports abroad often can be frustrating work, primarily because much of our ability to expand American exports depends not on what Americans do, but on the cooperation of governments abroad. For instance, America can negotiate for the removal of trade barriers to our exports (like we are doing now with Mexico) but whether these barriers are removed can depend ultimately on foreign governments' willingness to see the mutual dividends derived from free trade. Sometimes foreign governments quickly see these merits; sometimes they don't. Even the prices of our products are not entirely up to us.

American businesses can produce competitively priced products, but if foreign governments erect tariffs, or subsidize their own industries, American products may have a difficult time competing. Our comparative costs increase, thus artificially increasing the price of American goods.

Fortunately, this is not the case when it comes to quality. The quality of American goods rests entirely in the hands of America's business management and workers. It is one of the few areas where, regardless of policies abroad, America can continue making unilateral headway. As a result, continually enhancing the quality of American goods and services must be a central component to our trade policy - a pressing priority to both American business and to Washington.

To date, the biggest problem with American competitiveness, and the quality of American goods, has not been the American worker or American ingenuity; both remain unmatched in the world today. The primary problem, rather, rests with economic policies in Washington. Rather than adopting policies that would encourage creativity, entrepreneurship and concern for innovativeness and

LEXIS·NEXIS® LEXIS·NEXIS® LEXIS·NEXIS®
Services of Mead Data Central, Inc.

detail, Congress often has sought to stifle American businesses with excessive taxation and overregulation. Result: American businesses have been forced to spend more time keeping their heads above water than enhancing the quality of their products.

This is why President Bush has been arguing assertively for substantial economic reforms - a cut in the capital gains tax, support for small business development, and policies that encourage investment in new research and technology. These policies, opposed by Bill Clinton and most Democrats in Congress, will benefit America's competitive nature by creating an economic environment that encourages American companies to produce goods and services whose quality is unmatched. Quality products, in turn, will enhance America's export capabilities, producing more jobs and prosperity at home.

The ultimate test of a product's quality is its success in the global marketplace, but the Commerce Department also has taken an additional step to reward quality: the Malcolm Baldridge Quality Award. Awarded annually, the Baldrige award highlights America's quality success stories: those companies - small, medium, or large - that have enhanced the value of the "made in America" slogan by producing products or services of extraordinary quality.

And there is a final, seldom-mentioned, step that government must take to encourage private sector quality. That is to restore its own credibility with the American people by holding itself to the highest standards of quality. Surely, it is nothing short of hypocritical if a government known for overstaffing, overspending and underproducing turns to the business world and preaches "quality." Therefore, it is critical that all agencies and departments, and especially Congress, look seriously at the expenditure of American tax dollars and ask themselves a fundamental question: How can this be done better and more efficiently, or should government be doing this at all?

Rewarding quality with the recognition it deserves, while pushing for economic policies at home that afford companies the opportunity to improve their product quality, is the key to improving the overall quality of American products. This, in turn, will help ensure that the modern economic miracle known as America maintains its cutting edge role as the world's leading economic power - in both quantity and quality.

Barbara Hackman Franklin is the U.S. secretary of commerce.

LEXIS·NEXIS® LEXIS·NEXIS® LEXIS·NEXIS®
Services of Mead Data Central, Inc.

1ST STORY of Level 1 printed in FULL format.

The Business Journal-Jacksonville
Copyright Jacksonville Business Journal 1992;
Business Dateline; Copyright 1992 UMI/Data Courier

October 16, 1992

SECTION: Vol 8; No 1; Sec 1; pg 1

LENGTH: 664 words

HEADLINE: Baldridge Wannabes, Universal Card Offers Examples of Quality

BYLINE: Donna

DATELINE: Jacksonville; FL; US

BODY:

Companies that want to call themselves quality-oriented might take a lesson from 1992 Malcolm Baldridge National Quality Award winner AT&T Universal Card Services Corp.

