



# Digital This Week

Volume 15, Number 7

April 18, 1988

## Digital reports 17% rise in revenues

Digital reported strong gains in sales for the third quarter ended March 26, 1988. For the quarter, the company reported total operating revenues of \$2.8 billion, up 17% from the \$2.4 billion of the comparable period a year ago. Net income for the quarter totaled \$305 million compared with \$308 million a year ago. Earnings per share for the quarter were \$2.33 on

131,179,809 average common and common equivalent shares outstanding compared with \$2.29 on 134,262,167 average common and common equivalent shares outstanding a year ago.

For the nine months ended March 26, 1988, Digital reported total operating revenues of \$8.1 billion, up 21% from \$6.7 billion a year ago. Net income for

the nine months was \$905 million, up 19%, compared with \$760 million a year ago. Earnings per share were \$6.83 compared with \$5.69 per share a year ago. Average common and common equivalent shares outstanding were 132,497,396, compared with 133,617,165 in the same period last year.

Discussing the quarter's results, Ken Olsen, president, said, "The company's order rate growth, while not what we planned, continues to outpace that of the industry and is particularly robust for workstation products. We have maintained our strong position in the technical markets which has made possible the largest increase in orders for workstations and MicroVax 3000 computer systems. Recent data indicates that Digital is again, for the 19th year, the largest seller of UNIX\* software and services and UNIX continues to be a significant part of our business. Being the industry leader in the factory floor, the laboratory, the integrated office, and the artificial intelligence markets has provided Digital with a strong business base. All of the applications for these markets, of course, are implemented on our open system network — DECnet/OSI."

Jim Osterhoff, vice president, Finance, noted, "While we are pleased to be experiencing growth above that of the industry through nine months, we are somewhat below our original growth expectation for the year. We entered the fiscal year with an aggressive growth plan and the investments to go along with it. When the financial markets collapsed on

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### Operating Results for the first nine months and third quarter

	Nine Months Ended	
	March 26, 1988	March 28, 1987
Product Sales	\$5,346,359,000	\$4,478,570,000
Service and Other Revenues	2,789,648,000	2,241,810,000
Total Operating Revenues	8,136,007,000	6,720,380,000
Cost of Product Sales	2,160,160,000	1,829,346,000
Service Expense	1,720,289,000	1,442,115,000
Total Cost of Sales	3,880,449,000	3,271,461,000
Research and Engineering	922,208,000	726,548,000
Selling		
General and Administrative	2,205,514,000	1,603,269,000
Net Interest (Income)/Expense	(78,325,000)	(59,479,000)
Income Before Income Taxes	1,206,161,000	1,178,581,000
Income Taxes	301,541,000	418,396,000
Net Income	904,620,000	760,185,000
Average Number of Shares		
Outstanding	132,497,396	133,617,165
Net Income Per Share	\$6.83	\$5.69

	Three Months Ended	
	March 26, 1988	March 28, 1987
Product Sales	\$1,834,233,000	\$1,631,485,000
Service and Other Revenues	989,749,000	778,586,000
Total Operating Revenues	2,823,982,000	2,410,071,000
Cost of Product Sales	760,855,000	636,340,000
Service Expense	600,622,000	513,172,000
Total Cost of Sales	1,361,477,000	1,149,512,000
Research and Engineering	322,768,000	255,408,000
Selling		
General and Administrative	759,352,000	566,389,000
Net Interest (Income)/Expense	(26,477,000)	(21,425,000)
Income Before Income Taxes	406,862,000	460,187,000
Income Taxes	101,716,000	152,590,000
Net Income	305,146,000	307,597,000
Average Number of Shares		
Outstanding	131,179,809	134,262,167
Net Income Per Share	\$2.33	\$2.29

**Eight new vice presidents named ...**

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**digital**

## Health Screening at Acton facility



The Acton (ACO) facility recently held a two-day "Health Screening" which provided a variety of medical screenings and counseling sessions for employees. Shown from left to right are the nurses and counseling staff who participated: Brenda Breau, assistant, Helen Berrigan, senior occupational health nurse (ACO), Diane Fisher, R.N., Regina MacDonald, R.N., Hilli Spors, R.N., and Lisa Niles, assistant.

