

# The Observer

Vol. 2, No. 1

Published by and for the personnel of Kurt Salmon Associates Inc.

March 31, 1971

## Foremost Consultant to the Leather Industry?--KSA . . .

- That's right! KSA has engineered operations like splitting, skiving, turning, trimming, scoring, creasing, embossing, painting, stamping, pasting, laminating, sealing, stapling, framing, and even sewing. Sound different? It is!
- Almost two years ago we began an assignment with Amity Leather Products in West Bend, Wisconsin. Amity, privately held, is the third largest manufacturer of billfolds, small purses and clutches, key cases, cigarette cases, eye glass cases, and travel accessories such as travel kits, shoe shine kits, tie valets, map cases, and bottle totes, all of which are referred to as "books." Amity finishes much of its own leather and, frequently, does its own graining.

Besides the primary operation in West Bend, there are three factories in Puerto Rico and a licensee in Canada.

We shall soon complete the initial West Bend assignment which included the engineering of most production departments, a payroll installation, and a personnel project. Production control is scheduled for implementation later this year.

- The scope of our work seems likely to be broadened to include the travel kit operation, on the basis of a recently completed survey. Also, an evaluation of the cutting department has been authorized in which individual hides are die-cut on clickers.

The assignment has not been understaffed. Besides Account Executive, *Jack Ullman* and Project Manager, *Chick Schwartz*, expertise has been contributed (at prevailing rates) by the likes of *Jack Murray*, *Randy Nord*, *Ken Campbell*, *Frank Hurley*, *Elmer Beardshall*, *Wilfried*



*Larry Maurer demonstrates to Jim Golden, Wilfried Luetteke, and Smiley Jones a new press which simultaneously performs five operations previously done individually.*



*Smiley Jones with some of the "different" equipment used in the leather industry.*

*Luetteke, Larry Maurer, Jim Golden, Sam Johnson, and even Bob Messinger and Jerry Kavanaugh.*

- Leather has the advantage of not being limp like fabric and the disadvantage of not being rigid like hardgoods. This leaves us in a sort of automation half-way house which is further complicated by the tendency of cows, pigs, lizards, seals, turtles, goats, and kangaroos to be as individual as people.

- This means that hides must usually be die-cut individually so that defects can be avoided. Multiple hides can be cut with a trade-off between labor and material utilization. Leather contracts or expands with variations in humidity. The parts must fit, since leather won't stretch. Therefore, many parts, prior to assembly, must be die-cut again at an operation called trimming. Uniform thickness is critical, so splitting planes off variations in thickness from the flesh side of the leather, and skiving maintains that standard thickness by tapering edges which are to be turned about each other. If a leather part must remain folded, the flesh side is scored on a press which imparts a permanent break line. Embossing and creasing are operations at which heat and pressure produce decorative marking of the finished side of the leather. Edges and slots must be spray painted; slits must be hand painted. The trademark and leather type are stamped in gold on some parts.

- Books are assembled in a variety of ways, most of which involve pasting. Paste may be applied with a brush, a machine, or a spray gun. A variety of latex and solvent pastes are used to achieve temporary or permanent bonds.

*Continued on page 9*

## Observations from . . .



### The Seventies—Problems and Opportunities

Nationally, no one will deny that we have plenty of problems ahead—the War, Red China, inflation, unemployment, balance of trade, pollution, decay of our cities, transportation, etc.

In this decade we should be able once again to devote our manpower and productive facilities to further improvements in our standard of living. Wars may hasten the spawning of new technology but it is a fallacy to assume we need them to maintain prosperity. To the contrary, the fallout from war-created technology can accelerate the nation's wellbeing in times of peace. What we are undergoing currently are the unpleasant dislocations of change. The Seventies should bring plenty of opportunity to benefit from these changes.

### Effects in Apparel and Textiles

What about the apparel and textile industries? The staple or lower priced products of these industries are suffering from increased foreign competition. It will continue to do so, though efforts are being made to institute measures which will permit the growth of these industry markets to be shared with foreign exporters on a more reasonable basis.

The industry, by and large, is reacting in a resourceful manner. They are switching to high fashion products, improving their delivery service, mechanizing where practicable, and starting joint or wholly-owned ventures in low-wage, foreign countries.

KSA looks upon all this as a multiple opportunity. It means intensification of our marketing efforts, which is well under way. It means that our policy of diversification on a planned basis is the right one and the one which we will continue. In this respect, we mean geographical expansion (our efforts in Europe and Africa and others in the planning stage); we mean functional diversification as well as industry diversification. In the latter regard, we have diversified into hosiery, we have merged a hospital consulting firm with ours and hope to help them build a larger practice in the health and institutional field; we are looking into the laundry industry and have a couple of others up our "planning sleeve."

Though, like most consulting firms, we have regretfully had to make certain cutbacks to bring our capacity in line with the business being generated, our orientation in the Seventies will be toward continued consulting work in apparel and textiles, both here and abroad, and for much additional work in other areas where we are qualified or plan to become qualified to offer the specialist knowhow around which our practice has been built.

*PROBLEMS?* Yes. But *OPPORTUNITIES* galore!

## The KSA OBSERVER

A quarterly report of the activities of Kurt Salmon Associates, published by and for its personnel, is mailed to homes and should not be taken elsewhere. Address all correspondence to the Editorial Offices at 4301 Connecticut Avenue, N.W., Washington, D.C. 20008. The opinions of readers are invited.

Editorial Board: *Kurt Salmon* *Joe Scheines*

*Jack Johnson* *Mary Baach*

Volume 2, No. 1

March 31, 1971

## Trends and Cross Currents Affecting MSD . . .

Rather than reviewing specific assignments, it might be of interest to relate how some of the fundamental changes in our industries, particularly apparel, affect our service mix.