* When Universal Card wanted to know if cardmembers preferred mail or phone calls from the company, it sent out a questionnaire in its billing statements last year.

* When Universal Card received complaints last year about the interest charged on cash advances, the company's pricing committee restructured the program, setting up a grace period and a transaction fee.

* When a glitch last summer in Universal Card's authorizations system caused customers trying to use the card to be rejected at department stores, President Paul Kahn sent out apology letters and $ 10 certificates to each of those customers.

Universal Card, the Jacksonville-based credit card subsidiary of AT&T Corp., celebrated its second anniversary in March. It's one of five companies to win the coveted Malcolm Baldridge Award this year, which recognizes a company's methods for assuring quality of goods and services.

Universal Card has "brought more competitive energy into a complacent (credit card) industry," said Kahn, in an interview on Wednesday from New York.

Kahn said Universal Card used the Baldridge process as a template in setting up the credit card subsidiary here. "We started with a clean slate," Kahn said.

In 30 months, Universal Card--the nation's second largest credit card company--has changed the credit card industry, he continued.

Universal Card' s 2,500 employees operate under 120 daily quality measurements, including courtesy, accuracy and timeliness, Kahn said. "We even measure the courtesy of our associates with delinquent customers. Seventy percent of our delinquent customers said they'd recommend the card to their friends."

LEXIS·NEXIS® LEXIS·NEXIS® LEXIS·NEXIS®
Services of Mead Data Central, Inc.

Universal Card, which turned profitable last summer, opened its 10 millionth account last month. To date, the company's 16 million cardholders have charged $ 30 billion on the card.

Since its inception, Universal Card's interest rate has dropped five times because its interest rate charge is linked to the prime rate, a benchmark rate banks use in setting loan rates. Customers now pay an annual rate of 14.9 percent, 3.1 percentage points below the industry average.

Baldridge winners generally host 30,000 to 50,000 visitors per year, which will be significant for Jacksonville, Kahn said. Universal Card is already working with the Jacksonville Chamber of Commerce to accommodate those visitors and to showcase Jacksonville.

Alan Schultheis, Universal Card executive vice president-marketing, said the award is significant for Jacksonville because 80 percent of Universal Card's employees are from Jacksonville. "That's clearly a testimony to the work force in this town," Schultheis said.

"We came here because the type of people we needed for this vision are here," he said. "Dedicated employees are a big part of what won it for us."

The Malcolm Baldridge Award was established in 1987 to honor the late Malcolm Baldridge, who was U.S. Secretary of Commerce under President Ronald Reagan. It's managed by the Commerce Department's National Institute of Standards and Technology. A maximum of two awards are given each year in three categories: large manufacturing, large service and small business. Since 1988, 17 companies have won the award.

In addition to AT&T Universal Card, which won in the service category, 1992 winners include: AT&T Network Systems Group/Transmission Systems Business Unit, based in Morristown, N.J., which won in the manufacturing category; Dallas-based Texas Instruments Inc. Defense Systems & Electronics Group, also in the manufacturing category; Atlanta-based The Ritz-Carlton Hotel Co., in the service category; and Watsonville, Calif.-based Granite Rock Co., in the small business category.

"It says a lot for Jacksonville between AT&T and the Ritz-Carlton winning," said Ritz-Carlton spokeswoman Alison Adams.

SUBJECT: Financial services; Credit cards; Quality; Awards; Customer services; South Atlantic

GEOGRAPHIC: South Atlantic Region; Jacksonville; FL; US

COMPANY: AT&T Universal Card Services; SIC: 6140

LOAD-DATE-MDC: November 17, 1992

LEXIS·NEXIS® LEXIS·NEXIS® LEXIS·NEXIS®
Services of Mead Data Central, Inc.

National Institute of Standards and Technology (NIST)

PUBLIC AFFAIRS DIVISION

TELECOPIER COVER SHEET

Building 101 - Room A903
Gaithersburg, MD 20899

Date: 12/7

To: Michelle Nix

FAX 202-456-6218

ORIG.

