

# The



# Observer

Vol. 3, No. 2

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

June 30, 1972

## A Soaring Growth Curve . . . *Problem of One KSA Client*

- Can a company better than quintuple its sales volume in five years, starting from a \$9 million base, then nearly double again to \$85 million over the next five, while earning a respectable profit:

- That, in essence, was the question placed before us by Sears Industries, an English holding company of their ebullient US subsidiary, Highlander Ltd. A vertical integrated full fashion and double knit women's sportswear firm, selling coordinated lines through seven different sales divisions and virtually every channel of distribution, Highlander shot up at a rate surpassed only by Jack's proverbial beanstalk.

A GM&M team of *Ralph Ross, Al Emmons, Bob Solomon, Howard Cooley* and *John Wilcox* was formed to take an overview look at the Highlander organization and its manufacturing, distribution, and control functions. This involved an analysis of the full fashioned knitwear division and Gastonia textiles, their double knit fabric producer, by Solomon; also an analysis of seven cut and sew operations located in eastern North/South Carolina by Cooley/Wilcox, a trip by Cooley to Trinidad to examine their off-shore sportswear and men's trouser division, and an assessment of their New York top management and sales management functions by Ross/Emmons.

- In many ways, this is truly a remarkable company. Vertically integrated, they enjoy a cost advantage that is shared by few, if any, of their domestic competitors. Full fashioned, their product "walks out of the stores" and the biggest problem they have is responding to customer orders. *Herbert Rounick*, the President and prime mover, is a tireless man who pushes, cajoles, prods, and persuades his management team very well. Their response is to produce—but more in terms of sales than deliveries. There is a certain North/South factionalism—despite vigorous protests to the contrary—the aggressiveness New York salesmen pushing their southern/country cousins ever onward for more production, mindless of constraints of capacity, labor, etc. And the creditors who, for some reason, insist on being paid for their enormous yarn shipments to support the endless upward spiral. In short, growth problems—great problems to have—but stretching tight the firm's management and financial capacities.

- One of the great strengths of this company is its flexibility. Selling virtually identical merchandise to major chains and department stores such as *Bergdorf Goodman* at substantially different retail price points, they enjoy the option of trading for volume or price—depending upon what appears to be in their immediate best interest. Their corporate philosophy is to oversell everything by 20% and

if no one cancels, then customers with lower priority simply fail to receive goods.

Another matter is the relatively limited depth of management. A number of the merchandising management people we talked with had joined the firm very recently (in one case, three weeks) and while most have excellent retail experience, they have a distinct lack of manufacturing exposure.

- Then there is the subject of—well—money. The net worth of the company, which is expected to do \$53 Million this year, is less than \$7 Million. Even adding another \$7 Million in subordinated debt, the firm is thinly capitalized for the capital-intensive knitwear business. Some of the better double knit machines cost \$150,000 to \$200,000 each and they have over 50 of them.

- What it all boiled down to was a judgment on our part that the firm badly needs breathing time to assimilate and consolidate its gains, while building an organization adequate to handle its projected growth. Our recommendations were to continue growth but at a somewhat reduced pace. Also to strengthen the organization and systems substanti-

*Continued on page 3*

### STAFF MEETING SCHEDULED

*November 10 and 11, 1972, Atlanta*

A part of KSA's "belt tightening" last year included the cancellation of the biennial staff meeting. It would have been the fourth such meeting—the first one was in 1965.

One of EXCOM's recently made decisions was that a Staff Meeting would be held in '72. Preliminary plans and reservations are already made and is scheduled for Friday and Saturday, November 10 and 11, at the Atlanta Marriott.

The one-day principals' meeting, which usually precedes the staff meeting, will not be held because various industry and functional groups have held principal meetings during the year.

The details of the meeting have not been worked out. If it follows previous formats, time will be devoted to full meeting sessions as well as to smaller seminar meetings. The Standard Club has been reserved for Friday night fun and games. Mark your calendars and watch for more details.

## Observations from . . .



### Total = Sum of the Parts Plus

An earthshaking hypothesis? No, we hope to demonstrate that it is but a truism which KSA-ers can and must keep constantly in mind.

We are dedicated to serving carefully selected segments of industry and institutions as specialists. In order to do this in the most effective fashion, we have structured and identified within our company all sorts of specialist divisions or functions.

- There is the apparel industry manufacturing group, the textile industry manufacturing group, our health and institutional consultants subsidiary, our human resources development group, our management services division with its sub-groups of management systems, marketing and general management services, and physical distribution. We have people specialized in cutting room work, in training, in carpets and hosiery (subdivisions of our textile division), etc.

- All of this was done for good reasons. It produces greater excellence and more satisfied clients and that must always remain our No. One goal; for, without this, it would be useless to strive for anything else.

- There is, however, a danger in all this inside-specialization. The danger is "parochialism." Pride in the excellence of one's particular division is a normal and healthy thing, but if all of us do not guard against excessive pride all the time, and become too exclusively concerned with the well-being of our own, particular function or division, we could get to the point where the sum total of our organization's effort may indeed only add up to the sum of the parts and not represent all it might.

- You may well ask: "How can it ever be more than the sum of the parts?" Very simple: By consisting of *more* parts (or a different combination of parts). Let me be more specific. Every time we confront a client, we should ask ourselves: What is in this client's best interests at this particular time? Is it what he is asking us to address ourselves to, or is it something else, or both? In what order should the client's problems be tackled? We may frequently find that the particular service or function we represent is not what he needs most at this time.

In a recent issue of the Observer (June '71), we mentioned the case of a textile manufacturer who had a "market place problem" with his bedspreads and wanted us to see what we could do for him in his finishing department, where they hemmed them. Had the consultant been "parochially oriented", he would have done just that and, after a survey, perhaps sold the man a \$25,000 sewing room job.

Having recognized that the "real problem" lay elsewhere, he sold them a textile survey instead which, ultimately, led to several hundred thousand dollars worth of assignments—albeit for a different KSA division—and, most importantly, came to grips with the client's problems. Thus, we must ask ourselves in all cases:

*What is best for the client?*

*What else should we do for him?*

*Whom else—within KSA—should he see? When?*

*In what order should the client proceed?*

## 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

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The same principle applies to questions involving possible transfers of men, be it inter-division or even between Europe and the U.S., for instance. What's best for KSA all-around, in the long run, must always be our number one guiding determination.

If we keep these principles in mind—at all times—we will be doing the best job of serving the client's interests, our own divisional/functional interests, and the interests of KSA overall. This is the best way of assuring that the total result will reflect *all* of the parts of which it should be composed.

Needless to say, to make this work optimally, we must also optimize communication within KSA both, prior to a determination and during the various assignments. Our motto should be: *When in doubt, send him a copy!*

Meanwhile, rest assured that KSA is dedicated to the proposition that a man shall not be judged merely by the statistics he, or the group to which he is attached, produces. Rather, we evaluate men by their professional approach, their ability to produce satisfied clients and to think and act in KSA's overall best interests.

The dedication by KSA-ers to that principle has been one of our secret weapons. As we grow and multiply, it must always remain one.

### QUOTE FROM A "TOTAL" TRAINING MANUAL

"There is absolutely no reason, other than a management deficiency, why an otherwise qualified person cannot be trained into a successful machine operator."

## Coming Events. . .

- August 11-12 — Repeat of KSA/Bobbin Seminar on "State of Sewing Room," Champlain Hotel, Montreal, Canada.
- September 27-29 — Bobbin Show, Atlanta, Ga. KSA will have two booths and a seminar on 9/28. Attendance ground-rules forthcoming.
- October 3-5 — Catawaba Valley Hosiery Club convention, Hickory, N.C.
- October 16-20 — Southern Textile Exposition, Greenville, S. C. KSA will exhibit and present three seminars.

# The American Dream. . .

*(We found this foreigner's view of and comments on the USA thought-provoking. We hope you will also find it of interest. As I well know, from my early days in this country, the foreigner does not tend to take America for granted as readily and often has a better perspective about her than we do. —KS)*

BONN—I am prejudiced when writing about America.