## MRO Health Services sets programs

Sponsored by MRO Health Services, the Employee Assistance Program will present a lunchtime seminar, "Behavioral Modification", on Wednesday, April 20, from noon to 1 p.m. at MRO1-1/M12 (Harness Conference Room). "The Smoking Clinic," will be held on Tuesday, April 28 from noon to 1 p.m. To register for one or both programs, contact MRO Health Services, DTN 297-6219. Also, to aid in the early detection of colorectal cancer, MRO Health Services will make colorectal screening home tests available to all employees. ●

## Lesley College offers management degree program at the Mill

Lesley College's Program in Management for Business and Industry will be offering a Master's Degree program at the Mill beginning May 17 in the Taylor Conference Room (MLO 3-2/36B). This accelerated program offers full-time employees the opportunity to earn a degree in approximately 62 weeks, attending one night class per week. For more information, contact Theresa Kane, DTN 223-8915. ●



## Digital This Week

Editor: Kate Nelson

Acting Editor: Janine Donegall

DTN 251-1307

ENET: @ CFO or CELICA

::KNELSON

"Digital This Week" is published every other week by the Corporate Employee Communication Department of Digital Equipment Corp. for its employees in the Greater Maynard Area.

## 'Swim for the Heart'

The Greater Boston Division of the American Heart Association will sponsor the 11th Annual "Swim for the Heart" on Saturday, May 14 at the Boston College Sports Complex from 7 a.m. to 5 p.m. Those swimmers who plan to participate should obtain pledges for each lap they swim up to a maximum of 200 lengths. The pledges made by Digital employees will be matched by the company as part of the matching gifts program and donated to the American Heart Association.

All swimmers who raise more than \$75 will receive a Swim for the Heart T-Shirt. The top 20 fund raisers will also receive a athletic bag for their efforts. Pledge sheets and more information are available from Dick Becker, DTN 297-5609, or Diane Ludovico DTN 223-6927.

Also, on that day, there will be a corporate relay at 2 p.m. in the Sports Complex. More than one team may be entered from a company. This could be a good way to challenge other groups or offices around the company while contributing to a good cause. If interested in participating, contact Dick Becker, DTN 297-5609. ●

## Mill Health Services sets events for May

Mill Health Services will sponsor the following events during the months of April and May:

- A lunchtime informational session on mammography testing will be held on Wednesday, May 4 from noon to 1 p.m. in the Work Systems Conference Room, MLO5-2/30b
- The Mobile Diagnostics' Mammovan, a van equipped for mammography testing, will be parked at the lower Thompson Street parking lot on May 10, 11 and 12 from 8 a.m. to 5 p.m. for employees
- A first aid seminar will be offered on Thursday, May 5 from 8:30 a.m. to 4 p.m. in the Sheridan Conference Room, MLO5-4
- On Monday, May 11, a Blood Drive will be held from 9:30 a.m. to 2:15 p.m. in the Cafeteria Conference Room
- A CPR training session will be held on Thursday, May 26 from 8:30 to 11:30 a.m. in the Sheridan Conference Room, MLO5-4.

For more information on the events and to register, contact Mill Health Services, DTN 223-8796. ●

## Rainbows for sale

The Digital Employee Purchase Program is offering a limited amount of the following Rainbow and Professional Computer Packages for sale:

- Rainbow 100A package-dual floppy system with monitor, keyboard, extra memory, software

- Rainbow 100B package-fully loaded, extra memory, 10MB hard disk, printer, software
  - PRO350 package-system unit with 20MB hard disk, monitor, keyboard, extra memory, software, stand.
- To order, call 1-800-235-0505. ●

## Digital launches security campaign

Digital is launching an information security awareness campaign to ensure that all employees are aware of their responsibilities and accountability for the protection of the Corporation's information assets.

Proprietary information, which includes trade secrets, plans, and any business or technical data that Digital does not want to disclose to competitors or to the general public, requires special protection.

Ray Humphrey, director of Corporate Security, calls proprietary information a vital business resource, which each employee has to manage responsibly. "Information is success!" "Any loss or compromise of business information can negatively affect the introduction of a product, product cost, existing product sales, land acquisition, or future products. This obviously hurts the company's short and long-term market position and, in some instances, can expose us to unacceptable legal consequences."

