

The Observer

Vol. 6, No. 1

Mr. D. J. Kennedy

3-31-75

A Marketing Study

Polypropylene Film Fiber. . .

By—Al Emmons

It may be difficult for most of us to make the connection between a nineteenth century English minister's concern for his parishioners and KSA's GM&M practice. But the concern—the problem of miners working in the pits of Cornwall being disfigured or blown to smithereens by malfunctioning explosive devices—led to the *Rev. William Bickford's* invention of safety fuse. That was in 1836.

Today, the successor company, Ensign Bickford of Simsbury, Connecticut, is the world's leading manufacturer of non-electric detonating cord. Its inert electrical properties provide a distinct advantage relative to electric detonating cord because of immunity to stray electrical discharges. Used in the manufacture of E-B's detonating cord is polypropylene film fiber produced by Ensign Bickford through the extrusion of resins by the slit film process. Roughly half the capacity of the slit film line is consumed through internal use for detonating cord. The remainder is sold in various forms to outside customers for other purposes.

Interestingly enough, one of E-B's largest customers uses the slit film for color coded identification tapes inside telephone cables. Other applications include yarns for indoor-outdoor carpet (grass), electric line cord cable fillers, and primary carpet backing.

Alert to the growth potential of polypropylene film fiber, E-B asked KSA to examine the future market potential of these fibers, particularly in the textile, apparel, carpet and rug allied industries. While their present one-line 2.5 million pound capacity extruder operates profitably, E-B nonetheless is a small factor in the total polypropylene film fiber market. The question arises as to whether an additional one or two more extruders would permit E-B to capitalize on its technical research and develop expertise as well as result in economies of scale. That was essentially their "charge" to us.

In response, we first undertook to learn as much as possible about the slit film manufacturing process and products as well as competitive manufacturing processes. This was no small task. We asked E-B to set forth the properties and characteristics of film fibers including such things as specific gravity, melting point, water absorbancy, heat stability, shrinkage, stain/mildew resistance, dyeability, ultra-violet light stability, hand fibrillation index, tenacity, elongation and flammability characteristics. We further asked them to set out the exceptional properties of their particular product vis-a-vis their competitors. Although one might expect this information to be readily available, it was both a trying and enlightening experience for E-B to develop the required data.

Armed with these specifics, we then structured a formal

marketing questionnaire to be used in interviews with knowledgeable product development people in the textile, apparel, carpet and rug allied industries. At this writing we (the author primarily) are crisscrossing the country interviewing these executives, recording their thoughts regarding slit film fibers. Some are good, some are bad, all are interesting. One far out, but potentially intriguing suggestion was to use film fiber "carpeting" for residential roofing material. Apparently the interviewee had recently seen something of this nature in Europe and was particularly impressed with its aesthetic qualities. How about bright yellow Bigelow on your roof?

We don't know yet if this or any of the other possibilities will prove to be of adequate commercial viability to justify expansion on E-B's part. But we do know that this has been, and continues to be, a most interesting assignment; the type with which we hope to become more involved as our GM&M practice develops.

We'll keep you informed of the final outcome—in case the suspense is too great! Meantime, I'm off to Boston to see if polypropylene film fibers can be used as lead-acid battery plate separators.

A COMMERCIAL FOR FINLAND

By—John McCormack

The travel brochures portray the land of a thousand lakes where, in summer, the sun shines for 24 hours a day and the scenery changes from one kilometre to the next. Such a picture fails to even begin to describe an unchanged land filled with a people endowed with a generosity of spirit (both kinds) and friendliness toward foreigners unique in the northern hemisphere.

Where else in the world can you conduct business with an executive and his family sitting quite naked sipping beer at a lakeside between rounds with the summer cottage sauna (pronounced SOWNA not SAWNA), or be put to shame by three year olds on the ice who make Sonja Hennie look positively pedestrian.