As you know, the textile/apparel industries are undergoing a difficult period although many forecasters project a strong upturn in the second half of this year. In addition there have been other changes with which our clients must cope: the steady trend toward more fashions, more seasons and even continuous introduction of new items.

- The general slow-down has not been uniform and some segments such as jeans and dress shirts have prospered as never before. Result: we have no less than five systems assignments under way for dress shirt clients. Traditionally we have done very little systems work in this area.

- These frequently sudden and unfamiliar shifts in the accustomed ways of doing business have made management more receptive to outside assistance in areas where historically KSA has not been very active. Several assignments are presently under way for both apparel and textile clients, directly traceable to these underlying trends. Quite a few of these are of either a general management or marketing nature, as evidenced by the fact that for two periods in a row, we sold three times the volume of business that we had budgeted for.

With a small staff in GM&M, this development has necessitated the use of staff from other functions—a welcome opportunity to broaden our future service capability and to broaden our staff professionally.

- The same market shifts are opening other service opportunities for us. With shorter seasons and the often long lead times between ordering and receipt of piece goods, it is often necessary to make a large portion of all material commitments before any orders are taken. Hence, to a considerable degree, the success of a season's business is dependent on how well the product lines are put together and how well all the other essential elements of a season's business are planned. This puts a premium on good pre-season planning of merchandizing, design, purchasing, production and distribution activities as well as the effective

*Continued on page 9*

# A Study for World Bank and Iran . . .

• A study team, which includes *Ross Runnels* and *Bob Frazier* of KSA, a private textile consultant, and a chemical engineer and an economist from the Bank, is just completing a broad textile and apparel study for Iran. The parameters and results of the study are interesting because of the enormous investment required by a developing country to meet its growing domestic markets.

The World Bank is a profit-making organization which borrows money from the developed countries and lends it to the developing countries. It is affiliated with the U.N. and the International Monetary Fund. Since its formation in 1946 it has made approximately 600 loans totaling 15 billion dollars. About 85% of the funds are loaned with an interest rate in the range of 7% and the remainder in long-term interest-free loans. The loans generally go to Development Banks in developing countries and are guaranteed by the foreign government.

The Bank assists developing countries in evaluating development projects, in appraising the needs and potentials of particular economic sectors, in drawing up national programs of economic development, and provides training programs and technical assistance. The total professional staff, primarily economists, numbers 880. It has only recently begun to consider industrial sectors and now has a new Industrial Projects Division with about 20 professionals. KSA was asked to participate in the first World Bank study which was confined to one industry—textiles. Textiles was taken to include everything from the production and distribution of fibers to apparel.

• Iran was chosen for the study, at the Bank's expense, because it represents a good customer of the Bank and has a rapidly developing economy. Its population of 28 million is growing at the rate of 3% per year and per capita income (presently \$290/year) is growing at the rate of 6% per year. The broad purpose of the study is to identify investment opportunities for the Bank.

• Textile imports for Iran are currently confined to man-made filament and staple fibers, some wool top and some worsted fabrics. The only textile export is cotton, representing about 50% of the total crop. About 80% of the industry is privately owned but controlled in its expenditure of foreign exchange through government licensing.

• The study team identified, quantified and evaluated each segment of the industry, and a consumption model was developed to predict demand by fiber and

product in 1975 and 1980. Strategies and policies were recommended for satisfying the demand through modernization of existing capacity and through investment in new capacity.

• The cost of modernization, including technical assistance, was estimated at 56 million dollars. Capital requirements over the next nine years for new capacity totaled over 600 million dollars and included seven man-made fiber plants (90,000 tons per year), six woolen and worsted mills (7,300 tons per year), 19 cotton system spinning or spinning and weaving units (42,000 tons per year), one cotton system finishing unit (100 million meters per year) 64 knitting operations of various configurations of knit, finish and sew, (30,000 tons per year) and the equivalent of 48 new 700-employee (two shifts) apparel plants. The industrialized apparel plants would only represent approximately 20% of estimated 1980 apparel consumption in Iran.

—Bob Frazier

## Congratulations!

To those of our staff who have had an addition to their family, we send heartiest congratulations. They are: *Becky and Bob Reeves* (HIC)—*Kimberly Anne*, December 5. *Carmen and Peter Ehlinger*—*Jeffrey Matthew*, December 23. *Shirley and Frank Armistead*—*Todd Bowles*, January 18. *Paula and Joe Van Gent*—*Alexander Johannes*, February 5.

### ADAPTABILITY

*John and Valerie Cooper* were both present at the birth of their daughter on October 28—Valerie by necessity, John more by accident. John arrived at the hospital at the normal visiting time and was quickly shown into a side room where Valerie was in an extremely advanced state of pregnancy. The hospital staff decided that John was just the man they needed, whipped off his coat and replaced it with a hospital jacket and mask and told him to stand by! In no more than 30 minutes *Emily Clare* announced her arrival. This shows that KSPEA men are not only specialists in their own field, but are highly flexible to all needs!

## Coming Events. . .

- April 2 — Repeat of the AAMA Accounting Seminar, Sheraton-Nashville, Nashville, Tennessee.
- May 2-7 — Knitting Arts Exhibition, Atlantic City, New Jersey. KSA will have an exhibit. Check with Principal about attendance.
- May 18-21 — AAMA Convention ("TEAM '71"), Market Hall, Dallas, Texas. KSA will have an exhibit. Check with Principal about attendance.
- June 24 — All-day paid seminar on Distribution/Marketing, Americana Hotel, New York, New York.

### SYMPATHY

We extend our deepest sympathy to our bereaved members: *Barbara and Nort Eberly* in the loss of his mother; *Sue and Dave Warden* in the loss of her father; *Ruth and Ward Herring* in the loss of his brother in Viet Nam; *Carol and Ed Webber* in the loss of his father; and last but not least to *Jean and Frank Caddy* and *Graham Gilliver* (KSPEA) in their recent losses.