TELEPHONE X 7750

From: **Jan Kosko**

FAX 301-926-1630

ORIG. NIST/PUBLIC AFFAIRS OFFICE

TELEPHONE 301-975-2767

Number of Pages (including cover sheet): _____

The only thing by Sec. Baldrige that I've found so far is attached. Also attached is his bio & general info from Quality Improvement Act.

Malcolm Baldrige National Quality Award

:hnical personnel among academia, industry, and Federal labora-
ies. Such program shall include both (1) federally supported ex-
anges and (2) efforts to stimulate exchanges without Federal
nding.

C. [17.] *18.* AUTHORIZATION OF APPROPRIATIONS.

a) There is authorized to be appropriated to the Secretary for
rposes of carrying out section 6, not to exceed $19,000,000 for the
:al year ending September 30, 1981, $40,000,000 for the fiscal
ar ending September 30, 1982, $50,000,000 for the fiscal year
ding September 30, 1983, and $60,000,000 for each of the fiscal
ars ending September 30, 1984, and 1985.

b) In addition to authorizations of appropriations under subsec-
n (a), there is authorized to be appropriated to the Secretary for
rposes of carrying out the provisions of this Act, not to exceed
000,000 for the fiscal year ending September 30, 1981, $9,000,000
the fiscal year ending September 30, 1982, and $14,000,000 for
:h of the fiscal years ending September 30, 1983, 1984, and 1985.

c) Such sums as may be appropriated under subsections (a) and
shall remain available until expended.

d) To enable the National Science Foundation to carry out its
wers and duties under this Act only such sums may be appropri-
:d as the Congress may authorize by law.

C. [18.] *19.* SPENDING AUTHORITY.

No payments shall be made or contracts shall be entered into
rsuant to the provisions of this Act (other than sections 11, 12,
d 13) except to such extent or in such amounts as are provided in
vance in appropriation Acts.

XIII. COMMITTEE RECOMMENDATION

H.R. 812 was ordered favorably reported on May 13, 1987, by the
mmittee by voice vote, a quorum being present.

XIV. ADMINISTRATION VIEW

THE SECRETARY OF COMMERCE,
Washington, DC, May 13, 1987.

n. DOUG WALGREN,
airman, Subcommittee on Science, Research and Technology, Committee on Science, Space, and Technology, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for giving the Administration opportunity to comment on the Committee's proposed markup H.R. 812, which establishes the National Quality Award. The ministration supports this bill.

n explaining the President's reasoning for establishing a nation-goal of assuring American competitive preeminence into the xt century, the White House announced that "(b)usiness must rk more efficiently; setting high standards of quality; streamlin-; operations; discarding outmoded systems and management les; adapting to change; and building on their tradition as entre-eneurs who saw a better way, had a better idea, worked a little rder." H.R. 812 seeks, with a minimum of Federal intrusion or it, to encourage effective quality management and, as such, is en-

12024566218 P.002/005 TO PAD DEC-07-1992 16:03 FROM

tirely consistent with the President's objectives. Indeed, your staff's proposal to adopt the President's own theme of "A Quest for Excellence" as the medal's inscription reflects clearly that this is a goal shared by our respective branches.

H.R. 812 takes yet another step in encouraging American businesses to improve the quality of their goods and services, and does so without throwing a lot of dollars around indiscriminately at programs of unproven worth. We have to encourage American executives to get out of their boardrooms and onto the factory floor to learn how their products are made and how they can be made better.

Turning to the bill itself, I agree with you that the focus should be on awards to business rather than to state and local governments. The public services they provide to their citizens are of a different nature. I also agree that the program should be run out of the National Bureau of Standards (NBS). The program will fail if the awards are perceived as politically motivated to reward favored companies or generous contributors, but NBS's reputation is sufficient to end any such accusation. For the same reason, I agree that audits should be performed by external contractors.