Finland boasts a population of about 4-1/2 million people moulded in a tradition of hard work for both sexes with an affinity to nature unshaken by the advances of the 20th century. This is the nation whose traditional enemies have been the winter, the Swedes and the Russians. The Swedes handed Finland to the Tzar in 1809, having lost in battle, and the Finns took the opportunity to gain independence during the Russian Revolution. Thus, Finland was born in 1917 and baptized by the bloody civil war that ended in a victory for the "Whites" (Social Conservatives)

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THE OUTLOOK

By—Karl Striegel

It was intended that an update on the "state of KSA" be done for this issue, but a combination of the Officers/Managers meeting on February 1, the Regional Principals' meeting on February 8, and the following all-staff memo have pre-empted the need for it. Thus, instead of a detailed "state of KSA" I want to briefly mention the 1975 outlook, and concentrate this editorial on our 1975 plus opportunities. In this order, our comments are:

- Thank goodness for KSA-Europe in 1974 and, if all goes as projected, we'll be saying the same thing at the end of 1975. In 1974, KSA-Europe contributed 60% of KSA after-tax profits on approximately 30% of KSA-worldwide volume. We, in the USA, use inflation, the depressed economy, etc., as reasons for our poor showing. . .but Europe experienced the same conditions to an even greater degree. Perhaps we have much to learn from them!

- The 1975 outlook for KSA/USA was not a bright one when preliminary budgets were made in September, was worse when budgets were finalized in December, and has worsened as of this writing (February 15). We suspect that the first period of 1975 will show very poor USA performance and that succeeding periods will show a gradual improvement. (*This has since been borne out by our second period statement which shows black ink to the tune of \$19,914.*) KSA/USA's performance may closely parallel the outlook for the apparel and textile industries. As of now this outlook is subject to constant change, i.e., originally a pick-up in the second quarter, revised to the third quarter, and lastly, Pierre Renfret—in Greensboro in February—predicted a delayed upswing to mid 1976! Fortunately, we do not share Renfret's pessimistic outlook.

- We would hope that the steps being taken, both prior to the Officers/Managers meeting and as a result of it, will enable us to do better than industry outlooks in our traditional industries. However, in addition to this, we have some real pluses going for us in 1975, i.e., Third World opportunities, retail growth, mining industry, hotel/motel industry. . .the first two of these are planned and the last two are opportunistic. All of these will present some unique problems, but fortunately, none of them will require substantial initial investments in 1975 for development purposes.

As stated earlier, this is not a "state of KSA" message, but we promise that we will give you one in mid-1975. At this writing, we do not feel that 1975 KSA/USA will be a banner year. . .in fact, we feel it will be a real problem year. However, we feel we have done all possible to cope with the current problems if they develop. We feel that in our traditional industries this will be a "hold-your-ground" year and are counting on Europe plus the four additional industries/regions mentioned above to keep KSA above average. We'll keep you informed as the year develops.

SYMPATHY

Our deep sympathy to Verena Wintsch (at the Zug office) in the recent loss of her father.

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: Mary Baach Joe Scheines

Jack Johnson

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March 31, 1975

Finland—Cont.

over the "Reds" (Communists) in 1919. The Finns took the Russians again in the thirties and lost the richest copper mine in Europe, plus about 25% of their land. They fought the Russians to a draw in the 1939-45 conflict, ceding another 10% of their land to Russia and \$572,000,000 reparations (settled without help before 1960). Since that war, Finland has had a democratic government headed by a president and has pursued socialist policies to the benefit of her people.

In external relations, Finland has adopted the Swiss neutrality system with unprecedented success.

Finland is a country of small villages and towns, only four with more than 100,000 inhabitants. Each village has at least one restaurant which boasts good food, fiery liquor, some of the most beautiful girls in the world and a live dance band every night. The Finns are passionately fond of drinking and dancing and Finnish girls are never impolite enough to refuse a stranger a dance (unless he proves too drunk to stay the course—usually a group of three dances). Tango, Foxtrot and Humpaa—a sort of Finnish Mazurka—are favorites, though the Viennese Waltz and Tom Jones type music go down equally as well.