# Functionally Speaking . . .

## GENERAL MANAGEMENT AND MARKETING

• The study we reported for the Pants Division of Garan, Inc. might be our entree into the field of art! We had a call from an officer of the company asking us to contact Mr. Dorsky, Chairman of the Board, who is semi-active in Garan and whose main activity is an art business. Mr. Dorsky wishes to have 15 to 20 position descriptions prepared for this business and for an art showing which is to be held in various parts of the United States. We feel we are as capable as any consultants to undertake this assignment and will be in touch with Mr. Dorsky promptly. Of course, we hope we are successful in obtaining this assignment, and if we are, we will be asking for all volunteers with an artistic flair to step forward.

Currently, we have 11 projects in process running across apparel, textiles, carpeting and hosiery. It is good to be working in basically all of the industry segments KSA serves.

—Ralph Ross

## KNITTING AND HOSIERY

New sales and sales prospects are running neck-'n-neck with assignment completions. We're shaking bushes and turning stones in this period of low hosiery industry sales and are uncovering potential work in the knitting industry.

• Belmont Hosiery's 21 month assignment (16 KSA men involved) has been successfully completed, as well as a shorter one for Concordia Leg Apparel (Warnaco), but our newest "new venture" is for the largest quilters in the country, Capital City Mills in Des Moines, Iowa. *Al Copelan* has the task of implementing engineering, training, and other management techniques for their operation which involves assembling batting and cover fabric and feeding it into multi-needle quilting machines.

• At the upcoming 50th Knitting Arts Exhibition in Atlantic City, we will demonstrate KSA's knowledge and expertise in the knitting field by conducting a live fault analysis activity (*Barry Mademann* in charge), using actual sample defects in knit cloth. In the other half of the booth, all services of KSA will be promoted around the theme "This machine is idle . . . apparent reason vs. real reason."

First quality hosiery is available from clients to KSA personnel at a savings of 40% for men's and 50% for women. Orders are sent from the Greensboro office monthly . . . contact *Sam Morrah* for further information.

—Sam Morrah

## HIC

• We have a variety of projects under way—some typical, others quite different. An operating room should certainly fall in the latter category . . . that's where *David Schiff* recently completed a study of methods and procedures. Those of you who think things can get messy during methods analysis in a sewing room should bring your clip board and work with David for a few days in this environment. Or, how about the housekeeping installation in an Atlanta hospital where *Eric Bossak* and *Marnie Grant* found that one of the responsibilities of the housekeeping organization was handling the bodies in the morgue and

making certain that the bodies were turned over to the proper outside mortician. Eric and Marnie felt this really shouldn't be one of the duties of the maids cleaning the hospital and had the responsibility changed to nursing service. We doubt that this endeared either of them to the Florence Nightingales of that hospital.

• *Bill Luttrell* and *Paul Bornstein* developed a new patient accounts receivable procedure for a hospital in Florida and at the same time assisted them in converting to a larger capacity computer. It is quite surprising to find that many hospitals have inadequate systems for maintaining proper charge accumulation records and correct billing information—in spite of the fact that recently hospitalized colleagues might feel the hospital was doing too good a job of keeping up with their particular charges.

Selling services to health and institutional establishments is quite different from the traditional industries that KSA serves, so we have our work cut out for us. It is a real challenge for HIC, but with the efforts put forth by all of the staff, we are looking forward to a successful year.

—Paul Flood



*Bob Reeves* as he looked when he joined HIC and the change after one year of hospital consulting. (No, Kurt, we don't have an opening at HIC—we'll consider your application by late summer.)

## PERSONNEL MANAGEMENT

• As a result of a *Jim Giddings'* proposal to H. W. Gossard, *Greg Murphy* and *Ron Brockett* recently completed an unusual assignment determining what the conditions were with regard to the local labor market for warehouse and clerical personnel in Batavia, Illinois. The client wished to know whether sufficient personnel were available to staff his present operation as well as what future conditions portended. Many sources were consulted in the area, including State and Federal agencies and businesses competing for the same labor. The survey was conducted to determine the rates of pay and benefits being offered by the businesses in the area. The final report is recommended reading for those interested in learning more about this assignment.

• *Lamar Pittard* and his colleagues have prepared a software package for processing responses to our attitude surveys. The third one has begun for Andover Togs and others are under way for HIC clients.

—Bob Messinger



## PUBLIC RELATIONS

Everyone seems to have discovered the PR department recently, what with the stepped up emphasis upon marketing. As a result, the first month of 1971 was spent working out a balanced schedule of PR efforts for the entire company.

We came up with a PR "Calendar" of 80 different events, and it promptly sank under its own weight. As the "S. S. Ambitious" disappeared beneath the waves, however, its guns belched forth an angry (but water logged) salvo in all directions—with these lugubrious results:

- The first Textile Management Laboratory (computerized management game) was cancelled; only four reservations received.
- The "Profitability for Knitters" seminar scheduled for Philadelphia on February 27 was quietly withdrawn after no one (no one) registered.

Is it the mail service? Is it rampant disinterest in seminars? Do we have B.O.? Speculation can rife, until . . .

- Saturday, March 13, 1971! Philadelphia! KSA was there! So were 230 suit manufacturers, maddened with anticipation, thirsting for knowledge: How do you handle knitted fabrics in the coat shop?

Ross Runnels, Jack Murray, Ken Osborne, and Jack Downie allowed as how everybody does it differently, and there were no hard and fast answers. The angry crowd reacted by throwing pillows and whatever else came to hand—three-button Ivy League worsteds, a few Nehru jackets. Nevertheless, a good meeting, a couple of contacts, and faith restored in the U.S. mail and KSA's drawing power!