Sincerely,

MALCOLM BALDRIGE,
Secretary of Commerce.

O

MALCOLM BALDRIGE NATIONAL QUALITY IMPROVEMENT ACT OF 1987

P.L. 100-107, see page 101 Stat. 724

DATES OF CONSIDERATION AND PASSAGE

House June 8, August 7, 1987

Senate August 5, 1987

House Report (Science, Space, and Technology Committee) No. 100-96, May 18, 1987 [To accompany H.R. 812]

Senate Report (Commerce, Science, and Transportation Committee) No. 100-143, Aug. 4, 1987 [To accompany H.R. 812]

Cong. Record Vol. 133 (1987)

The Senate Report is set out below.

SENATE REPORT NO. 100-143

[page 1]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (H.R. 812) to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish a National Quality Award, with the objective of encouraging American business and other organizations to practice effective quality control in the provision of their goods and services, having considered the same, reports favorably thereon with an amendment in the nature of a substitute and an amendment to the title and recommends that the bill do pass.

PURPOSE OF THE BILL

The purpose of the bill is to establish a Malcolm Baldrige National Quality Award program, in honor of the late Secretary of Commerce, Malcolm Baldrige, with the objective of encouraging American business and other organizations to improve the quality of their goods and services.

BACKGROUND AND NEEDS

Until a few decades ago, the United States was a world leader in quality, and that leadership provided us with a broad market for our products both domestically and overseas. In recent years, however, that leadership role has been challenged strongly by foreign competition.

American business and industry are beginning to understand that poor quality results in lower sales, and that improved quality

[page 2]

of goods and services goes hand in hand with improved productivity, lower costs, and increased profitability. Commitment to excellence in manufacturing and services through strategic planning for quality and quality improvement programs is becoming more and more essential to the well-being of our Nation's economy and our

ability to compete effectively in the global marketplace. This emphasis on excellence, good management practices, and high quality in manufactured products can be observed not only in Japan but in other parts of the Pacific Basin, such as Taiwan, Singapore, and South Korea.

To be successful, quality improvement programs must be management-led and customer-oriented, and this may require fundamental changes in the way companies and agencies do business. In an effort to regain the quality edge in many fields we have lost to Japan and several European nations, many experts have called for the creation of a national quality award to stimulate quality management in American industries. Such an award would parallel the Deming Prize awarded annually in Japan to the company which does the best job in quality throughout its organization. Japanese industry competes fiercely for this award. Companies know the average Japanese citizen pays attention to who wins and equates the award with the highest quality of products. Ironically, the Japanese prize was set up by an American, Dr. Edwards Deming, who was a major participant in the effort to get Japanese industry back on its feet after World War II. Dr. Joseph Juran and Dr. Deming began promoting a vision of quality manufacturing that would change the world. Unfortunately, many companies in the United States did not stress this approach while the Japanese accepted the Juran/Deming emphasis on quality products and management.

Other countries are following Japan's lead. Australia has had a J.M. Juran Award since 1975; Margaret Thatcher has announced the British National Quality Campaign and the British Quality Award; and the French have instituted the Industrial Quality Prize.

MALCOLM BALDRIGE

Secretary of Commerce Malcolm Baldrige took a personal interest in H.R. 812, and helped to write the version which passed the House of Representatives on June 8, 1987.

The Secretary's interest in H.R. 812 reflected his lifelong commitment, as both a successful businessman and a respected public servant, to encourage improved quality and productivity in American industry. He saw quality and performance as the keys to this country's prosperity and long-term strength. He had a lifetime of interest and experience in manufacturing. Prior to joining the Cabinet, Mr. Baldrige served as chairman and chief executive officer of Scoville, Inc., which then operated 81 manufacturing plants in the United States and 22 other countries around the world. As Secretary of Commerce, he supported programs in the Department of Commerce to help American manufacturers.