Bear steak, reindeer steaks, ptarmigan and pike are Finnish favorite dishes supplemented by berries of all sorts with cream and sugar—the most wonderful being cloudberry found only in Lapland. Liquid refreshment comprises three beer strengths—mild, strong and "ouch"—and vodka anything. All strong spirit wines and strong beer are available only through the official "AIKO" shop where the queues on Friday need to be seen to be believed even in a town of only 10,000.

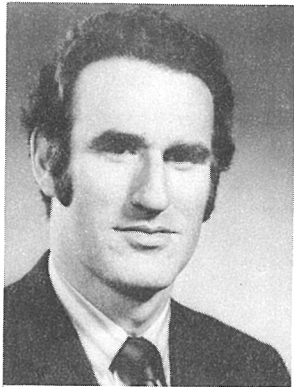
In sports, the Finns excel both in athletics (they received as many medals as Britain in the recent European games) and, in winter, they ski, skate and play ice hockey. They are scrupulously fair but every year they must beat Swedes at ice hockey!

One of our clients is so well organized that we have a winter fishing-through-the-ice competition, last year fiercely contested by KSA. The rules are simple, bore one or more holes in likely spots and tempt the perch with spinners using a one-foot rod, much warm clothing, a seat, and a bottle of Koskinkorva—a vodka of dubious antecedents with a kick like a reindeer's.

The one with the most fish wins. Your correspondent lost a bottle of whiskey to the local champion but gained

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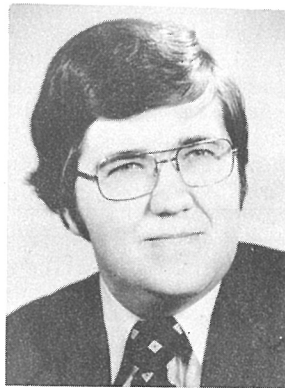
Promotions. . .



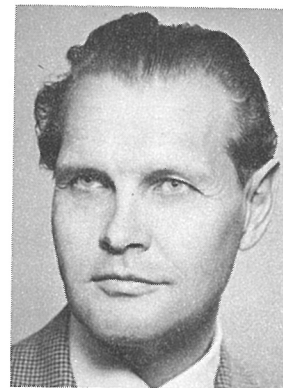
Richard G. Bath



Kenneth R. Osborne



Robert L. George



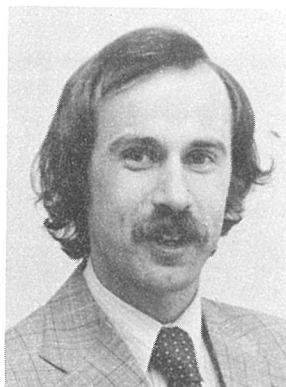
Lutz J. Kohnagel

Congratulations to *Richard G. Bath, Kenneth R. Osborne, Robert L. George* and *Lutz J. Kohnagel* on their recent appointments as KSA Managers.

Dick Bath (New York) and Ken Osborne (Atlanta) now have direct responsibility for KSA apparel manufacturing services in their respective areas. They have been strongly identified with KSA's apparel engineering practice. . .Bob George has been appointed Manager of all of KSA's Physical Distribution services. He has had extensive experience in planning, design, and operation of distribution centers for both apparel and textiles. . .Lutz Kohnagel is now Manager of International Services. He will continue to work closely with our USA functional and industry managers in carrying out international assignments utilizing USA-based consultants and, while continuing his concentration in Latin America, his responsibilities and activities may well lead him to the Third World.



Alan Braithwaite



Joe van Gent



Peter Schuler

With pleasure we announce the appointments to Principal of three Europeans, *Alan Braithwaite, Joe van Gent, and Peter Schuler*, effective January 1975. Congratulations!

Alan Braithwaite became associated with KSA in 1970. He has established a high reputation in jacket manufacturing technology and management, first in the USA and then in U.K. He has also worked in supply control and has left a series of clients behind him who rightly regard Alan as a splendid ambassador for KSA. . .*Joe van Gent* became a member of our staff in 1969. He very quickly earned a fine reputation for quality work in the U.S. where he applied his technological education and his Dutch internationalism to a variety of clients in men's and ladies' wear. Over the last few years in Europe, Joe has contributed to a wide variety of assignments in Germany and Holland and has developed considerable skill in marketing and systems work. In the latter he is also actively involved in the European supply control training program. . .*Peter Schuler* became an associate in 1970 and in a relatively short time was acknowledged as a leading innovator in the management accounting field, in which he had worked extensively and as a consultant before joining KSA. He had a series of happy clients who not only became more profitable as a result of Peter's work, but also authorized further work in other functions.