The company has taken two steps to prevent that from happening. Corporate Security has revised its policies for protecting proprietary information. The Information Security Committee's (I.S.C.) Training Task Team has developed a comprehensive information security training program.

Phase I of the Digital Information Security Training Program includes a management overview presentation, highlighting Corporate Security's Proprietary Information Protection policy and standard. The training for the general employee population is approximately four hours in length, and is modularized for flexibility of presentation.

Responsibility for implementation of this training program throughout the Corporation resides with the individual business organizations. Delivery of the training at a site level will be coordinated by the Operations Security managers, and presented in partnership with the major business organizations resident at that site. A Train-the-Trainer program will be available through Educational Services beginning in May, for those designated by their respective organizations to be information security trainers.



To initiate the information security awareness campaign, a series of posters will be displayed at all Digital facilities. The series is called the "Security Art Gallery." A new poster will be distributed each quarter over the next year and a half. Each poster in the series features colorful sketches of wild animals, along with a security-related slogan and message. The first poster's slogan and message read:

**"IT'S A JUNGLE OUT THERE"  
PREDATORS ARE WAITING  
FOR DIGITAL'S PROPRIETARY INFORMATION.**

For more information about the information security training program, contact your local Operations Security Manager. ●

## Suppliers Open House to be held

Corporate Consultant Acquisitions and Programs will sponsor a Minority Suppliers Open House on Wednesday, May 4 at the Sheraton Hotel in Boxboro. The Open House, which includes a morning educational session, begins at 9:15 a.m. The keynote speaker will be the former Boston Celtic, M.L. Carr. Lunch will be provided. If interested in attending, employees should contact Steve McConnell, at DTN 273-5795, or by VAXmail, CPDW::MCCONNELL.

## Mingle with clowns at Ringling Brothers Circus

On Saturday, May 14, 1988 from 10:30 to 11 a.m., Digital employees and their families may mingle with the clowns and meet the ringmaster of the Ringling Brothers Barnum and Bailey Circus before the noon circus showtime at the Centrum in Worcester. Employees will be able to go ring side and watch juggling acts, get their faces painted and lots more.

The Centrum's Main Lobby will be open for Digital employees at 10:15 a.m. To enter the Centrum at this time, all employees must show their badges. Please note that on that day, doors to the circus

will open for the general public at 11 a.m.

Tickets for the circus are \$9.50 (regularly \$10.50 each). The deadline for tickets is Friday, April 29. Fill out the coupon below and mail the form, check, and a business size, stamped envelope to: Employee Services and Recreation, P.O. Box 1009, W. Concord, Mass. 01742. Tickets will be distributed on a first-come, first-served basis. Ticket forms may also be picked up at site Employee Services & Recreation. For more information, call DTN 251-1313. ●

(Clip and Send)

EVENT: Ringling Brothers Barnum and Bailey Circus

DATE: Saturday, May 14, 1988

NUMBER OF TICKETS \_\_\_\_\_ Check enclosed for \$ \_\_\_\_\_

If the allotment of tickets are sold out, I understand a refund will be issued to me.

YOUR NAME \_\_\_\_\_ Loc/MS \_\_\_\_\_ DTN \_\_\_\_\_ Badge \_\_\_\_\_

HOME ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP CODE \_\_\_\_\_





### Deadlines for 'Digital This Week'

Deadlines for "Digital This Week" have been established to help employees plan events and publicity around certain editions of the paper. Deadlines do not pertain to Marketplace, which is first-come, first-served. The next three issues and deadlines for DTW are:

May 9 - April 27 deadline

May 23 - May 11 deadline

June 13 - June 1 deadline.

### PKO power shutdown

The Parker Street Complex (PK1, PK2, PK3) will have its annual electrical shutdown on Saturday, May 14, and Sunday, May 15. During the shutdown, electrical maintenance within the complex will be conducted for the proper upkeep and safety of the buildings. In order to avoid office equipment damage, field service is requesting that all word processing and terminal equipment be turned off on Friday, May 13, and turned on Monday, May 16. For more information on the shutdown, contact Phil Orifice, DTN 223-9781.