America saved my people from starvation not so very long ago. No German called that U.S. imperialism. Thousands of American soldiers—225,000, to be exact—are stationed in my country and because of this commitment and their loaded guns, we are still a free people.

Where I come from, we still know what freedom means—because seventeen million of us are locked up behind barbed wire, walls and mine fields—behind what amounts to the ugliest and most inhuman border of the world. Some four hundred of my people have been shot and killed because they wanted to go from one part of our country to another.

The American commitment to freedom and the price Americans are paying for that every day saves us from the fate of our neighbors, the Czechs, who are the victims of imperialism.

Yes—I am prejudiced, and I don't apologize for the fact that I love America.

Yet, I am worried. Recently I talked to officers and soldiers on a big Air Force base in the deep South. I moved around in the most confusing of all American cities, Los Angeles. I had dinner with the president of a big corporation who laid off 80,000 people, and I spent an evening in the home of an old friend who is unemployed now. His two boys are at a university. He makes ends meet by fixing things up in neighboring homes (he is an engineer) and his wife got a job in a shop selling antiques the Americans like so much.

This friend considers himself lucky. A man driving my taxi was not so lucky—seventy dollars a week unemployment compensation. His savings are gone, and he is now cheating by driving a taxi for a few hours every day.

And then I looked at the headlines of the papers—there was a pitched battle in a jail somewhere—another city reports on the dope problem, and in many cities, parents protest busing their children from their neighborhood school to another part of the city to get integrated. No one has been able to explain to me yet this busing scheme.

When I was in this country twenty years ago, the people in whose homes I stayed never locked their doors. This time I was warned not to walk back to the hotel after a concert.

Americans are not very articulate—even though they might talk a great deal. So they leave the forming of their image as a nation to Madison Avenue and to Hollywood. Americans are probably the world's greatest salesmen of material goods, but they are very inept in selling ideas.

Of course, these ideas are all there—in the history of America there are the forces that made America a great country and inspired a dream to peoples all around the world.

There was a time twenty years ago when Americans often got on our nerves because they were so sure of themselves. Now, we get nervous because Americans seem to be losing faith in their own destiny, and so a student—what Americans would call a “nice kid”—would in all sincerity talk about U.S. imperialism. They boy—a student in a seminar on current history—and many of his friends don't realize that the problem is exactly the other way around. We have a crisis in the Free World because Americans appear to us to shrink back from the responsibility that goes with being the strongest power in the world. It is clear to us that the Soviets don't have such qualms—and that is why they fill every vacuum America and its allies are leaving. Vietnam, I should think, proves my point. A truly imperialistic power as this “nice kid” believes America to be would have carefully calculated the risk and the price, and then if the price seemed right and the aim worthwhile, it would have gone in with no holds barred.

I know from many conversations in Communist countries that the people there understand that basically freedom is indivisible, and they dream the American dream—not of Coca-Cola or two cars in every garage but of freedom as conceived in this country in 1776. Because it is not “American” freedom in a national sense, it is the basis of human dignity everywhere.

When I mingled in the crowd in the airport in San Francisco, I wished I had a way to shake these people to remind them of what they are and to convince them of what we expect from them. Not because they are better or more intelligent perhaps than the people who could crowd the airport in Duesseldorf or Berlin, but because they have in their own heritage the hope of the world. I believe it is the only hope we have—because if America fails, the world fails, and I hope I will not again meet an American who apologizes for the fact that he is American.

*Peter Petersen is a member of the West German Parliament representing Wuerttemberg-Baden.*

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## Growth Curve—(Cont.)

ally, to examine its philosophies of customer service and to bring manufacturing costs in line.

● This entire GM&M project was undertaken and our findings “delivered” orally in less than four weeks—something of a record for KSA consulting throughput for a project of this magnitude. The timing was dictated largely by a Sears Industries' board meeting date of April 25, attending which, among others, was *Sir Charles Clore*, the principal holder of Sears Industries' stock. (Sir Charles, we were told was the subject of an article by Fortune magazine several years ago in which his personal net worth was

estimated at \$700 Million—not bad for a self-made Englishman!) We believe it is fair to say that a consensus was reached at that meeting that KSA will play a role in reshaping Highlander into an organization where profitability will come first and growth will follow as a necessary adjunct—rather than an end in itself.

We will be meeting with Highlander management shortly to define further the specifics of our proposed programs and there is every reason to believe that these will result in a continuing relationship with the firm. —Al Emmons

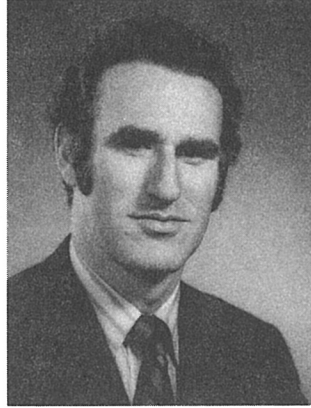
*(Ed. Note: It's already happening!)*

# Promotions. . .

Congratulations and best wishes to *Howard Cooley* on his recent appointment to Vice President, and to our four new Principals, *Dick Bath*, *Tony Greene*, *Aubrey Lancaster* and *Cecil Truluck*. Although notification regarding the accomplishments of these five has been distributed, the pictures should help to associate each man's background with the real person.



Howard D. Cooley



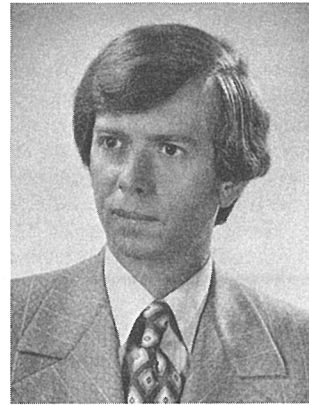
Richard G. Bath



Anthony Greene



Aubrey F. Lancaster



Cecil M. Truluck

## KSA RESTAURANT GUIDE

In their travels, the *Ron Cains* have encountered dozens of places they would *not* recommend for dining, but precious few they consider excellent. They do feel that their odds would increase if they could travel with a Restaurant Guide in hand. Here are some they like.

MUMFORD, ALA.—*The Pilgrimage Inn* (just east of Anniston. . . 45 minutes north of Birmingham). Prices right, food great. Only six or seven different items, but all special. Known for steaks. (Alcoholic beverage available with meal—unless there is a new sheriff or the ABC Boys have stopped in, then they “dry up” for a day or two.)

THOMSON, GA.—*Knox Terrace*. They serve “family” style nicely, in an old southern home filled with old, old furniture and china. . . You eat from dishes people would love to collect!

KNOXVILLE, TENN.—*Rathskeller*. Their prime ribs are

special and the best lobster yet found in the South.

KERNERSVILLE, N.C.—*The Squire Inn*. True Old English atmosphere. . . very good food and entertainment.

GOLDSBORO, N.C.—*King's Barbeque*. Extra good, old-fashioned barbeque—North Carolinians find it hard to believe everyone doesn't know about it.

DEMARIST, N. J.—*Stiegaman's*. A nice steak house with a lot of atmosphere. . . Worth looking for.

ENGLEWOOD, N. J.—*Hing's* (right at George Washington Bridge). Our very favorite Chinese restaurant. Food great. Full course meal for two, about \$6.00. It's tiny and packed. . . recommend reservations.

May we list your favorite restaurants?

# Israeli Assignment—

## Unusual and Challenging

When *Louis Mitchell* first mentioned the job in Israel, it was in the middle of winter and the thought of Mediterranean sunshine was certainly appealing. There was a problem of getting hotel accommodations in Nazareth—*seems some problems can last 2,000 years!*—so we settled into an apartment in Haifa.

The assignment was to start up a new shirt factory in Nazareth. After a similar project for Prices Tailors at Denny, I felt that there would be few problems which had not been encountered before; an underestimation of the situation was soon apparent.

● In many ways the project was a microcosm of the State of Israel itself; the objective was ambitious, the problems considerable. It is perhaps easy to underestimate the extent to which the consultant depends for effectiveness on his day-to-day contact with all levels of client personnel. Since the factory was in a development area, the labor force and supervision was a complete mixture of new immigrants from all over the world. The eight supervisors were typical of the people in the factory, and boasted the following language qualifications:

● Arabic — 3, French — 2, Hebrew — 4, Romanian — 4, Spanish — 1, Yiddish — 2. Note the absence of *English!* Similarly, only two operators out of a labor force of about 100 could speak English, and the language barrier operated in all directions, between the management supervisors and operators.