A LONG TERM RELATIONSHIP

By—Bob Langley

This one began in the early 1940's when *Roy Engman* did some intermittent consulting at Champion Garment Company in Rome, Georgia, a recent purchase by one of our larger clients, Oxford Slacks Division of Oxford Industries, Inc. Unfortunately, there was no other work with the Slacks Division until 1966 when *Paul Flood* made a survey at the Rome Plant which resulted in an engineering program.

By way of explanation, it should be pointed out that this client normally does not retain KSA to "engineer a plant." They believe the greatest service we furnish is to train their engineering staff and, as you will see, they have relied heavily on us to achieve this during the past few years. Because of this, the consultant staffing an assignment for them takes on the role of engineer-trainer/project-manager, with their engineers doing the lion's share of actual engineering work.

In January 1967, we were retained to conduct the Rome program. During this six-month project nine of their engineers were trained. . .including three from the division level. Due to Paul's conservative estimates, maximum savings potential was realized and productivity increased by over 30%. . .and a long lasting relationship was established with Oxford Slacks Division. Within the next two years seven of the eight remaining plants were engineered, eight more engineers trained, and significant reductions achieved, making Oxford's casual pants one of the most competitive in the market place.

Another significant event was that *Larry Johnson*, a group manager of six plants with no staff experience, was selected to become the new chief engineer. Larry was reassigned as plant engineer to the Lawrenceville plant and under KSA supervision gained four months of engineering experience in the parts, fronts and backs sections. . .he is now Division Manufacturing Manager.

Several other important things were happening during this period. Slacks Division sales increased from approximately \$28,000,000 to over \$40,000,000 per year. Retail sales were rapidly growing under the Wright Slacks label, and piece goods costs were on the upswing. These meshed conditions created a need for additional KSA services. . .So, a major PD program was conducted in the retail warehouse in Toccoa, Georgia, by *Bob George*, supervised by *Tony DeMaria*. This was a very effective program and the client was disappointed to see Bob complete his work. (It just so happened that his wife, *Linda*, was one of the client's children's favorite teachers. . .could be significant in their reluctance to see him go.)

It was decided in 1969 that the most lucrative cost reduction area we had not ventured into was cutting room engineering and material utilization. With *Jim Trautman* and *Dewey Moss* spearheading the effort, considerable cost reduction was achieved in the Monroe plant and several of the division's resident engineers cross-trained in cutting room engineering. Dewey then stayed around to supervise programs in the Macon, Commerce and Luverne plants.

The above, plus considerable retainer work, had pretty well cemented the KSA/Oxford Slacks Division relationship. Between 1970 and '73 a number of other projects were undertaken. . .

Robert Connors Textiles Group Manager

In an effort to better serve clients in our expanding textile practice, *Bob Connors* recently joined KSA as Group Manager.

Before coming with KSA, Bob was Vice President of Manufacturing at Indian Head, Inc. He is a licensed professional engineer in the State of New York and holds several patents relating to textile manufacturing.

Bob began his career in the textile industry 25 years ago, after receiving his B.S. in mechanical engineering from Massachusetts Institute of Technology. He also completed graduate studies in textile engineering and management engineering at M.I.T. and Rensselaer Polytechnic Institute. His experience includes warp and double knitting; spinning, weaving, dyeing, and finishing; and the manufacturing of apparel fabrics, industrial fabrics and finished apparel.

We welcome Bob and his family to KSA and hope the association will be a rewarding one. They will reside in the Atlanta area.



Ted Horsley's engineering the Monroe centralized finishing department, *Tony Green's* changing over the Covington plant from shirts to jeans, and our indirect labor cost reduction program in the Commerce plant. All of these programs included supervisory development.