Mr. Baldrige served as Secretary of Commerce from January 20, 1981, until his untimely death on July 25, 1987. In recognition of his many important contributions to American industry, the respect and affection in which he was held, and the personal role he played in drafting H.R. 812, the Committee believes it is fitting and appropriate to name this legislation and its national quality award program in honor of Malcolm Baldrige.



Malcolm Baldrige
1922-1987

Malcolm Baldrige

26th Secretary of Commerce

Malcolm Baldrige was nominated to be Secretary of Commerce by President Ronald Reagan on December 11, 1980, and confirmed by the United States Senate on January 22, 1981.

During his tenure, Baldrige played a major role in developing and carrying out Administration trade policy. He took the lead in resolving difficulties in technology transfers with China and India. Baldrige held the first Cabinet-level talks with the Soviet Union in seven years which paved the way for increased access for U.S. firms to the Soviet market. He was highly regarded by the world's most pre-eminent leaders.

Leading the Administration's effort to pass the Export Trading Company Act of 1982, Baldrige was named by the President to chair a Cabinet-level Trade Strike Force to search out unfair trading practices and recommend ways to end those practices. He was the leader in the reform of the nation's antitrust laws.

Baldrige's award-winning managerial excellence contributed to long-term improvement in economy, efficiency, and effectiveness in government. Within the Commerce Department, Baldrige reduced the budget by more than 30% and administrative personnel by 25%.

Prior to entering the Cabinet, Baldrige was chairman and chief executive officer of Scovill, Inc., Waterbury, Connecticut. Having joined Scovill in 1962, he is credited with leading its transformation from a financially troubled brass mill to a highly diversified manufacturer of consumer, housing, and industrial goods.

Baldrige began his career in the manufacturing industry in 1947 as a foundry hand in an iron company in Connecticut and rose to the presidency of that company by 1960. During World War II, Baldrige served in combat in the Pacific as Captain in the 27th Infantry Division. He was born in Omaha, Nebraska and graduated from Yale University with a bachelor's degree in 1944.

Baldrige worked during his boyhood as a ranch hand and earned several awards as a professional team roper on the rodeo circuit. He was a Professional Rodeo Man of the Year in 1980 and was installed in the National Cowboy Hall of Fame in Oklahoma City in 1984.

Malcolm Baldrige died July 25, 1987 in a rodeo accident in California. His service as Secretary of Commerce was one of the longest in history. He is said to have been possibly the most colorful Secretary of Commerce and one of the most beloved. He is survived by his wife Margaret and his two children.

These annual awards are also special because they gives us the chance to revisit (our memories) the legacy of Malcolm Baldrige.

Not just top management bellowing orders from a top floor office, but employees of these companies, who are partners, associates -- all have a stake in their company's success.

1ST STORY of Level 1 printed in FULL format.

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

November 28, 1987, Saturday, AM cycle

SECTION: International News

LENGTH: 597 words

HEADLINE: Soviet Leader Gives First Interview To U.S. Television Network

DATELINE: MOSCOW

KEYWORD: Soviet-Gorbachev

BODY:

Soviet leader Mikhail S. Gorbachev was "very amiable and very charming" during the first personal interview of a Soviet leader by a U.S. television network, NBC anchorman Tom Brokaw said Saturday.

Gorbachev's one-hour exchange with Brokaw will be aired in full by NBC in the United States on Monday at 8 p.m. EST, network officials have announced.

Brokaw told The Associated Press after the interview conducted in the Council of Ministers room at the Kremlin that the 56-year-old Communist Party chief chatted informally with NBC executives before and after the taping.

"He was very amiable and very charming and, well, let's just say he didn't get there by accident," Brokaw said. "He was obviously trying to seize the moment.

"We definitely got the impression he is really looking forward to his trip to the United States," said NBC's Moscow correspondent, Sandy Gilmour, who took part in the informal exchanges before and after the interview.

Brokaw said he managed to get through most of the questions he had prepared on the subjects of arms control, human rights, Gorbachev's personal life, his campaigns for more openness and rebuilding of Soviet society and the economy, and the case of ousted Moscow party boss Boris N. Yeltsin.