Another major problem area involved equipment, which was all new and of the latest type. The only agent for each manufacturer was in Tel Aviv, 100 miles away, often knew nothing about the product and in some cases there wasn't even an agent. The entire maintenance was in the hands of one mechanic from the Bronx whose previous experience was of selling and mending domestic machines.

● Skilled management is very scarce in Israel except for factories engaged on defense projects which collect a large proportion of graduates from the universities and technical colleges. We were without a production manager for much of the assignment and have still to find a work study man to supplement our follow-up engineer.

The rapid expansion of Israel's economy has also led to shortages of most types of skilled tradesmen. There was some amusement in KSPEA at our inability to find a carpenter in Nazareth! We eventually settled for a man who worked in Haifa, 25 miles away, who vanished for weeks at a time; it was rumored that he was attending a sandwich course in carpentry.

Despite these and many other unusual problems, together with the full quota of normal ones, the production buildup was achieved pretty well on target. The client appears content with his first experience of working with consultants and he has even bought some more work.

—*Derek Walklin, KSPEA*

## HOUSE HUNTING

Weary from telephoning, looking, searching for a place to live? Don't be discouraged, *Nort Eberly's* solution to this house-hunting problem might be of help. In his weekly report, Nort summed it up like this: "Looked for house in my price range. . . found none. . . changed my price range. . . looked again."

## TAKING OFF PANTS

Some memos we've received indicate that KS' bulletin on this subject did make an impression. We fear, however, at least one of our fellows must be either getting very little sleep or he's sleeping with his pants on. He wrote a colleague: ". . . would you kindly fill in correct numbers and forward to Washington so I can take my pants off?"

Another thought he discovered the proverbial loophole in the "law" by submitting his B.I. with this note attached: "In Puerto Rico and wanted to take my pants off, so am sending without codes." Sorry friend, the computer won't accept half a loaf. . . it wants "*the whole thing!*"

## BOOK REVIEW

by *John Wilcox*

*The Efficient Executive*, by *Auren Uris*  
McGraw-Hill, New York (1957)

In conjunction with a recent STECOM study, this extremely practical book on *Managerial Effectiveness* was located. The nuts and bolts of this elusive quality is explored in this volume.

Early in the book, Mr. Uris differentiates between efficient (accomplishing something with a minimum of lost time and effort) and effective (results achieved) with respect to the work of management. He also divided management activities into three areas.

● Organization-dictated activities stem from the needs of a company as an organization. To be effective in this area one must have good relations with his superiors and be known and respected by all of his associates. Memo writing and good powers of persuasion are essential. It is also important to develop discipline in isolating one's self at times as required. Another important ingredient is skill as a conference leader and attendee.

● Job-dictated activities are immediate responsibilities which result from the need to get work accomplished. There are many work aids to be considered here. The use of dictating equipment, and appropriate office arrangement are important ones. The need to "marshall the paper work parade" is discussed in a most humorous way. Mail analysis and determination of priorities, establishing deadlines for replies, and jotting replies at bottom of correspondence memo are a few suggestions. Above all, one should not hesitate to utilize the waste basket literally.

● Self-dictated activities are voluntary and undertaken due to a need for self-improvement. In order to have time for these it is necessary to categorize and budget time wisely. Emotional drain must be eliminated so that one can turn from organization and job-dictated work and concentrate solely on self-dictated activities. The emphasis here is on broadening one's horizons in a systematic manner.

(Ed. Note: This is the second book review. . . the first, however, of what we hope will be many book reviews which we plan to publish in the interest of greater "*Management Effectiveness.*")

# Didjeva See Djidjelli?

Your Northern Ireland correspondent's attempt to "get away from it all" for a while started inauspiciously with a Sunday travel schedule in Paris. It was so timed, that in order to make the connections, a departure from Northern Ireland on Saturday was necessary. From Brussels Air Algeria was, without apology (in English anyway), four hours late in attempting takeoff. I still experience that thrill of power just before takeoff when the pilot opens up the throttles of all four engines. . . the plane rushing along the runway, increasing its speed still more and then suddenly soaring into the sky. Let me assure you, however, that there is a very different feeling when the rising note of the engines changes to fizzz. . . phut! After this happened twice—I was sure we were running out of runway—I promised "If it does it again, I'm getting off!"

One hour later—without further event—we were off to Algiers where we arrived five hours late to be greeted by a smiling *David Manchon* who was also a bit worried because no one had told him where the plane was. Probably because no one knew. Instead of driving to the plant as planned, we had a night's sleep and set off for work at 7:30 a.m. We arrived there at 2:30 p.m., having stopped on the way to sample the local food. By the way, the cuisine is one of the things the French seem to have left behind when they left Algeria.

The usual journey time of five and a half hours by road had been lengthened by the fact that floods had recently swept away one span of a multi-span bridge and the subsequent diversion was over roads similar to those I became familiar with during my military service. It was, however, picturesque though rugged. Snowcapped mountains and fast moving rivers and streams reminded me of the South of Italy.

● My assignment was to conduct a quality survey in a shirt factory. Some indication of the problems in Algeria may be shown by the fact that the plant was closed for lack of cloth. Further supplies had just arrived from the People's Republic of China and one operator on each job was brought in especially to demonstrate the job. It was interesting to be able to look around one of the best equipped shirt factories I had seen with modern machinery—some of it quite sophisticated. However, I learned that spare parts—or any part for that matter—takes about six months or more to arrive. The main reason for this is lack of currency without special permission, and this is hard to get.

● Can you imagine what life would be like if you needed a part or accessory for a machine and you could not *afford* to buy it? So, let's make it you'd say, being a versatile sort of chap; but they don't even have a skilled carpenter—never mind a metal worker—and the only wood available is chipboard. . . So, they battled on and put together a shirt factory.

● People are always interesting. Here, especially so. Many women, young and old, are still wearing the yashmak and the white "over everything" coat that goes with it. Within the factory the veil is not worn and the dress is quite European—there were even miniskirts and long boots!—however many returned to their veil when going out on the public streets. There is an industrial revolution going on in Algeria and many of the girls are working out of the home for the first time. This is a tremendous step when it is remembered that even now women in the country districts seem to be regarded more as cheap labor for the farm and

house than anything else.

● Most men speak French and Arabic. . . the factory girls only spoke Arabic. Therefore, it's a rather lengthy process for an Englishman to ask a girl to "align the three plies like this and then move the fingers of the right hand like that while you sew." I feel certain something gets lost during the three statements of an idea which incorporates two translations!

In good KSA style, I stayed in the town's best hotel for 14 dinars a night (£1.25 or \$3.20). The hot water was cold, the cold water was smelly, the chain didn't pull. . . but the telephone worked to wake me up and the concierge was charming and helpful. . . "Have you slept well?" . . . "We do have another toilet, Monsieur. It is 'round here.'" . . . Voila!

Driving back to Algiers—over the mountains this time—it was amazing to see many little villages set on the top of the hills. Frequently they were connected to the road only by a path or track—occasionally a road. We came across a group putting down the first lot of stone to make the first road to their village. Their sole mechanical aid was a truck. In a way, I suppose this is wise—it at least provides employment for the many men who would otherwise just stand and watch the world go by.

I had been 1300 miles south, but it seemed colder in Africa than it was generally at home. Their mountains had snow on them. . . the hills of Ireland rarely do. You in the USA are accustomed to this, but we in the British Isles tend to look south to the sun and forget that it is really hot only in the summer. This explains why everyone at home wanted to know where I left my suntan.

—Tony Maule

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## SEPARATIONS

Regretfully, we announce the departure of *Don Burkhalter* ● *Peter Langdon* ● *John Pennington* ● *Ed Webber* ● *Pat Baker* ● *Marni Ingram*.