- Two articles, five Special Service Bulletins, and two Perspectives later, the Good Ship Lollipop is floating uneasily, with no pronounced list to port, as it is towed back to drydock for repairs. Only 68 events to go!

—Joe Scheines

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## TECH INFO

Note from the Editor: Jack Murray asked that we tell our readers the reason he has not reported in these columns, as yet, is because he spends his time "supporting the staff" instead of "informing the staff." He promised to contribute to the next issue.

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## Europe — General

Because of the British mail strike, a French postal strike, a couple of airline strikes, the London airport closed for five days in January, and the Rolls-Royce tragedy—which has yet to come home to roost with its full after effects—it would not be surprising if consulting assistance were not at the top of every manufacturers list.

In Italy, where strikes are endemic, we are in a strong sales position, and while elsewhere selling is our major problem, there are signs that our reinforced marketing efforts are beginning to get the appropriate response.

- Flexibility is a key to making profits in difficult selling conditions. We have a long way to go but have started to use the capability for intensive "conversion" training being established by Richard Clarke, to get staff onto fees more quickly in areas which are new to them.

- International flexibility is another tool which really helps us combat local trading difficulties. While we will never overcome the inherent language and domestic problems to the point where Europe can be treated as one geographic unit as in USA, we are increasingly moving toward a coordinated use of our skills and capabilities.

Of course, we would like to see this trend go world-wide and it is worth noting that our French client, Rosy, has recently paid fees for both Bob Fitze and Carl Bhamé to work in New York on their forecasting problem. We'd like to think this is the beginning of a trend in persuading clients that the Atlantic is just another river.

—Stuart Hollander

## Management Systems—Europe

- Through steady perseverance, Hans-Horst Hensche got the assignment for a computerized MIS installation at Leithauser . . . Hans-Peter Schueler is installing our first Standard Cost System at Kirches and our three present clients are interested in turning their old-fashioned cost system into a Standard Cost System. The obvious reason is that only very sharply costed products are competitive . . . Ulf Weise has completed the systems part of a PD survey for Levi Strauss in Germany.

- Besides our work in German speaking parts, we expect to increase our systems work in the U.K., France and Italy. Some good sales contacts for more computerized systems work have been set up, with the help of our widely known name in the U.K. apparel industry. Although we are not oversold, we have reasons to expect improving systems activity.

—Albin Graeser

## KSA—France

- Our new, broader range of services is helping us break into a number of companies—at least in the contact stage—and our stronger selling effort should pay off in the near future, even though the market continues to be difficult.

Rosy—a client, not a lady—continues to give us more work. Systems and cutting room installations are in progress, staffed by Mike Cardon, Jean-Jacques Boucheret, Jean-Jacques Pflieger, and a sewing room survey is under way.

- We continue to have opportunities in Spain which, to our dismay, we cannot fully follow up because of the severe exchange control restrictions. In the meantime, our sales efforts are far-flung, reaching such countries as Morocco, Tunisia and Turkey. Who knows, we may be able to report on the belly-dancers of Istanbul in the next issue.

—Claude Hache

## KSA—Germany

Though economic conditions are somewhat depressed, we have a variety of projects under way. We are managing to stay on budget and hope our massive sales campaign will keep us that way.

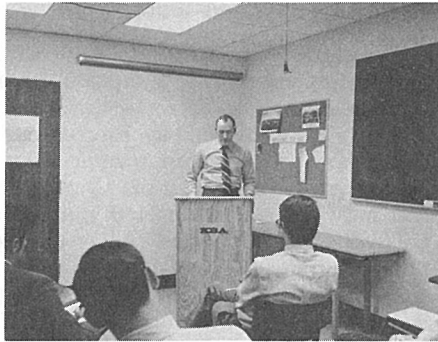
- Our first full AAMT installation has been successfully completed by Ulrich Dissars and he's beginning another one. We're hoping the severe labor shortage in Germany will create demand for this service . . . Hardy Artelt is planning the installation of a trouser unit using an ETON conveyor for Canda International which will be the first in Western Europe and should arouse much interest . . . A wholesale

Continued on page 8

# ATLANTA TRAINING

Some of the staff have not had an opportunity to visit the Atlanta Training Center—otherwise referred to as the Professor himself—for a personal tour by the Professor himself.

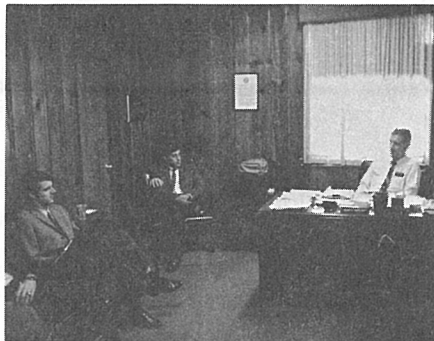
- The apparel engineering staff in particular are participating in the in-plant phase of the program, taking “hands-on” experience on a variety of construction projects.
- Atlanta training, a six weeks’ program, consists of a study of KSA policies and procedures, the consulting services we serve, KSA organizationally and functionally, and engineering technical training.
- We have elected to tell this story by way of a recent class. The picture story shows that still a required project. Most of the reading and number of projects and problems have been covered by lecture/discussion with a number of KSA staff.
- The trainee gets an opportunity to present to the training staff. Video tape is now being used to record presentations of subjects (they’re on camera two or three times) then played back for group evaluation and discussion.
- Presentations on KSA industries and functions.
- Apparel engineering is a strong factor in the training program; however, the program is broad in scope, even though they may be headed for systems.