### Soccer League teams up

Digital's Soccer League is currently forming co-ed teams for its outdoor season which runs from mid-May through September. All Digital employees who are interested in signing up for a team should contact Bobbi, VAXWRK::FEARNOW or Keith, SHIPIT::COOPER. Also, all who are interested in playing for the women's team, contact Lisa, SHARE::NEWTON or Amy, SASE::SWOTINSKY. Experienced male soccer players are encouraged to tryout for the men's team, which won the Massachusetts Inter-Company Soccer League Championship last year. For more information on the Soccer League, contact Roger, ROLI::SPENCER or John, NON::METZGER.

### Softball League is at bat

The Digital Softball League-Maynard is now accepting applications for its 1988 season. The league is made up of three divisions (A, B and C), with Division A being the more competitive. League competition is held in Greater Maynard Area playing fields and will begin on May 2. Anyone interested in participating on an existing team should send a check for \$20 along with the following information: name, mail stop, badge number, node, and preferred division, to Tom Pitman, MLO5-2/B6. Checks should be made out to Maynard Softball League. For more information, contact Tom Pitman, JACOB::PITMAN, Dave Calderan, FANTUM::CALDERAN or Gerry Tessari, MILVAX::TESSARI.

### Lacrosse Club seeks players

The Digital Lacrosse Club will soon start its season and seeks new players. The league is co-ed, and plays without padding/helmets. The focus is on good passing, teamwork, and quick defense rather than heavy checking. All skill levels are welcome. Anyone interested in joining the Digital Lacrosse Club should contact Jeff Robertson, DTN 248-4136 (EDSVAX::ROBERTSON, or @BKO) or Rick Leslie, DTN 268-3343 (FSHQOA::RLESLIE, or @WFR).

### DECBigband concert list available

DECBigband has established a list of performances for those who would like to attend future concerts. To secure a list, send your name, E-mail address and mail-stop to NATASH::DAVID (OGO1-1/G13). The band is currently finalizing two dates for outdoor concerts this July and August in Acton, Mass. and Nashua, NH. More information will be posted when available.

### Reduced-priced ferry rides to Martha's Vineyard available

Digital employees and their families may ride the ferry to Martha's Vineyard at discount prices from April 15 to October 14. Round trip tickets from Woods Hole to Martha's Vineyard are \$6 for adults and \$3 for children ages 5-15. Round trip tickets for Hyannis to Nantucket (South Street Dock) are \$13.60 for adults and \$6.80 for children. Coupons for these tickets must be picked up from site Employee Services and Recreation. Digital badges will not be accepted as substitutes for the coupons, and the coupons themselves are not valid for passage. Discount tickets can be acquired only at the Steamship Authority's ticket offices with payment and a completed coupon. The coupons are not valid for one-way passenger or vehicle fares, non-family groups or family groups over 15 in number.

### Employees 'Walk for Hunger'

Every year, more than 100 Digital Employees join Project Bread's annual "Walk for Hunger." This year, the walk will be on Sunday, May 1. Doug St. Clair (LKG) will be organizing a group of Digital employees to walk. If interested in receiving a pledge form to walk or supporting the walkers who participate, contact Doug by VAXmail, NSSG::WALK, or by phone, DTN 226-5918. Project Bread is a non-profit agency dedicated to feeding the hungry. The twenty-mile walk begins and ends at the Boston Common.

# Educational Opportunities

## Technical seminars

### Office Application / Productivity Training offered

Office Applications (OA) Training will offer the following courses in May and June at the locations indicated:

NOTE: PKO = Parker Street, Maynard  
QLO = Hudson, New Hampshire  
MRO = Marlboro, MA  
MKO = Merrimack, NH  
AKO = Nagog Square, Acton  
NIO = Salem, NH  
ZKO = Nashua, NH