## KSA MAN—

### As Seen By A Secretary

It is a well known fact that a man's secretary is a part of a very select group when it comes to his professional integrity and general "business sense." She observes the way he deals with others and draws some conclusions which are amazingly accurate.

There is a saying at KSA that seems to sum up the way the secretaries see the men: "KSA girls are special because KSA men make them that way." What this means is quite simple. It is easy to work with a man whom you respect. We find ourselves striving for excellence not because it is demanded but because we are inspired to do so simply by association.

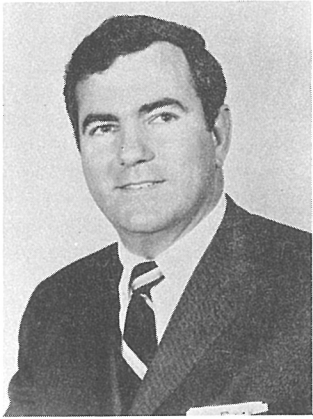
When I first came to KSA, I wondered why there was such pride in the voices of the girls when they used the term "KSA man." I quickly found that a "KSA man" was different; special in the sense that he has attained the respect of those around him and has achieved what many men strive for but never reach.

I think I speak for all of us when I say that we are proud of our men because we have seen that they treat their clients, their co-workers, and their secretaries with the same loyalty and respect that we wish all men did. This does not go unnoticed and we appreciate it.

For those of you who are wondering about the identity of the writer, it might be best if you assumed that she is *your* secretary.

# Tenth Anniversaries

*Paul M. Flood* joined KSA April 1, 1962, fresh out of Georgia Tech's Graduate School, where he received his MSIE. He became a principal in 1968 and settled his family in Atlanta from where he continues to make enormous contributions to the KSA cause.



Paul's experience with KSA encompasses numerous engineering assignments, some work with *Ralph Ross* in General Management and Marketing and, in the last two years, chief administrative responsibility for HIC. We are expecting big things from this subsidiary and think it has a great future under Paul's wing.

We dare say that these 10 years have passed rapidly for *June* and Paul and because of their activities they have probably had few dull moments.



*Robert Tabor* celebrated his 10th anniversary on April 23 which was marked by a dinner in his honor and presentation of his 10-year watch.



Bob's formal education was at the Georgia State and Indiana Universities, but more importantly, he came to us with three years of military service in Europe and nearly 16 years of management experience in the apparel industry. As a matter of fact, he was the plant manager — one of the good ones — during one of our engineering jobs.

In 1966, while involved in a successful hat engineering job that subsequently lead to several man-years of work for that client, Bob was promoted to Principal. In addition to hats, Bob is one of our in-house experts on shirts, and has more than a talking knowledge of pants, jeans, outerwear, bandoleers, etc., and is functionally at ease in SQC, warehousing, new-plant planning, and sewing engineering. He is currently involved with assignments from Starke, Fla. to Los Angeles, Calif., as well as several closer to home.

The Tabor's and two of their children now call Dallas home. In addition to work, Bob enjoys hunting and gardening. He is also an avid bridge player.



*William A. Reed's* anniversary was June 11, however, his watch was presented a couple of weeks early, thus giving KS the pleasure of making the presentation.

Following early work in ladies coats and men's trousers, and with the exception of a brief return to apparel



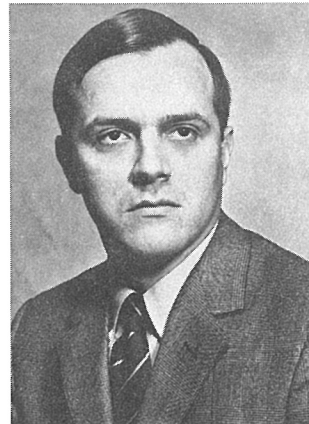
engineering for an assignment in rainwear, Bill has been assisting textile companies improve their fabricating operations. Today he is recognized as KSA's "expert" in fabricated textile consumer products. Chances are that Bill played some part in the way your sheets, towels, blankets, etc., are produced through his services to such prominent clients as *Spring, West Point, J. P. Stevens, Lowenstein, Kendall, Pendleton* and *Spartan Mills*.

Bill's MSIE (Georgia Tech) and a professional engineers' qualification have been evident in his approach to each assignment. KSA is the pre-eminent consulting firm in the textile consumer products field and Bill's contributions have been many. His recent work in non-woven fabricating is beginning to lead us to the same recognition in this field. *Bill Reed* exemplifies the highly competent, professional consultant that makes KSA the respected firm it is today.

The Reed family lives in Greenville, S.C., and between trips ranging from the State of Washington to Augusta, Ga., Bill finds time to be a devoted husband and father and to pursue seriously his hobby of flying.



*John L. Wilcox* marked his anniversary on June 18. He joined us after receiving his Masters from the University of Virginia.



John did his share of moving about the country in connection with his engineering assignments before settling in Greensboro, N.C. when he became principal in 1969.

John is presently heading up our efforts in the ladies wear industry—a monumental task. In addition, he is a current member of our Steering Committee, and on the side he is playing a prominent part in the local AIIE chapter.

All of his adds up to 10 busy years for John and *Gwen*.

We are proud to note these 10th anniversaries of our associates, we congratulate them on their achievements, and we hope to be able to celebrate many similar occasions with them.

# NEW STAFF

*John N. Cope* . . . Age 25. Single. B.S.I.E. Auburn University. Five years diversified experience in computer field—computer operation, scientific programming, business programming, systems work, etc.—as well as broad experience in software and hardware. Assigned to Software Division. Hobbies: Sport parachuting and golf.

*Glenn W. Larsen* . . . Age 25. Wife Patricia. A.B. Physics, Ripon University. M.B.A. Finance/Marketing, Emory University. Recently completed military obligation in U.S. Army. Assigned to Apparel Engineering. Hobby: Repairing sports car.

*Giovanni Gino Marelllo*—prefers *Gianni*—(KSA-AG) . . . Age 29. Single, but plans to change status next year. Industrial Diploma, A. Malignani College, 1962. Italian by nationality. Also speaks English fluently, good knowledge of French and fair understanding of Portuguese and Czechoslovakian. Five years experience as work study engineer for heavy steel company. Four years as textile consultant in Geneva. Wide experience on shirts, trousers, raincoats, jeans, dresses, slacks and nightwear. Hobbies: Collecting stamps, reading, swimming and mountain walking.

*Peter Riebel* (Euro-Systems) . . . Age 35. Married, two children. Graduate electrical engineer from Wuppertal in Germany. Three years experience in data processing, particularly in software development at Sperry Rand's UNIVAC division. Hobbies: Woodworking, swimming, political literature.

*Richard D. Lusk* . . . Age 25. Wife Lani. B.S.I.E. Auburn University; M.B.A. Business Administration, Southern Methodist University. Two and a half years as industrial engineer for radio manufacturer. Assigned to Apparel Engineer.

*David A. Perdue, Jr.* . . . Age 22. Single/engaged. B.S.I.E. Georgia Tech. Recent graduate. Summer employment. Assigned to Apparel Engineering.

*Thomas G. Perry* . . . Age 25. Wife Judy. A.B. Business Administration, Duke University; M.B.A. Finance/Business Administration, Emory University. Recent graduate. U.S. Army, 18 months. Summer employment. Assigned Apparel Engineering with probable transfer to HIC.

*G. McCabe (Mac) Ryland, Jr.* . . . Age 26. Single. B.S. Textiles/Management, Georgia Tech. One year with chemical products company before going into Army for three years. Before training began, pressed into service to assist HIC on a work sampling study.

*David G. Stuart* . . . Age 24. Married. B.S. Engineering Operations, N. C. State. Recent graduate. Summer and ski-season employment. Assigned to Apparel Engineering.

*Gil C. Sydell* . . . Age 23. Married. B.S. Finance/Economics and M.B.A. Management/Finance, Miami University (Ohio). Recent graduate. Summer employment. Assigned to Apparel Engineering.