1. Official welcome by the Dean of P.U.



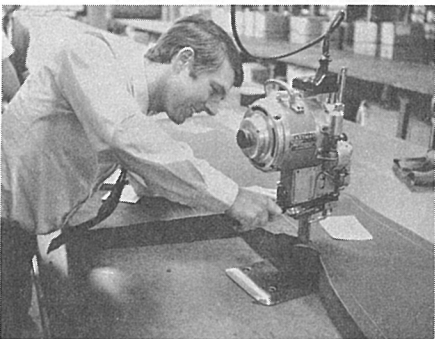
2. Linda helps with the forms



3. First client contact. . . Orientation by Elwyn Gassert at Roswell



4. Sometimes, we find it politic to line up and clock in



5. Trainee learns to cut



6. Ruby Dean shows how to sew



7. And we sew it

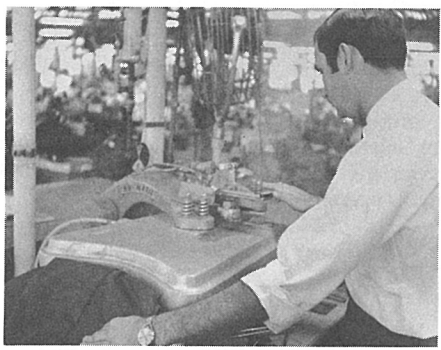
# NG CENTER...

For on-the-spot observation of the facilities of Pee University. Until you have occasion of the story would seem appropriate. Fully involved in total training as they handle lively green, new consultant and giving him suggestions.

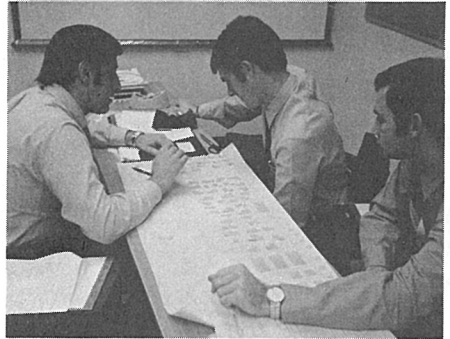
Basic objectives of acquainting new men with vision and client relationships, the industries and gives them an introduction to apparel

The photographs taken during the course of a few days have not changed—making some pants is covered as homework assignments, and a few in recent years. The new men also meet in a room based in the Atlanta office.

Direct results to a simulated client group—their activities by taping trainee talks on a variety of subjects during the course). Such presentations are made live. Video is also used to substitute for busy executives have scheduling problems. The program. The last 10 graduates are all apparel and that all new staff complete the same course in programming, personnel, etc.



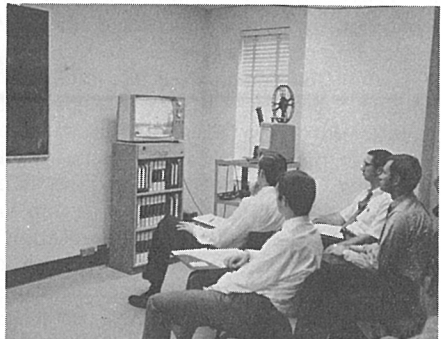
8. And press it



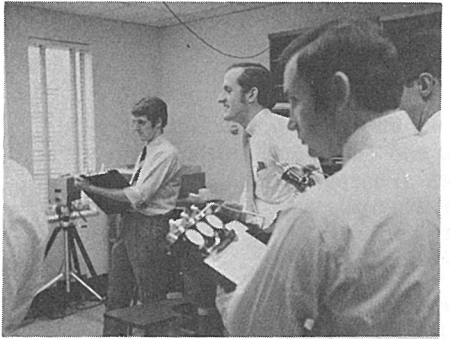
9. Hard at work on layout case study



10. One of several opportunities to practice a presentation to client



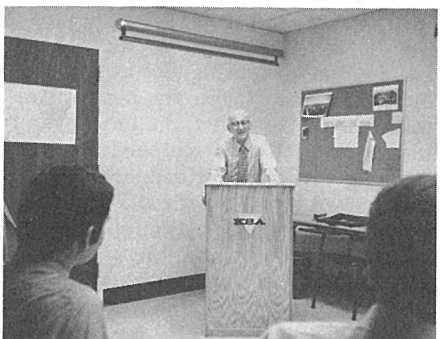
11. After making a talk before the camera, everybody critiques the instant reply



12. On first timestudy everybody learns the cardinal sin is to sit during the study



13. Guest lecturer, Ron Brockett, demonstrates KSD test



14. And "last minute admonitions"



*Functionally Speaking — Germany (Cont.)*

distribution study in Finland has been completed by *Albin Graeser/Eric Chipps* and will lead to an implementation program . . . *Fredy Hollenbach* has sold two P.D. overviews to old clients, hopefully leading to additional work and strengthening penetration of this function. —*Eric Chipps*

**KSA—Italy**

Our entire staff is on full billing and we are enjoying a healthy sales situation. At the end of January KSA-SpA participated very successfully in the Sixth Annual Convention of Apparel Technicians and we made several good contacts which should further help our sales.

● We are proudly reporting the sale of the first full-fledged systems job in Italy. There is considerable market for systems work and we expect a good contribution from this service as well as spin-offs into marketing and production . . . Our veteran client, *Lebole*, has just authorized a two-year project, assisting them to produce the world's most rationalized men's suit in terms of cost and quality.

—*Werner Iten*

**A DISPATCH FROM THE FRONT**

By *General Mitchell*, KSPEA Correspondent

The Colonel-in-Chief of "Kurt's Own Londonderry Fusiliers" (the K.O. Boys) recently visited the detachments in 'Derry and had communication with the outpost at Swatragh (telephone Swatragh 261). Activities are now proceeding on three fronts.