In 1973 a general manufacturing overview in five plants manufacturing chain goods was approved. The outcome was a decision to seek further cost reduction. With *Tom Austin* assigned to the project, a re-engineering program in the Macon plant was started and several more engineers trained. As the engineers completed training and returned to their home plants, new programs were started under Tom's direction. Due to the size of the program in Luverne, *Butch Price* was assigned to partially engineer the sewing room. The work in this plant went so well that, eventually, he was asked to update spreading rates in the cutting department.

As of this time, *the plants engineered in '73 and '74 have the lowest labor content for casual pants of any we have engineered.* Quite a feat, considering the many successful programs KSA has conducted on this product.

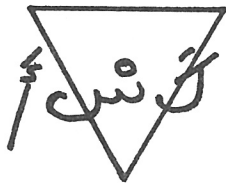
Since that time *Jerry Kavanaugh* has completed a systems overview which concentrated on outlining a course of action for assigning merchandising responsibilities and determining information needs. . .And even more recently, *Ken Osborne* and *Tom Austin* have assisted Oxford in converting the Covington jeans plant into a leisure jacket plant.

Training overlooked? Never! In addition to training received on projects, *Bob Pee* and *Bill Cameron* have had three newer Oxford engineers attend the KSA resident

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Algerian Adventure

By—Jo Ann Caldwell



(If you have trouble reading the logo, try reading from right to left!)

We had been in our home a year, the builder had finished the unfinished, and we were beginning to “feel at home” and quite content. Then . . . *Jack Ullman* said to *John*, “What do you think of working in Algeria for a year?” to which *John* replied, “What? No, never!”

The question came up again and by that time the shock had worn off enough that thinking about it was easier. We had been fairly lucky with our KSA assignments—though some were not what we would have chosen—and managed to come out with more new friends, new adventures, more photos and many memories. The more we thought about it, the more it seemed like a new kind of adventure. We had never been outside the U.S., and it seemed a good opportunity to see a bit of the world and live among people about whom we knew absolutely nothing. So, we decided to go.

We certainly couldn't give up our house or our dog. . . Luckily, my brother and his family had just been transferred to Atlanta and were living in an apartment. They happily accepted when we asked “How would you like to live in our house for a year and take care of “Lady?”

What do you pack to take to a country for a year about which you know nothing? Our bedroom resembled a freight depot for about a week. Time ran short, with only enough left for one bon voyage party, a dinner, a short visit with friends in Birmingham, a quick drink with neighbors (one sent a bottle of champagne for our last night at home). We sold our car to a KSA fellow who graciously packed us and our luggage in it for the trip to the airport. . .and we were on our way.

We were too excited to sleep on the plane and upon arrival in Geneva promptly went to sleep for 15 hours. After two days in Geneva, we picked up our KSA “Poogie,” an orange Peugeot 204 wagon, transferred our many pieces of luggage and headed for Paris, a distance of 500 miles. Our biggest problem was not knowing a word of French, so we got out our Berlitz phrase book and ordered food and gas—it worked, even with our southern accents—and arrived in Paris that night. (In spite of the stories we had heard about customs checks, we breezed through Swiss customs and when we crossed the border into France the agent was reading a newspaper, so we were waved through.)

Monday morning we went to Berlitz, met our counselor and began French classes—*John* in one room and I in another. Classes were held five days a week from 8:45 to 5:45 and lasted 45 minutes with a five-minute break after each. Lunch was always with an instructor and lasted two hours, which gave us a different type lesson—shopping, ordering food, running errands, etc. During class the instructor asked questions in French and we responded. . .no English was spoken.

On weekends we walked, walked, walked, trying to cram as much of Paris as possible into our short time there. We managed to see the Louvre and the famous Mona Lisa, as well as many other well-known attractions—Palais Royal,

L'Arc de Triomphe, La Tour Eiffel, Place Vendome, Place de la Concorde, etc.—as well as many quaint little hole-in-the-wall shops, some so tiny we had to peek in to know what they sold. . .quite a change from our supermarkets. KSA'ers, *Greig* and *Mary Barr* and *Bruno* and *Annemarie Lezier* graciously entertained us at dinner in their homes and we enjoyed it tremendously.