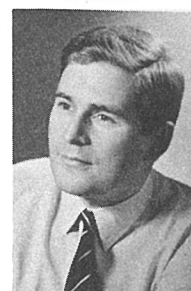
**Cope**



**Larsen**



**Marelllo**



**Riebel**



**Lusk**



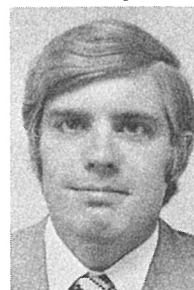
**Perdue**



**Perry**



**Ryland**



**Stuart**



**Sydell**



# Consulting—Irish Style

by Joe Reynolds (KSPEA)

With consulting sales booming in the Republic of Ireland it is likely that more KSA people will be working there. It is thus important that they understand the language and this "Guide To Irish" is for them.

SOURCE	STATEMENT	ACTUAL MEANING
Factory Manager	There seems to be some misunderstanding of the terms of reference of the assignment.	As well as engineering we expected you to run the factory, do our accounts, act as mechanic and do something on the side.
	We don't go in for these new fangled operator-selection techniques.	If they have nice legs, then they're hired.
	Our stock control system is probably not as accurate as you would like.	I have not the slightest idea how much stock we have.
	We have had to take another look at the workplace engineering estimates.	Don't spend more than £5.
	How important is all this workplace engineering?	Don't even spend £5.
	Can we concentrate on improving performance?	Don't spend any money at all.
	Could you explain the concept of cash flow?	Sorry, we can't pay you for six months.
	The check needs the signature of two directors.	One of the two directors is on a world cruise.
	The supervisors have a lot of experience.	Their average age is 67.
	Our quality control staff has the right background.	Final examination is an operators graveyard.
Supervisors	You're from Kurt Salmon aren't you?	I don't know how you sleep at night.
	It all takes a bit of getting used to.	I haven't the slightest idea of what is going on.
	It is gradually getting more organized.	Will you get off my back?
Operators	We will give you our full cooperation.	We'll wait to see if you cut the rate.
	We would like to keep this a happy factory.	If you cut the rate we will strike so fast it will make your head swim.
	I find this method much easier now.	Will you move to another section so I can go back to my old method.
	You remind me of my father.	You're a miserable b. . . . .
Carpenter	I'm finished. . . I'll be with you in 5 minutes.	I have the wood ordered.
	I have the wood ordered.	I forgot all about it.
Mechanic	Very difficult.	I do it all the time.
	Can't be done.	I'll need a spanner and screwdriver.
	Impossible.	It would take a decent mechanic.
Government Official	I am not sure whether we can give you an import license.	What is in it for me?
	It's the Government's duty to give some small support to home industry.	There is a 100% import duty.
	There is still room for discussion.	I am free for dinner tonight.
Telephone Service	How badly do you need a telephone?	Do you have any influential friends?
	Our engineers are working on it.	Delivery will be in 4-6 months.
	Due to a lack of cable we are unable to provide you with telephone service at this time.	You're English—Sorry, no phone.
Government Press Release During Electricity Strike	Power will be allocated on a strict rota basis.	Some people will have power all the time and some will have it none of the time.
	Certain areas may get more power than others.	If you live near a government official or electricity board foreman, you're okay.
	The strike has been settled.	Electricity prices are going up.
Garageman	Looks very serious but we can probably fix it.	Plugs need changing.
	I'm sorry but we can't keep stocks of everything.	We don't sell oil.
Telephone Operators	Trying to connect you.	This should not take more than 30 minutes.
	I will call you back.	This could take all night.
	Hold the line, please.	I'm new here and don't know what I do next.
Shopkeeper	I don't have it but I can order it for you.	It's in the stockroom.
	They don't make them anymore.	I'll have to order it.

# Functionally Speaking . . .

## KNITTING & HOSIERY

The hosiery business has been improving since the first of the year. Knitting continues to be tough, but we are completing our first warp knitting assignment. We feel optimistic for the remainder of the year.

*Al Copelan* is completing a raschel knitter training assignment at Hillsborough Textiles. . . Ted Lea went to Puerto Rico for two weeks rest and recreation (as a "filler" for the daylight hours he worked in a BVD cutting room) and is now in Canada on an M.U. assignment at Harvey Woods. . . Following the KSA tradition of northern winter assignments, *Barry Mademann* is training fixers (and most everyone else) at Wigwam Mills in Sheboygan, Wis. Recently Barry's report read, "Had impacted wisdom tooth removed. Nearly died!" A week later, still in Sheboygan—his family in Pennsylvania—Barry was rushed to the hospital for an emergency appendectomy at 2:00 a.m. We're wondering what his next report will say!

Our P.R. schedule has been heavy. *Bob Solomon* assisted by *Sam Morrah* addressed the annual conventions for the National Knitwear Manufacturers' Association and National Association of Hosiery Manufacturers. Both speeches are being published. Additionally, RES and *George Adcock* are writing a bi-monthly, one-page article for *Modern Knitting Management*. George has been a real godsend this last month.

—Bob Solomon

## MATERIAL UTILIZATION

The reputation of our Cutting/MU activities continues to spread, as can be seen from the varying activities of some of our staff.

*Roger LeBarron*, from his Portland, Ore., base, has taken to the airways to reduce material waste in White Stag's Tennessee, Georgia, Oklahoma and California plants. Yet to be scheduled is a trip to their Puerto Rico plant. "Hurry, Roge, the summers are hot down there!" . . . *Jean-Paul Freneat* successfully finished a very challenging Cut/MU job at BVD in Puerto Rico. In his "spare time" he took up snorkeling and spearfishing and developed enough skill to pass for a "native." Among his catches were fresh lobsters and, unfortunately, one drowned body! Jean-Paul is currently enjoying a well-deserved vacation in France. . . The *Nort Eberlys* have settled in Atlanta, but Nort has hardly found time to unpack his bag between trips to Canada, Puerto Rico and all 'round Georgia." A hearty welcome from the Atlanta gang to Nort and *Barbara*, who'll be spending their next few months "supervising" the construction of their new home. . . Some jobs go very well. How about yours? Have you been hugged and kissed by the plant manager? *Ron Cain* answers these questions affirmatively! (The plant manager at Moyer is female, and obviously impressed with the fact that Cain is "Abel.")

—Jim Trautman

## PUBLIC RELATIONS

*When in Rome*. . . Nothing much has happened in PR-land since that great day in March when the N.Y. TIMES decided it was time to let the 1.5 million readers of its

Sunday edition know about KS. (Reprints were distributed to the 300 recipients of THE OBSERVER as well.)

We mention it here only because the TIMES did not cover what happened immediately thereafter:

1. Representatives of several companies (large and small, hard goods and soft) called to inquire about KSA's availability to discuss their problems;

2. Many of Kurt's old friends contacted him from faraway places;

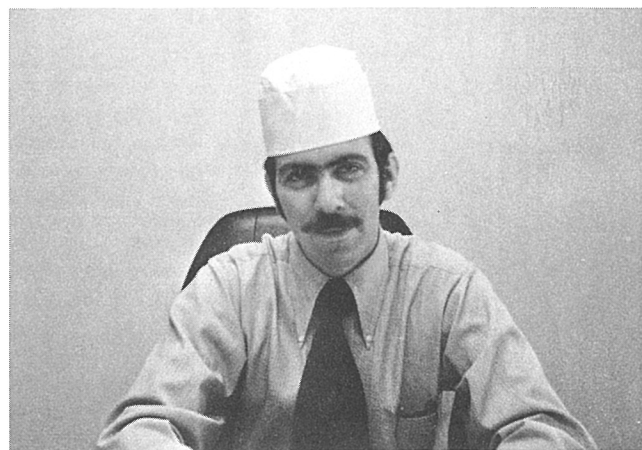
3. A photographer and a printer of business cards called to see if they couldn't help;

4. Perhaps most interesting, a gentleman who declined to identify himself inquired about the true source of the Latin phrase attributed to KS in the TIMES article. Was it Cicero? Seneca? Caesar? He liked the sentiment and wanted to put it on a plaque for his office wall, but felt it needed attribution. The PR Department informed him that *Kurt Salmon* was a bona fide phrase-maker in his own right, and deserved to have his name carved on the plaque. *Sic semper literati!*

*The Seminar Season*. Among the more mundane activities of the last quarter in which the PR Department found itself involved (in degrees varying from minimal to overkill) were a spate of seminars for:

• Kayser-Roth; the Clothing Mfrs. Assn. (*Trautman, Schmidt, Murray, and Vought* on cutting room); the National Knitwear Assn. (*Solomon*); the Carpet & Rug Institute (*Saunders*); AAMA's TAC Report; Numerical Controls Society (*Murray*); the Australian (!) Confederation of Apparel Manufacturers (*Vought*); The Linen Supply Assn. (*Frazier*); repeats of the "State of the Sewing Room—1972 (awful)" for the Bobbin in Dallas and

*Continued on page 11*



All of you are familiar with the old KS-ism, "While there is no wish on the part of KSA to put our men in uniform, it is desirable that the consultant's mode of dress help him to look the part." *Eric Bossak* recently made a survey in the Food Service Department of a hospital in Jasper, Alabama, and by hospital regulations was required to get in uniform.