● Under the guidance of *General Atherton*, a continued holding operation at the Swatragh Outpost has been maintained. As a result of moving reinforcements into Swatragh (namely *Lt. Hart*) it has been possible to partly withdraw *Capt. Beddows* for action on a wider front. *Capt. Beddows* is commanding detail action in Swatragh, 'Derry, and recently has been reconnoitering in Dublin—where regrettably he was unable to prevent the blowing up of the eight-foot statue of *Wolf Tone*. Assisting *Capt. Beddows* on his second 'Derry front at the *Peter England (Viyella)* camp are *Lts. Maule* and *Webb*, the latter dealing with intensive training of corporals and sergeants. *Lt. Maule* was regrettably absent from duty, having succumbed to germ warfare and is reported to be quite unable to shout the words of command.

● A new front in 'Derry has opened with a commanding field of fire on the only bridge into 'Derry. This position was formerly known as the *Abercorn* factory of the *Londonderry Clothing Company*. Here the garrison is led by *Lt. Reynolds* with the big parades led by *Maj. Dunlop* who recently suffered the indignity of having his personal carrier stopped and searched by some mercenary lackies claiming to be the British Army. Unfortunately this claim was backed by automatic rifles—reported to be loaded—and it is understood *Maj. Dunlop* and his party considered it wise to avoid confrontation.

● *Gen. Mitchell* found the garrison to be in good heart, particularly after suitable revival with the local medicine—*Bushmill Black Label*. He was very much impressed by the splendid turnout of the *Royal Ulster Constabulary* and the *British Army* on his recent visit and is particularly annoyed by scurrilous reports leaked by the *Ulster Volunteer Force*

that their presence was due to some man of the cloth called *Paisley*. The General is also upset that his routine inspection in his night quarters to check the functioning of the fire exits and fire hoses should have been interpreted as a cowardly way of escaping from the enemy. While the story is not emphatically denied it is still considered ungentlemanly to have let it out.

Seriously, everyone is knocking themselves out from a difficult sales situation in an ever more difficult market, which was not helped by the recent mail strike. We did not realize how much more time there is when there's no mail! We'll report some notable successes next time.

**South Africa**

After 12+ months of really getting known in the South African clothing industry (one client is reported to have said on meeting *Ben Johnson-Hill*—much to *Ben's* embarrassment—"Ah, yes, I've heard of *Mr. Johnson-Hill*, but not of *Kurt Salmon!*"), *Ben* now reports that new sales are coming and hopes to be oversold and requesting more help from *KSPEA* by mid-year. It has been a hard grind in South Africa but there are real reasons for optimism now and with *Richard Campbell's* help it looks as if our major sales effort will pay off.



"Gee, *Mr. Striegel*, I'd like to help you out but assuming *Cecil Phillips* and *Turby* are filled in, I'll have to clear it first with *Jerry Kavanaugh* and *Charlie Browne*, check in at Nashville and New York, then call you back before contacting *Mike Barnes*, *Frank Sexton*, and *Tony Greene*."

(Note from the Editor: Readers are invited to submit their own caption for a "Mock Contest" — Matrix Organization Cartoon Kaption. Those judged best by the Board of Editors and *Jim Giddings*, the cartoonist, will be published in future issues.)

# NEW STAFF



Alleson



Amrein



Kern

*Peter J. Amrein (KSA-AG) . . . Age 30. Wife Liselotte. Diploma ETH-Zurich—four years Mechanical Engineering and Industrial Management. EDP work for elevator company; assistant to general manager of military aircraft company. Work area: Systems. Hobbies: Photography.*

*Keith A. Alleson (PE-SA) . . . Age 28. Single. B.Com. Accounting and Economics (Natal University), B.Sc. Textiles (Leeds University). Factory manager for blanket manufacturer; 1964 Kloof Golf Champion; Rhodesian TV artist (jazz piano). Work area: Apparel Engineering. Hobbies: Squash, tennis, golf, jazz piano.*

*Horst Kern (European Systems) . . . Age 32. Wife Holde. Two daughters, six and four. Diploma in Mechanical Engineering at Technical University of Karlsruhe, West Germany; diploma Wirtschafts-Ing in economics, work study and computer science at Technical University of Munich. Five years with Orga-Ratio AG., Management Consultants, four of them working in clothing industry. Will spend up to three years in U.K. assisting in the build-up of systems.*

## *Trends — MSD (Cont.)*

control over the actual progress made against these plans. More and more it is recognized that only if the season's business is pre-planned properly can it be executed profitably. Consequently, almost all major MIS assignments contain applications such as merchandizing planning calendars and master production planning systems today, whereas only a few years ago we did little or no work in this area.

- The pressures of rapid change in fashion trends and high markdown risks also produce much interest in shorter manufacturing lead times and this has led to a number of assignments, some of which have had systems elements. It is our objective to continue to respond to these changes so that the industry more and more identifies KSA as the consultants to turn to when the business needs redirection and restructuring and when new or improved management tools are called for.

- We are writing a paper on the adaptations in all functions of management that a company must make when changing from a staple oriented to a fashion oriented business. This is being developed both for internal educational purposes and for external publicity. Another PR effort in the same vein is the PD seminar planned for this summer in which we will take a broad approach to distribution involving marketing and certain aspects of information systems in addition to the physical side of the distribution function.

In these and other ways we are attempting to broaden our image in the eyes of industry and to associate ourselves with the new critical performance areas of our client's businesses.

—Stig Kry

## *Leather Industry (Cont.)*

Some require drying racks; others are passed through ovens; some are heat reactivatable and so must be heat sealed. A variety of ornaments, frames, and other findings are attached. In fact, the number of operations performed on the average book is about 50, but ranges from five to over 100. Two thousand different styles are manufactured in two primary product lines—Amity and Rolfs—which change two or three times each year. Each day at sunrise we face South, where it's warmer, and pray for production control and summer.

- On the first operation to be engineered, over 1000 rates had to be set. Standard data was established, a program developed, and the rates were calculated on a computer. A rate calculation sheet for the sewing departments is used to set exact rates (or close estimates) in advance of production for anything which may be sewn.