After three weeks and graduating from Berlitz, we felt our French was really something. We left Paris and headed for Cote d'Azur, looking forward to relaxing. As we made our way through the Alps in rain and fog, *John's* comment was “It's beautiful, if only we could see it.”

Upon reaching the coast about 9:00 p.m. we checked into a beautiful hotel between Monaco and Nice. Breakfast every morning on the terrace overlooking the Mediterranean Sea, exploring the area (old castles and cities) and swimming in their heated pool, was the routine. *Kurt* and *Lula Maye* invited us to join them at the Hotel de Paris for dinner overlooking the famous Monte Carlo Casino. I lost 17 francs in the slot machines, and being uneducated at the game of gambling, we decided to save our money.

Next day we drove along the coast and visited cities we'd only heard of—Monaco, Nice, Cannes, St. Tropez—all beautiful and the water unbelievable. But our real adventure began the following day. . .to Algeria.

We drove through more rain and sat at the docks for a couple of hours waiting to board the car-ferry to Algeria. Once boarded, we left our car at the bottom of the ship and

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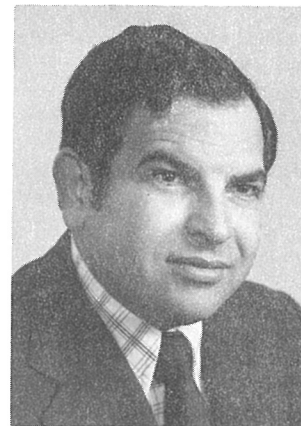
Edward Strobin Principal, Retail Services

Prior to joining KSA as a Retail Services Division Principal, *Ed Strobin* headed his own retail information systems consulting firm. Among his satisfied clients were two of the major New York banks. He planned their entry into the retail computer services business.

Previously, Ed was the Director of M.I.S. for Gimbel's department stores in New York and before that, M.I.S. Director for B.V.D., the well known apparel firm. He is an accomplished information systems professional with a thorough knowledge of retail systems, including the latest developments in electronic point-of-sale technology (he managed the evaluation, selection, and installation of 190 electronic registers at a new Gimbel's store).

An Economics graduate of Brooklyn College, Ed obtained his M.B.A. from Hofstra in 1960. He will play a major role in helping KSA develop retail information systems consulting, working out of the Princeton office which is convenient to his home in Edison, N.J. Thus far, he has spent most of his time on The Gap Stores' project.

Ed and *Deborah* have two sons who, we assume, share their passion for Chinese cuisine. Getting either Ed or *Deborah* to tell you how this passion started makes for a fascinating evening.



EUROPE

GENERAL

The year started with record sales in the first period of over \$900,000. We do not expect this to keep up, but it is encouraging in what is bound to be a difficult year. Backlogs are still inadequate in some areas, so we need to maintain sales above billing.

One of the interesting developments resulting from our current growth plans is the increase in the number of people who are working on a pan-European basis. This is difficult to achieve because of language and tends toward a lower utilization than is achieved in the U.S. We have always had a handful of linguistically gifted men who could work in three or four countries, and are always glad to take on more such men. In recent months, both in consulting and in central service appointments, we have made some progress in getting more truly European activity. Some of the contributory factors are:

- An increase in international marketing studies where a team from several countries can produce significant results.
- The retail practice is growing internationally, and the relatively large companies are more tolerant of using English, with top management more often than not being fluent.
- Some of the Third World work creates situations where men with a mix of languages can work effectively together in fairly sizeable teams.

In addition, as we grow we are able to increase our central service staff and have recently welcomed *Jean-Pierre Adeline*, a Swiss, with the European responsibility for P.R. and *John Heyworth*, an Englishman, as Training Manager to assist *Richard Clarke*.