### Public Relations—(Cont.)

Philadelphia (*Wilcox, Langley, Cooley, Murray, with D. Johnson* in Big D and *R. Frazier* in Friendly P); and a brand new one on style manufacturing in Los Angeles (*Kavanaugh, Schmidt, Wilcox, and Murray*). *Pat Baker* produced approximately 622 slides for the above presentations.

- Further, both KSA and HIC participated in trade shows in May (AAMA and the Southeastern Hospitals Association).

This left little time for writing articles. Nevertheless, *George Adcock* has produced two installments of a new series on "The Model Tufting Company" for TEXTILE INDUSTRIES, plus assisting *Bob Solomon* (see Hosiery). *George* hasn't had much time to get his feet wet since joining KSA's P.R. Department; he just sort of dived in!! Oh, well. . . . .

*Pat Baker* leaves KSA at the end of June for a PR position in the apparel group of U.S. Industries. During four-plus years in PR-land, *Pat* did yeoman service, proved unflappable when all about him flapped, and had major responsibility for elevating the quality of KSA's projected image at countless seminars and trade shows. He leaves about 3,000 slides and an assortment of esoteric marking pens, but he takes our best wishes with him. —J.S.

### INTERNATIONAL TEXTILE CONSULTANT

*Gerry Vercaemert* did part-time consulting work for us on an associate basis for a period of time. So, when he became a full-time KSA man in 1971, he was already considered one of us. Consequently, we overlooked announcing his employment at the time.

*Gerry* is a native of Belgium and received his Mechanical Engineering Degree from the College of Advanced Technology. He had several years of experience in Belgium as well as in the Congo. He was associated with the American distributor of Piconal Looms prior to joining KSA.

We are fortunate to have *Gerry* on the full-time staff, not only because of his textile expertise, but also because of his linguistic abilities. The latter was particularly beneficial on the Algerian assignment as well as other foreign assignments.



### TRAINING AND PROFESSIONAL DEVELOPMENT

As can be seen from the number of faces on the New Staff page, the Atlanta Training Center is going full blast. June 19 saw the start of our third class this year, with six consultants undertaking their introductory training.

- Some of our senior men have also been involved in training. June 15-17 marked our first Principals' training session in several years. A total of 15 Principals participated and listened to words of wisdom from the Chairman, the President, and other officers on subjects ranging from selling professional services to how to supervise. One whole day was devoted to role playing situations in front of the video

camera.

- It now appears that the Atlanta Training Center may take on a new role in August. There is a good possibility that a class of five to seven client resident people may be enrolled in a two-week apparel engineering training program. More on this later if it comes off.

—*Bob Pee and Bill Cameron*

### EUROPEAN DIVISION

The presentation from Europe this time is noteworthy first because it is broken down into the developing organizational units of Europe—three geographical regions and one major function (Management Systems). The other major function (AMMD) is embraced by the regional reports, as at this stage, for obvious historical reasons, our AMMD and regional management are one and the same. We still report results on the basis of the incorporated companies but eventually we shall have to re-orient our management accounting to more properly reflect regional and functional contributions.

The big news in Europe at this time is certainly the dramatically improved sales situation in France, brought about by our new team there. At the same time, KSPEA's fortunes have been solidly restored. In Germany we still suffer from not fully utilized capacity, for the first time for some years, but this appears to be changing and systems remains oversold. In Italy, too, we are looking again at the need to recruit.

- Audited accounts for 1971 show Europe made \$57,093 on a fee income of \$2,170,470 or 2.63%. This modest result exceeded our most pessimistic view at the start of the year by about \$80,000 and this was entirely due to the additional fee income generated in the last half of the year as our renewed marketing efforts began to bite.

- To compute KSA-USA receipts, 40% of KSPEA's results have unfortunately to be deducted due to P-E Consulting Group's minority shareholding. Allowing for this gives a profit of \$48,767 on a fee income of \$1,892,594 (or 2.57%).

- In assessing these results, it should be noted that we were helped by considerable dollar devaluation gains on money owed to KSA-USA, but also that Europe absorbed around \$60,000 of one-time training charges for staff returned earlier than expected. Approximately \$80,000 profit on a fee income of over \$500,000 was generated in German-speaking Europe by combined efforts of our Apparel Manufacturing and Management Systems teams. Though this result reflects a favorable tax situation on our Swiss based activities it demonstrates the underlying strength of this region.

In 1972 Europe will be helped by a favorable tax situation due to earlier losses in U.K. and in France. The solidly profitable systems division is now generating new business in U.K., so we can expect further growth here, and KSA is independently building up some nice retail industry foundation in U.K.

On a different note. . . KSA Europe is now ensconced in its new London Office at Suite 201-206, Albany House, 324 Regent Street, London W1R 5AA and looks forward to welcoming any KSA visitors or clients visiting the U.K.

—*Stuart Hollander*

### GERMAN REGION

Changing market conditions in the first quarter of '72 have been making it harder to sell KSA's traditional services

*Continued on page 12*

## German Region—(Cont.)

in the menswear field—our biggest practice in former years. Uncertainty over Willy Brandt's radical legislation providing for worker "participation", increasing pressure from imports, are all inhibiting investment in improving or increasing domestic capacity. This has led to a hard drive to expand into the ladieswear field, much more than hitherto, and the promotion of relatively short, quick-return packages like Quality Control, Work-In-Process Controls, etc. Fortunately, to combat imports, the defensive move into fashion and greater product variety is helping our Systems Division sales in the German region into gratifying figures and, hopefully, will later trigger the right sort of ideas in the clients' minds when they look at capacity shortages created by the higher volume sales induced by better systems!

Britain's prospective entry into the European Economic Community in 1973 continues to stimulate marketing studies on behalf of the UK governmental body, NEDO (National Economic Development Council), whose latest wise investment has provided us with an \$18,000 study of the West German market for British Woolen Textiles. Hopefully, the P.R. mileage generated on the continent by these studies will so alarm the German, French, etc., manufacturers that they will wish to study the British market. Meanwhile, a number of individual proposals are being stimulated for individual clients which may get us deeper into this service area.

- In peripheral markets, Scandinavia looks as if it will contribute some with surveys underway in both Denmark and Sweden, plus one or two hot prospects. We have our first real break in Greece, with an opportunity to persuade a local spinning firm to let us help them into the workwear manufacturing business. The latter is a very attractive investment area for apparel manufacturers and one good local planning/start-up assignment will give us a useful selling aid. It's an attractive area for apparel consultants, too, with all those stuffed aubergines, resin wine and bouzouki players hammering away. Just don't knock the Colonels, otherwise you, too, may end up stuffed!

- Eastern Europe, also, is becoming a more interesting market as political relations improve, exports to Western markets increase and the markets become more demanding in their requirements of quality, style, and delivery. The major apparel exporter is Eastern Germany, but these folks are, to date, very unresponsive. Maybe the new detente will fire up the boiler a little. Poland, Rumania, Czechoslovakia and Hungary are also potentially worthwhile, with Czechoslovakia being lined up for exposure to the wonderful world of Western technology in June, and the others planned for fall. Meanwhile, a major overview has been proposed to an eight-plant, 4000-operator knitwear group in Hodmezovasarhely (if you're not Hungarian, don't try to pronounce it), Hungary, which has a good probability rating and will involve support from *Bob Solomon*, noted international knitting authority. As usual, the comrades distinguish themselves from Tarheel clients by breaking out the local brandy at 9 a.m. to toast this and that, thus we'll need to send Bob the Initial Training Kit, if this one sells. (For irregular readers of this column, and those few folk who have never worked in Bulgaria, the I.T.K. is based on pure wood alcohol, flavored with metal polish and lighter fuel. Pass level is three litres in any four-hour period of your choice, coupled with hand signals indicating respect for your companion/host/client or local policeman.)