#### Office Application Training

ALL-IN-1 Overview: PKO, QLO ALL-IN-1  
Basic User: PKO, MRO, QLO  
ALL-IN-1 Electronic Messaging: PKO, QLO ALL-IN-1  
Basic WPS-PLUS: PKO, QLO ALL-IN-1  
Advanced WPS-PLUS: PKO  
ALL-IN-1 Fundamentals of Applications Programming: PKO  
ALL-IN-1 Advanced Applications Programming: PKO  
DECmate Basic WPS: PKO, QLO  
DECmate Advanced WPS: QLO  
Master Menu: PKO EDT: PKO, QLO  
Rainbow Basic WPS-PLUS: PKO  
Rainbow Advanced WPS-PLUS: PKO  
VAXnotes: PKO VAXmail: PKO, MRO, QLO  
DECmate Communications: PKO  
DECpage: PKO  
RUNOFF: PKO  
Fundamentals of LN03: PKO QLO  
Advanced LN03: PKO, QLO  
Using VAXmate VIP/PageMaker: PKO, QLO  
DATATRIEVE Fundamentals: PKO, QLO  
Designing a DATATRIEVE Database: PKO, QLO  
DATATRIEVE Report Writer: PKO, QLO  
VAX VTX Information Provider: PKO  
VAX VTX System Operator: PKO  
VAX VTX Infobase Designer: PKO  
dBASE III: PKO  
Multiplan: PKO  
Lotus 1-2-3: PKO, QLO  
Advanced Lotus 1-2-3: PKO

Symphony: PKO DECalc: PKO, MRO, QLO

DECslide: PKO, QLO  
DECgraph: PKO, QLO  
Overhead Express: PKO  
Rainbow Graphics: PKO

Intro to PCSA/VAXmate: PKO, QLO  
Intro to VAX/VMS: PKO, MRO, QLO  
MS-DOS: PKO Learn Rainbow: PKO  
**Office Productivity Training**

New Hire Orientation Program: PKO  
Essentials for New Secretaries: PKO

Business English and Grammar Skills: PKO

Telephone Techniques: PKO  
Customer Relations: PKO  
Writing Skills: PKO  
Peer-to-Peer Communications: PKO  
Achieving Communication Effectiveness: MRO, MKO

Effective Presentations: PKO  
Business Computation Skills: PKO, ZKO

Advanced Business COmputation Skills: PKO

Cost Center Expense Reconciliation: PKO

Time Management: PKO  
Organizing and Coordinating Effective Meetings: PKO

Increasing Personal Effectiveness: PKO  
Decision Making Techniques: PKO  
Project Management: PKO  
Effective Office Organization: PKO, AKO, NIO

Secretary/Manager Efficiency I: PKO  
Secretary/Manager Efficiency II: PKO  
Influencing for Results: PKO

Gregg Shorthand Refresher: MKO  
Keyboard Techniques: PKO Intro to Computer Concepts: PKO

To register for the courses, submit an Office Applications Enrollment Request Form to the OA registrar, PKO3-1/B11. Classrooms have been added in Marlboro, Mass. and Hudson, N.H. Additional sites are also indicated. For specific course dates and information, contact the appropriate OA Registrar:

ALL-IN-1 and VAX Courses: DTN 223-4468

DECmate & Rainbow Courses: 223-5820

Office Productivity Training: 223-2872 ●

dBASE is a trademark of Ashton-Tate. MS and Multiplan re trademarks of Microsoft Corp. 1-2-3 and Symphony are trademarks of Lotus Development Corp. Overhead Express is a trademark of Business & Professional Software. PageMaker is a registered trademark of Aldus Corp.

### Digital Management Education offers courses

Digital Management Education will sponsor the following courses:

Course	Date	Facility
Building Effective Customer Relations	May 2-3	MKO
Managing Change	May 3-5	WRA
Problem Analysis/Decision Making	May 3-5	EKO
Business Planning	May 9-11	BUO
Digital Management School I (For Middle Managers)	May 16-20	WRA
Essentials of Negotiation	May 24-25	EKO
Executive Presentations	June 13-14	BUO
Instructor Skills	June 13-17	BUO

To register for the courses, contact the following registrars:

BUO/MKO DTN 249-1881/1882  
WRA DTN 521-4627  
EKO DTN 423-6292 ●

## Software Writers Program offered

The Software Technical Writing Program (STWP), which is co-sponsored by Manufacturing Resource Management and Corporate User Publications, will start its third class at the Acton-Piper Road facility in July. This 22 week-long, full-time program qualifies program graduates for entry level WC4 technical writing jobs in various Digital publications groups.