Brokaw declined to give details of the discussions.

Time magazine conducted a private interview with Gorbachev on Aug. 28, 1985, about five months after he became party leader. But Saturday's interview, granted in advance of next month's Washington superpower summit, was the first private exchange any Soviet leader has had with a U.S. broadcast network.

"We've never had a Soviet leader sit down one-on-one with an American journalist before, prepared to answer any question on any subject, and to take followup questions and challenges," Brokaw said.

LEXIS·NEXIS® LEXIS·NEXIS® LEXIS·NEXIS®
Services of Mead Data Central, Inc.

Asked what impressions viewers are likely to take away after seeing the interview, the anchorman said he thought most would be impressed by Gorbachev's confidence and polish.

"This is a new Soviet leader who has a very contemporary style and a new view of how he wants the Soviet Union to be perceived by the rest of the world," Brokaw observed. "He is terribly intellectual and articulate."

Brokaw said that after the interview, he gave Gorbachev a Navajo indian belt buckle and a picture book entitled "A Day in the Life of America."

The Soviet leader was particularly pleased with the buckle, Brokaw said, and recalled that Malcolm Baldrige, the late U.S. commerce secretary, had given him a replica of a western belt buckle he won in a rodeo. Baldrige, who visited Moscow in May 1985, died this past summer in a riding accident.

NBC brought in about 30 executives, editors and support staff members to help with the Gorbachev interview, Brokaw said.

Gordon Manning, NBC consultant and former vice president, said NBC Enterprises in New York planned to market the taping abroad, but he was unsure when the interview would appear on television in Europe .

Manning visited Moscow regularly over the past two years in efforts to arrange the interview.

CBS announced the previous week that the Soviets informally told the network its request for an interview with Gorbachev was turned down because of its coverage of the war in Afghanistan and a human rights question anchor Dan Rather posed to to Gorbachev at a 1985 Paris news conference.

ABC meanwhile is still having discussions with the Soviets about an interview.

NBC was high bidder for the 1980 Moscow Summer Olympics which the United States boycotted because of the Soviet military intervention in Afghanistan.

LEXIS·NEXIS® LEXIS·NEXIS® LEXIS·NEXIS®
Services of Mead Data Central, Inc.

Malcolm Baldridge

- 975-2036
NIST

Press
(301) 975-2769
Jan Kosko

Jill Ruspi
(301) 975-2715

- Company Briefs
- MB Bio
- MB Criteria

Nov. 14, 1988 Reagan
Feb 19, 1985

Kathy Shanahan

5, 9, 10 Speaks before

Franklin speaks

Have quote that might be useful

Wednesday crystal

Jan Kosko
975-2762

Baldrige Award: Hard Work for High Honors

As Quality Issue Heats Up, So Does Competition for Prize Honoring It

By Cindy Skrzycki
Washington Post Staff Writer

Robert Forrest didn't spend Easter Sunday with his family. The Corning Glass Works vice president spent it instead with 13 fellow employees, holed up in what has come to be known at Corning as the "war room," strategizing on how the company could win the Malcolm Baldrige National Quality Award.

As the May 5 application deadline approaches, judges and administrators of the government-initiated program estimate that nearly 100 companies are preparing to jump the first hurdle to winning the award: Preparing an exhaustive report—up to 75 pages for manufacturing and service companies—that probes seven aspects of a company's effort to improve quality.

"If you did everything in that outline, you would be a world-class company," said Forrest, whose team has been working seven days a week for the last month on the company's application.

Interest in the award and who wins it are indicators of how serious American companies are about improving the quality of their goods and services. The effort to improve U.S. products is considered key to battling foreign competition and changing the perception of many consumers who associate higher quality with foreign-made goods.

The prize, and the months-long process of applying for it, also is designed to set a national standard that companies can strive for, much as companies in Japan compete for that country's coveted Deming Prize—named for W. Edwards Deming, the American who brought modern management skills to Japan after World War II.