- Other items of interest include a proposal out to the EEC Commission, in Brussels, for KSA to undertake a

study of apparel/textile industry management development and training needs within the Community, with recommendations for what it should be; a bid to secure our share of OECD funds due to be allocated this fall to admit Turkey into the ready-to-wear clothing industry; a hot-from-the-press invitation from UNIDO to bid on a major development program in Ethiopia.

— *Eric Chipps*

## LATIN REGION

Public Relations and sales efforts in France have begun to pay off with five current jobs in France.

- *Alberto Figa-Beleta* has returned to Europe for a major assignment in Spain. . . *Werner Iten* and *Renato Tarditi* are also in the country doing a part-time quality improvement assignment. . . On the PR front we have distributed a program of 10 seminars between June and December '72 on MU/CR, Production Management and Planning.

Activities in Italy have suffered severely by the loss of two men (*Pavia* and *Guazzo*) in March, and the unfavorable business climate prior to the May elections. Besides two current assignments, important contacts have been made with a ladieswear firm, a knitwear firm, and a subsidiary of Borden (USA). . . *Giacomo Ronco* and *Gino Fedeli* are preparing seminars for the Italian Knitwear Manufacturers Association and a local Apparel Manufacturers Association.

*Jean-Jacques Pflieger* is still at Neyir (Turkey) with this extremely difficult client, who seems to have a continuous "love-hate" affair with KSA.

- In Algeria, *Daniel Manchon's* assignment at Sonac terminates in Djidjelli by August 20. Provided that the still unsettled payments problems are solved shortly—which we now expect—we plan to begin with the first phase of Bejia suit factory start-up assignment (about 200 manweeks) in July/August—expected to become full-time about November.

— *Bob Fitze*

## U.K. REGION

This year KSPEA started the year well and is ahead of budget profit at the end of Period Four. This is in fairly sharp contrast to the general consulting market in U.K., and phrases like "We think the consulting business has bottomed out" are commonplace. It does look as if we are on a different business cycle from the generalist consultants.

- It does seem that the boom days of "consulting at any price" are over and that quality is now more important than ever. This is reflected in marginal consulting operations going out of business, leaving the field to those offering a professional service.

Life in Britain and Ireland goes on in its own sweet way and we are all relieved that after a seven-month delay the Irish telephone service has condescended to provide *John Beddows* (now resident of Dublin) with a telephone. Perhaps there is an opportunity for some specialist consulting service in another discipline—such as telephones. A recent telephone call from John caused some panic, coming as it did from a Dublin maternity hospital—but it was only a piece of initiative during the electricity strike to find a telephone that was working.

- P.D.P. (Productivity Development Programs) has been increasingly used for our clients and *Peter Sheridan* is the man at the sharp end of this practice and we have seen some very quick and impressive results. One factory was

*Continued on page 13*

U. K. Region—(Cont.)

changed from a \$1,000 per week loss to \$5,000 per week profit in some six weeks.

Sales for the start of the year have been very good and if they can be maintained at this level, we will probably end up with a record fee income this year. This is certainly our aim for 1972.

—Louis Mitchell

## MANAGEMENT SYSTEMS

### Systems As A Changing Scene

● Though nothing has actually changed dramatically, due to recent discussions, staffing problems, and most of the work we are doing at the moment, emphasis has moved from EDP-MIS to *Manual Planning*, or, one might say, to *Good Housekeeping*.

● One can now start discussing what came first, the *Chicken* (European Systems increasing ability and understanding of most urgent needs), or the *Egg* (industry's "back to earth" approach appreciating that even the move from a 32K to a 64K Central Processing Unit cannot overcome the missing long-medium-range planning routine). Anyhow, as part of that situation, we are not only doing manual planning installations—our main billable work—in Germany, U.K., and Italy, we are also looking for new recruits with that special expertise.

● Most, if not all of this manual-oriented work is designed for later extension into computerized routines. With some of these present "manual" clients we have already signed agreements for the later EDP extension, leading probably to a 50/50 balance between manual and EDP information systems in 1973. Besides the high proportion of the present manual systems, we have the first assignment to extend a very complete EDP-MIS (run by our old *full-service* client, *Cruse*) into the sophistication of computerized Cut and Lay Planning and we will also very likely get the extension, the detail design phase of our first EDP-Retail Information system.

Utilizationwise, we are in good shape on all systems fronts. Germany is virtually oversold until the end of '72 and the UK has two promising assignments which represent a base on which to recruit further. Italy and France are mainly limited through not having available enough systems capacity to really start selling, but we are addressing ourselves to this.

In Germany and the UK we now have indications which show that our industry knows it has a long way to go to bring its administrative and planning routines to the same level they brought their manufacturing routines in recent years. This gives us confidence for our future Systems sales picture.

—Albin Graeser

## ABSTRACTS

"Revisited scene of earlier project and found system working very well. Pity, because it makes it difficult to propose anything new."

"..... I am sorry Sammy left; no doubt she has gone on to some other manufacturer to enrich his absenteeism report and to depress his factory efficiency."

## Congratulations!

To those happy parents who have welcomed new babies: *Martha* and *Hugh Smith*, a daughter, *Tara Lee*, March 15. . . *Linda* and *Jimmy Keel*, a daughter, *Amy Michele*, March 21, (Linda is on leave from KSA-Atlanta). . . *Josette* and *Robert Chaumontet* (KSA-France), a daughter, *Audrey*, April 20. . . *Erika* and *Wilfred Luetette* (KSA-Germany), a daughter, *Berit*. . . *Ann* and *Roger Simpson* (KSPEA), a daughter. . . *Joyce* and *Al Copelan*, a son, *John Thomas*, April 24.

## ENGAGED

The engagement of Elaine Bennett—Louis Mitchell's secretary (KSPEA)—to Geoffrey Paradise was recently announced. Geoffrey is a veterinary surgeon and his father is Chairman of Paradise Clothing, a prospective client. A Christmas wedding is planned.

## Eagle Award



Larry Parks, Jr.—son of KSA's very own, Sr.—has been presented scouting's highest honor, the Eagle Scout Award. Young Larry will be entering Purdue University next year. The two Larrys are remarkable look-alikes and Father is extremely proud of his son's accomplishments.

## KSA'S TREASURER THREATENED

A N. C. client had established the reputation of being less than prompt in honoring our invoices, so when further work was authorized, *Principal Malburg* wrote to *Bill Schenke* asking that he be kept informed of payments. Bob warned him—in his own inimitable handwriting—not to say "here we go again" or he would tell people Bill tries to buy seconds for his own personal use. The client's a manufacturer of *BLOOMERS!*

## QUOTE OF THE WEEK

"..... most clothing cutters are lousy lovers anyway." (From a report by *Jack Schmidt*) Our question: "How would you know, Jack?"

## A Visit With Phil Lutz



*PHIL LUTZ* at play, left, rearranging some numbers. Above, Phil at work, setting standards for MSD secretaries (*Alison Doherty* (left) and *Roberta Edwards*). You can't be an MSD secretary unless you're willing to go along with a gag.

There is a small group of about 3½ people who antedate *Phil Lutz* in KSA, and they may not have to read this. But the rest of us, having been around somewhat less than 25 years, need to know a little more about *Philip C. Lutz, Jr.* It's hard to imagine Kurt Salmon Associates without him.

Phil has been KSA's chief "numbers man" for almost 25 years. He joined the company in 1947 after studying accounting at New York University, earning his CPA in 1946, and acquiring experience on the staff of Ernst & Ernst. At that time, Professor Cecil Gillespie of Northwestern University was the part-time head of KSA's two-man Systems staff. After only two years, PCL was the sole remaining member of a not-too-active Systems function, and soon he almost slipped out of sight when he moved to McRae, Georgia, to help organize the paperwork and train a controller for KSA's new, *Roydon Wear*, subsidiary.