- KSA has gained the confidence of a strong union (Allied Industrial Workers, AFL-CIO) at Amity. We expect to derive benefits from this rapport in future sales efforts in the industry.

- Other exposure in the leather industry has included trips to a tannery (gag! gasp!), shoe factories, a handbag factory (Buxton, one of Amity's major competitors), and a leather industry trade show.

So far nothing much has come of it all, but Amity does have reciprocal, open-door agreements with the companies we visited. Several of those companies stated that they would not make their return visit to Amity until the engineering program is about over.

One job does not a division make, but KSA is in the leather industry and ready for anything.

# Off-Shore With Lutz Kohnagel

Like so many of the other fabled "unknowns" who have decorated this space, *Lutz J. Kohnagel* is a KSA man with impeccable credentials. He has 14 years with the company; is experienced in shirts, work pants, suits, ties, ladies' coats, etc.; and suffers from acute wanderlust.

So far so good; what else is new?

Well, Lutz is probably the only KSA man who has used Christmas cards for resumes. He also speaks Spanish with a German accent (at least, that's the way it sounds to those who speak neither German nor Spanish.) While firmly attached to the USA staff, he has probably billed more time *off* the mainland than on it (actually, Lutz invented off-shore production back in 1959, when he first engineered a plant in Puerto Rico.) Consequently, a majority of present staff members have probably never been exposed to the Kohnagel charm (on the shy side) and wit (surprisingly dry).



We intercepted Lutz last month as he was on his way to an assignment in Mexico, and asked him where he'd been.

"Since when?" he asked.

"Since you joined KSA, and before that. We're writing a history of unknown people for the *Observer*. Six out of 10 KSA people have never met you, and two out of 10 confuse you with Phil Lutz."

"Phil who?"

"We'll have to do a profile on *him* some day, too. In the meantime, tell us where *you've* been."

So he told us.

In the beginning, Lutz was born in Germany, learned tailoring as an apprentice, attended the renowned apparel engineering school at Moench-Gladbach, and earned his degree in 1952. He worked for two years as an engineer in a men's clothing plant in Lubeck, Germany. Then he got restless and moved to Bogota, Colombia, to join a company manufacturing men's suits. He eventually managed the company's ladies' coat plant. Meanwhile, he kept up a correspondence with *Kurt*, which he had started while at school, via annual Christmas cards.

And so it came to pass that *Lutz Kohnagel* became a KSA consultant in April, 1957. His first assignment was at the Wembley tie factory in New Orleans, under *Freddie Wood*. Then, an 18-month stint in Marshall, Texas, where he engineered a blue jean operation (*Don Burkhalter* was the resident IE).

Tired of staying in one place so long, Lutz next went to Mayaguez, Puerto Rico, to do the first of several assignments for Cadillac Shirt. He returned to the island Com-

monwealth on and off for the next several years, interspersing assignments in South America and Opp, Alabama.

During a good part of this period, Lutz and his wife, *Doris*, maintained a permanent residence in the Bronx, New York. Honest. And, for a brief period, he became involved in a warehousing project for a client in Brooklyn—only a subway ride away, but "one of the toughest trips I've ever made. I still don't know how I got there each day."

At the end of 1961, Lutz got his big break: an assignment to do the first KSA survey in West Germany. (All went well until the client complained about Lutz' Spanish accent.) Around a year later, our man helped to establish KSA's German operation, remaining for five years.

In 1968, Lutz and *Doris* finally settled down and bought a home in Atlanta. By now a Principal, Lutz was put in charge of developing KSA's consulting practice in Latin America. It was only natural, therefore, to find him embarking for projects in Japan, Hong Kong, and Tanzania.

Not content to let his world-wide travel itineraries be influenced by his assignments for KSA, Lutz has managed to visit most parts of the world on his own, during vacations. He and *Doris* have been to India, Malaysia, Indonesia, Australia, New Guinea, Greenland, Iceland, Africa, you name it.

Thus, while his passport may be tattered, Lutz remains unflappable about the rigors of travel. For example, he arrived at the 1970 Principals' Meeting a day late, after almost 20 hours of flying from Tanzania. Going straight from the airport to the meeting, he shook the sand out of his shoes, cocked one ear toward the speaker, and calmly proceeded to fill out his B.I. for the previous week.

As usual, it covered a great deal of off-shore production.

—J.S.

## AIIE, Chapter 163—Greensboro

KSA engineers based in Greensboro are to be commended for the active role they have taken in AIIE. Their "ample spare time" has been given liberally to the functions of the association.

- *Bob Solomon* started KSA's activity in the local chapter when it was formed some three years ago. In addition to *Bob*, *John Wilcox*, *Ed Owen*, *Bob Malburg*, *Sam Morrah* and *Karl Striegel* are members. *KKS* is inactive but *RES* is on the Board of Directors (he was offered the presidency but turned it down, hopefully keeping options open for next year—it takes a considerable amount of time), *RWM/EBO/SPM* are on committees.

- Participation of this type can be helpful in many ways: professional development, penetration into the sewn products division, penetration into other industries as well as contacts in our present ones, recruiting, etc., etc.

Engineers in other areas may find association in their local chapters to be equally rewarding.



# Around The Company . . .

## Greensboro

Besides making KSA a household word among the many Carolina-based plants, the Greensboro gang finds time for an occasional game of ever-popular golf and other events such as their Christmas party which was recorded by news hound, *Bob Malburg*.