All full-time regular Digital employees are encouraged to apply. Preference will be given to qualified applicants from Manufacturing for spaces in the July - December class. Applicants must have demonstrated writing skills, a willingness to learn technical topics, an aptitude for programming, and strong interpersonal skills. Participants will be asked to make a minimum commitment of 29 months (five months in STWP; two years in a technical writing job at Digital).

To sign up for April aptitude testing sessions, or for more information, send questions to MAGIC1::STWP or call DTN 232-2534. •

## IDECUS holds spring symposium

IDECUS, the internal users forum, will hold its Spring symposium from Tuesday, May 31 to Friday, June 3 at the Educational Services Training facility in Bedford, Mass.

Presentors will deliver each topic in a new three-hour mini-seminar format which may include demonstrations. Ten seminars will run simultaneously with some topics to be repeated on a second or third day. Eight additional rooms will be devoted to demonstrations and workshops. Daily programs will start at 9:30 a.m. and end at 3:45 p.m.

The schedule and complete description of events will be available on the IDECUS VTX infobase starting Monday, May 2, with easy instructions for obtaining printed copies. The traditional hard-copy brochure/program listing will not be available. In any case, review the daily program before registering.

Online registration opens May 2, through the IDECUS VTX infobase. To access this infobase, type "VTX IDECUS" at the DCL \$ prompt, or select IDECUS from the Corporate VTX menu,

## Digital Video Network to broadcast

Sponsored by Field Service Environmental Health and Safety, the Digital Video Network (DVN) will broadcast "Understanding the Asbestos Issue" on Thursday, May 12 from 1 - 3 p.m. (EST). The objective of this interactive program is to provide an overview of the strategy for handling network installations when asbestos may be present at a customer's site. Specific topics for discussion will include asbestos hazards in buildings, contractor and subcontractor concerns, an overview of the medical and legal issues and solutions to the asbestos problems.

This program is intended for Field Service: network planners, Network Sales Support, network consultants, business support managers and network engineers.

For viewing information and to register, contact the DVN Site manager in your area:

Site	Site Manager	DTN
BUO - Bedford, Mass.	Mariann Polcari	249-4528
BYO - Boylston, Mass.	Marguerite Shaw	245-5270
CHM - Chelmsford, Mass.	Bill Cadden	272-7307
HLO - Hudson, Mass.	Mike Peterson	225-5672
ICO - Chelmsford, Mass.	Thom Ehnstrom	269-2441
MLO - Maynard, Mass.	Laurie Dumont	223-3674
MRO - Marlboro, Mass.	Marilou Carlson	297-5998
OGO - Stow, Mass.	Steve Skorko	276-9900
PKO - Maynard, Mass.	Bob Curtis	223-2097
SHR - Shrewsbury, Mass.	Lisa Okerlund	237-3245
TWO - Tewksbury, Mass.	Norinne Czekanski	247-2278
WFO - Westfield, Mass.	Rich Kokoszka	242-2603
WJO - Westford, Mass.	Don Schwabe	282-1369
WMO - Westminster, Mass.	Gail Maillet	241-3393
ACT CENTERS - Please note: Not all DVN programs are offered at all ACT Centers. Phone the DVN Site Manager for details.		
ACT - Andover, Mass.	Danita Pizarro	258-8306

For current programming information, phone the DVN Hotline at DTN 249-1620 or (617) 276-1620.

## 'Design for Testability Workshop' to be held

The High Performance Systems Software Engineering Group and Digital's Testability Consortium will sponsor the 13th Design For Testability Workshop to be held at the Andover, Mass. facility (Dascomb Road) in the Westfield Conference Room, on June 8 and 9. Members of the Digital Testability Consortium will lead workshops on state-of-the-art techniques, methodologies, and tools for LSI and VLSI based products. Designers of chips, boards, and systems, managers, project leaders, diagnostics and test engineers, manufacturing and customer service engineers are encouraged to apply. For information on the workshop and registration, contact Nancy Cross by VAXmail, MODEL::CROSS, or by phone at DTN 223-3620. •

MIS (keyname=IDECUS). Employees may register for two days only.