Phil, *Joyce*, and the Lutz clan remained Southerners until mid-1953, shortly after KSA's New York office was opened. The Lutzes then resettled in their native New Jersey, and Phil slowly began to re-establish KSA's Systems practice while continuing his involvement with *Roydon Wear*, which was being managed by *Ralph Ross*.

By 1955, it was decided that there was a growing need for cost systems, payroll, and order/billing installations among KSA's clientele. Phil Lutz was made Supervisor in the Systems area and instructed to build a staff of specialists (among his "finds" were *Al Emmons* and *Jerry Kavanaugh*).

In those halcyon days of consulting, a railroad pass was infinitely more valuable than an air travel card. Phil recalls overnight train trips to snowbound clients in Canada and

smoke-filled hotel rooms in Paris, Tenn. (it wasn't a convention or a poker game—only the night train to Nashville passing by the open window as it went down Main Street).

Does he miss the good old days? "Not really," Phil says. "We used to have our annual Supervisors' meeting in the hotel room after the old SGMA (now AAMA) shows closed down, and things seemed cozier then. But it didn't mean we got to meet many staff men, and I think our growth has actually made it possible to establish closer relationships with more people in KSA—more interesting people, too."

PCL has seen many changes in the management systems area. KSA, he feels, has been responsible for stimulating more sophisticated management techniques in the apparel industry. Statistical forecasting and marginal income accounting are two of the developments he cited. Modesty forbade his mentioning the massive "Management Accounting Techniques for the Apparel Industry" that he and *Bob Hinck* co-authored for the AAMA in 1970.

Perhaps for other reasons, he also forgot to point out that he worked closely with *Bill Schenke* in designing KSA's own accounting system with its BI's, expense sheets, and other forms bearing all those mysterious little numbers.

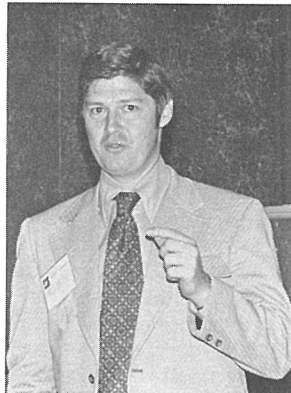
Phil is now Director of Administration for KSA's Management Services Division—which incorporates some 45 specialists working in the areas of management information systems, EDP, marketing and general management, physical distribution, and customer services.

PCL and KSA's Systems Division have gone a long way since 1947—parlaying the "basic numbers of payrolls and order/billing systems into the much broader and more sophisticated area of total management information. —J. S.

# KSA At The Lectern



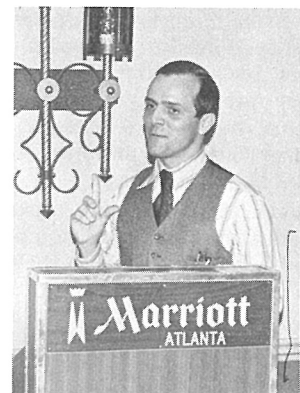
**Langley**



**Cooley**



**Murray**



**Wilcox**

FINGER-men. In a remarkable series of candid photos (courtesy *Manuel Gaetan* of the *BOBBIN Magazine*), four KSA speakers are shown pointing out the virtues of good sewing room management with the aid of their index fingers. Since a good consulting organization can always see at least two sides of every question, we show two lefties (*Howard Cooley; Jack Murray*) and two righties (*Bob Langley; John Wilcox*). Below, *Jack Johnson, Frank Armistead* and *Bob Pee* manage to make their points without pointing. It's nice to know that some people are cognizant of good manners.



**Johnson**



**Armistead**



**Pee**

The occasion was the first KSA/Bobbin Seminar on "The State of the Sewing Room — 1972" held in Atlanta. For the finger-men far above, it could just as easily have been Dallas or Philadelphia . . . and it was. Same Marriott lecterns, same subjects, same grins. Somehow, these hardy specimens bear up, week-end after week-end, talking, talking, talking . . . Pass the lozenges.

## Around The Company . . .

### ATLANTA

As reported by Atlanta, remodeling and mass confusion still predominate office activities. . . Office personnel and consultant additions have reached a perilous point. As it now stands, the next consultant to make the Atlanta Office his home base will have to choose between locating his office behind the 3600 III Xerox machine—two new Xerox machines now provide double trouble instead of double coverage—on top of the Coke machine, or on top of *Bob George's* not too sturdy (ahem!) shelves!

A warm welcome to a host of new employees, with a fervent invitation from AO to please stay forever. *Wendy*

*Bagwell*: In charge of General Office/Xerox responsibilities. . . *Carole Foley*: Joins *Andrea Dillon* in the Report Department. . . *Barbara Hardy*: Secretary to Textile Systems and Software Division. . . *Carolyn Peacock*: Replaced *Linda Keel* (on leave of absence) as secretary to Training and Professional Development departments. . . *Joyce Powell*: Secretary to Physical Distribution Division (better known around the office as "The Animal Kingdom"). . . *Rita Roth*: Secretary to the HRD and Personnel Functions. . . *Carol Shure*: Will again provide secretarial relief from mid-May through August while on summer vacation from Tulane University.

*Continued on page 16*

**NEW YORK**

*Erma Stenger* is our very own girl graduate. She has achieved her long strived-for goal, a B.S. degree in Philosophy, by attending night school for 15 years. All of us are very proud of your perseverance and accomplishments, Erma, but NYO is literally “bustin’ its buttons.” Heartiest congratulations, and best wishes in your future studies for that M.S. in Biology.

Lillian McCarthy gave a party to celebrate *Erma Stenger’s* graduation and *Judy Chou’s* birthday. Two happy occasions and two cakes added to the smiling faces of the group.



*Erma cuts graduation cake.*



Party-goers (Seated L to R) *Lillian McCarthy*, *Pat Baker*, *Sylvia Roberts* and *Judy Chou*. Standing (L to R) *Alison Doherty*, *Joyce Peters*, *Ruth Turton*, *Erma Stenger*, *Lou Chou* (*Judy’s* student brother working with KSA for the summer).

*Jack Murray* took time out from his many trips—his itinerary looks like a travelogue for U.S. and foreign cities—not only to tell us that his wife, who manages their brood of nine so much of the time without him, must be constructed of 50% stainless steel and 50% 24 karat gold, but also to heap praise on what he refers to as “his better/battered half of the Tech Info Dept.”, *Erma Stenger*.

On his way out of the office to get a plane to Copenhagen, he asked Erma to write a *fake* letter to the Wage Price Control Administration in Washington, with a copy to *Jack Ullman* who broke up when he read the following:

Dear Sirs:

“We at Kurt Salmon Associates do comply with regulations in regard to wages and prices. We have found this a bit difficult at times but consider it our duty to follow the guidelines as best we can.

“However, there is one segment of our company that does not do this. I consider it my duty as a citizen to ask your advice in making them toe the mark.

“The department in question is our Atlanta office report department. Their charges used to be \$5.20 per page for setting type on MTST equipment. My most recent bill is enclosed and you can see that they upped their charge to \$5.75 per hous PLUS \$10.00 per page PLUS printing charges of \$385.96. The postage charge of \$92.46 is probably legit and I don’t want to fight about that.

“While I’m on this issue, our New York office has a very fine report department also. I think they are sticking to the guidelines but I really don’t know for sure since I am charged an enormous sum at the end of the month and it encompasses all of the help and advice I receive from the New York secretarial staff.

“Sir I would appreciate it if you would check into this situation in Atlanta for me. It just seems like they are really taking me to the cleaners. I am enclosing a copy of the Journal that was typed. Please evaluate it but I ask you not to digest the contents for it is confidential.”

Yours sincerely,

John M. Murray, Director  
Technical Information Services

**GREENSBORO**



*Snoopy, II* (see lapel pin), nickname given *Lin Briggs* by client, *Shamrock of Dublin*.