The Baldrige National Quality Award.

But quality experts admit that there is much confusion over what quality really is and how to build it into a company.

The number of applicants for the award last year, the first time it was given out, provides some indication of just how far American companies have to go to improve quality. In short, few were called and even fewer were chosen.

Overall, 66 companies thought they were good enough to apply. But only three survived the scrutiny of on-site examiners and judges: Motorola Inc., the Commercial Nuclear Fuel Division of Westinghouse Electric Corp., and Globe Metallurgical Inc.

Nevertheless, the backers of the award chose to interpret the poor showing positively. They viewed it as a hopeful sign that companies realize their limitations, and decided to work at improving themselves. The judges have been encouraged to keep their standards high and not feel pressured to pick the best of the worst just for the sake of handing out all six awards.

Those who have been instrumental in setting up the program stress that the standards are rigorous. Though privately some concede that the application, examination and judging process can't match the demands of the Deming, they say the objective of the U.S. award is different.

"The Deming has existed for more than 35 years, ours for months," said Curt Reimann, associate director for quality programs at the Commerce Department's National Institute of Standards and Technology, which manages the award program. "We are having a large and growing impact. Many, many companies are using the [application] guidelines for self-assessment and many are entering the competition for the value of the feedback they hope to get."

Companies that win the award agree to share their strategies, thus spreading the gospel of quality improvement.

"Our telephone never stops ringing," said Richard C. Buetow, Motorola's director of quality. "We probably have dealt with 160 companies since the beginning of this year."

The hope is that world-class competitors like Motorola will impart to their disciples the idea that perfection should be the goal and top-to-

See QUALITY, D6, Col. 1

WP
P. D1
4/18/89

Companies Working Hard For U.S. Quality Award

QUALITY, From D1

bottom quality management the approach.

Many companies that take a close look at their quality programs come to realize they have been taking a temporary approach to improving quality. Others mistakenly blame all their problems on employees rather than concentrating on improving all aspects of the business.

Armand V. Feigenbaum, a quality guru with an international consulting practice, said, "The essence of total quality control is the recognition that quality is a part of the organization from the executive office to the production floor."

Xerox Corp., for example, has been at it relentlessly for the last five years. Using an internal program called Leadership Through Quality, the company has lowered manufacturing costs, narrowed response times on service calls and dramatically cut the number of suppliers it uses.

"It is absolute dog work," said David T. Kearns, chairman of Xerox Corp. He added that it has not yet been decided whether Xerox will apply for the Baldrige Award.

Florida Power & Light Co. in Miami believes it has come so far with the program it started eight years ago that it hopes to set a milestone in the quality annals by being the first American company to win Japan's ultimate quality award, the Deming.

"We're the only non-Japanese company that has ever applied," said Kent Sterett, director of quality improvement at Florida Power & Light. "It surprised the Japanese a little bit and it's a pretty major burden on them."

Most companies undergo two to three years of painstaking preparation, often with Japanese counselors, before they even apply.

But for those who have their sights on the Baldrige, which will be given out in November, the philosophy is that it's not the winning that's important, but getting in shape to go for the award.

"You can't lose on the Baldrige," said Corning's Forrest. "If we test ourselves and understand where we have to improve, we're better for the effort. I don't see how anyone can lose."

PRESS RELEASE

THE VICE PRESIDENT
OFFICE OF THE PRESS SECRETARY

FOR IMMEDIATE RELEASE
Sunday, July 26, 1987

CONTACT: 202/456-6772

STATEMENT BY THE VICE PRESIDENT

Mac Baldrige set the standard for excellence, decency and integrity in public life. He was a tower of strength and truly a man of honor.

Barbara and I extend our condolences and family love to Midge and the family. I feel like I've lost a brother. I really loved the guy.

Dr. Lampe
Remarks -

Dedication
Sept. 23, 1984