If you plan to drive to the Bedford facility for the symposium, check the VTX infobase for information on parking provisions. •



## On the move

Corporate Software and Consultant Acquisitions has moved from NRO4, BGO and CFO1 to VRO6-2 (555 Virginia Road, Concord, Mass. 01742-2727). The main phone number for the group is DTN 273-5794 or 617-371-5794. Electronically, the group can be reached by VAX-mail at CPDW:: or decmail, @ VRO. •

## Eight managers promoted to vice president

In recognition of the significance of their contributions to Digital, eight senior managers have been promoted to vice president: Dick Esten, Dick Farrahar, Dick Fishburn, Lou Gaviglia, Frank McCabe, Ron Payne, Greg Plakias and Dick Walsh.



*Dick Esten*

Dick Esten has been manager of European Manufacturing for the last year. He joined Digital in 1969 and has served in a variety of management positions in Manufacturing, including San German plant manager, Puerto Rico general manager, Albuquerque plant manager, Terminals Manufacturing manager, Low-End Manufacturing manager and Manufacturing Resource manager.



*Dick Farrahar*

Dick Farrahar manages Personnel for the Manufacturing, Engineering and Product Marketing organizations. He came to Digital in 1970 and has served as a senior group Personnel manager and a member of the Personnel Management Committee since 1982.



*Dick Fishburn*

Dick Fishburn has been Finance manager for Sales, Services, Marketing and International since he came to Digital in 1985. He was previously senior vice president of Administration at ANR Freight and held a variety of financial management positions at Ford Motor Company.



*Lou Gaviglia*

Lou Gaviglia has served as group manager for Computer Systems Manufacturing since 1983. He joined Digital in 1967 and has held a succession of management positions in Manufacturing, including plant manager, Salem, N.H., and manager, Commercial Group Manufacturing.



*Frank McCabe*

Frank McCabe has been manager of Corporate Quality since 1984. He joined Digital in 1980 as European Volume Manufacturing manager. He later served as manager of the Systems Technology Group in Computer Systems Manufacturing.



*Ron Payne*

Ron Payne has been manager of Corporate Purchasing since 1983. He joined Digital in 1977 at the Springfield, Mass., plant, where he held a succession of posts such as purchasing manager, materials manager and plant manager.



*Greg Plakias*

Greg Plakias has served as manager of Storage Manufacturing since 1981. He joined Digital in 1977 as manager of Materials and Planning for Storage Manufacturing, and later served as manager of Human Resources in Corporate Manufacturing.



*Dick Walsh*

Dick Walsh manages Personnel for the Sales, Services, Marketing and International organizations. He came to Digital in 1974 and has served as a senior group Personnel manager and a member of the Personnel Management Committee since 1982.

## Quarterly Results

*continued from page 1*

Oct. 19, most businesses became more sensitive to the uncertainties in the economic outlook and more cautious in making major investment decisions. We believe this is contributing to the slowdown in our revenue growth compared with earlier expectations.

"We have reacted to these changing conditions in a measured way, but have been careful not to overreact. We haven't changed our fundamental plans, but have moderated investments to a more conservative marketplace. As usually happens when a business slows down from its planned rate of growth, revenue is affected first and cost reaction follows. That is the phase we are in now. It shows up in lower profitability, which, I believe is a major factor in the decline of Digital's stock price.

"On the other hand, assets are being managed carefully. Our cash position and the rest of our balance sheet remain strong.

"It is difficult to predict future revenue trends," continued Jim, "but it is clear that we must manage our costs very carefully over the next several quarters if we are to rebound from recent profit declines and regain the high degree of investor confidence in Digital that existed six months to a year ago."

Jack Shields, senior vice president, said, "Our sales, service and marketing organizations are armed with very competitive, fully compatible product offerings which our customers need to maintain or improve their competitive position. This, coupled with additional new products being introduced later this month and throughout the remainder of the year, should allow us to continue to exceed industry growth." Jack added that, "While our overall growth is strong, demand for some of our large computer systems has been less than planned. This seems to be due to a combination of factors, such as customers evaluating our new product offerings and customer concern about U.S. and overseas economic conditions." ●

\*UNIX is a trademark of AT&T