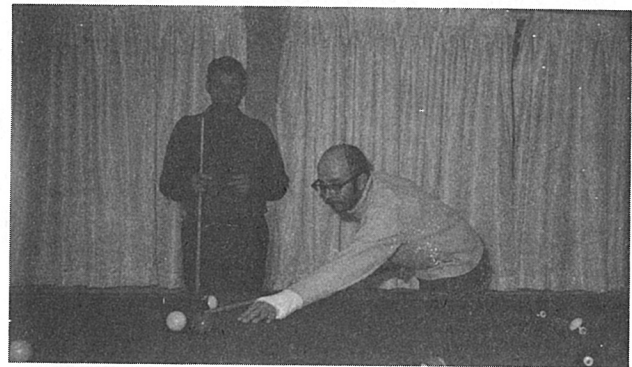
*Miss Jackson, Greensboro Office, in addition to typing. . .*



*Some like to sit around and talk. . . (L to R) **Martha Smith (Hugh), Mariam Briggs (Lin), Barbara Bath (Dick), Miss "J"., Mrs. Dora Yates (Gr'boro. Office), Rachel Morrah (Sam), Margaret Malburg (Bob) and Berta Hinck (Bob).***



*While others want to play games. . . (L to R) **Gwen Wilcox (John), Betty Jane and Steve Jackson, Sam Morrah and Wesley Reese.***



## A NEW ROLE FOR KKS

This is a different role, equally challenging, and one expected to give him many years of pleasure . . . he's a *Grandpa!* Congratulations to *Jane* and *Karl* who are so delighted with their first grandchild, *Julie Elaine Striegel*.

## ATLANTA

A warm welcome to *Mrs. Irene Wilensky* who joined the office staff on November 30 and is working in the PD Division . . . *Mrs. Kathy Lucas* of the Carpet and Rug Division took a nasty fall on the ice (in Georgia?) covered steps of her apartment and ended up in the hospital for two weeks with a broken arm. We're looking forward to her speedy recovery and return to the office.

*Continued on page 12*

### DALLAS

Charles Kelly's follow-up efforts were recently rewarded by having the operator's husband approach him at lunch and accuse him of being a home wrecker! You would have to see the lady in question to understand why Charles hasn't recovered. To make sure he wouldn't forget, the supervisor had a copy of a photo from her personnel file made and presented it to Charles as one of his going away presents.

From the Dallas Times Herald—1/31/71: BIRMINGHAM, Ala. (UPI)—A consulting firm has recommended the establishment of a black-clad, gestapo-style secret police agency in Alabama, and an aid says the idea is repugnant to Gov. George Wallace. The consulting firm was paid \$90,000 by the state for its report . . . The \$90,000 is great, but what will our Birmingham office think of next?!

### NEW YORK

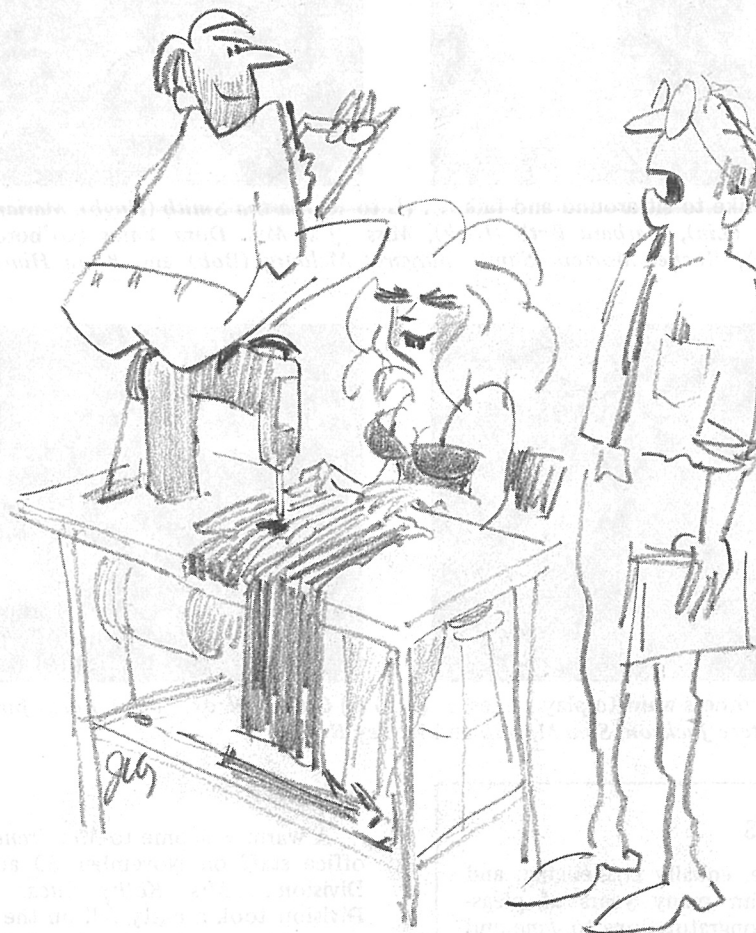
Having adopted Atlanta's hard-nosed (albeit unfriendly) coffee-money collection system, the New York office

suddenly found itself solvent last month. In order to commemorate the event, a cake was purchased with the first week's profits. After three weeks' experience with the new system, the profits were invested in a new Xerox 7000. This machine copies documents in half the time, and in a variety of sizes, but also makes a passable cup of coffee. However, it is usually broken . . . Roberta Edwards has joined our secretarial ranks and is now in charge of the door-buzzer on the Systems-side.

### WASHINGTON

Auditors . . . debugging the recently installed accounting system . . . breaking in two new girls . . . plus the various and sundry routine activities keep us out of mischief.

Miss Martha Lopez has taken over the duties of Marni Mann. Martha is from Bolivia and besides her other duties will henceforth handle our Spanish translation . . . Mrs. Anne Riccio, a girl from Tennessee with figure aptitude, began her duties recently as the second girl in accounting. She replaced Connie Joe and we made sure we didn't have two girls with the same name in one office.



"I thought you consultants were supposed to study all the operators."