We probably cannot achieve the utilization reached in USA while our language regions are small, but when our regions reach 60 to 80 men each, then this fragmentation by language should not have the same effect. . . around 1984, we hope!
—*Stuart Hollander*

LATIN REGION

Fortunately, the business climate and hence our own activities have continued quite satisfactorily within the region. Major new contracts are coming through in Algeria, where KSA should bill \$1 Million in 1975 between KSA-AG's apparel and textiles.

Another major assignment on Supply Control/M.U./C.R. engineering of about \$300,000 in fees should start in March with Monti, one of the men's and ladies' outerwear firms belonging to E.N.I., the Italian state-holding company who also controls Lanerossi and Lebole. In France, we have several important new contracts, proposals and surveys in the pipeline. Of particular interest might be a training assignment for Boussac (one of the largest textile and apparel groups in Europe), a company overview for Tissau, a C.R./M.U. survey for a lingerie firm called Le Chat, and several prospects with Poron, the leading knitwear firm in France. In Spain, extensions at Masvic and a Supply Control/M.U. assignment for Central Corseteria (an old KSA client) should keep us busy.

So far, an opportunity only, but I believe a very significant one, is a proposal to Monti (see above) for a complete HRD audit, with the intention of developing new concepts in training at all levels and more meaningful work concepts for the E.N.I. group. Hopefully, with KSA experience and assistance. . . .

Another area where considerable progress is being made is in PR. We have been invited to write a series of six articles for "Solo 24 Ore", the leading Italian trade paper. *Guy Vidal* has been invited to join the editing board of a new French Knitwear Trade Journal. In Belgium, we have been asked by the Apparel Association for a seminar on "sure ways to have your company go out of business." In France, we are to have a press and trade presentation of our HRD services. Further, we are preparing for ITMA in Milano (October 6—15) and for the publication of the KSA study on the European Apparel Industry. All in addition to several new Special Services brochures (Knitwear/CR/HRD/MU/etc.) *Jean-Pierre Adeline*, our PRC is very busy these days!
—*Bob Fitze*

U. K. REGION

The three months between the last Observer and this have been increasingly difficult for the U.K. economy and company. However, we continue to maintain our billing and selling rate by combinations of ingenuity and hard work. The plans for geographical diversification are now well advanced, with *Keith Benson* moving with his family to Sweden to put some pressure on the potential Scandinavian market and *Steve Webb* is in Iran for at least six months. . . if things go well, probably for two years. We made a notable hit in Iran early in February with an \$80,000 sale to Double Knit Iran for some implementation work. This is the first work in Iran which involves implementation rather than planning and it gives us a good base from which to consolidate our other major proposals. Also, *John McCormack* has taken on the difficult systems area in the U.K. and we look forward to early results here. *Ray Ghalib* may be moving to Algeria for about a year to help out at Sonitex. . . his fluent French has enabled us to be truly international on this job.

We have welcomed *John Heyworth* as Training Manager and after going through the training programs himself, he will be able to make an early contribution in European Training.

Sadly, in the next month or so, we will lose the services of *Ron Malcolm*. He has decided to emigrate to South Africa, another in the growing tide of bright young men fleeing from Britain. We hope that one day a right wing lady Prime Minister may persuade him back, but in the meantime thank him for his service and wish him well.

—*Harry Lack*

GERMAN REGION

How's the situation in the German Region—that is, in Germany where we have about 80% of our business? It is easier to invest money—the Government pays about 7.5%—and credit is cheaper. The consequence is now more than one million unemployed. Unions are negotiating for wage increases, but the rates are far less ambitious than in previous years—6% to 8%. People in Germany seem to overcome the "inflation mentality" and show more discipline and understanding for the situation. The Government expects the effects of its actions by fall, but many people in this country doubt it.

Another uncertainty is the situation in the Middle East—war or not?—which makes people hesitant to act. We expect a clearer picture by May/June. However, the first

period brought major sales and reinforced our belief that we can meet the goals set for 1975...an expansion of about 20% in terms of income.

In AMMD we are looking for a breakthrough in Eastern Europe, where *Helmut Blettenberger* spends about 75% of his time. Following a survey, we expect a major assignment in Bulgaria and probably more work in Hungary where a survey had been made. After losing *Fredy Hollenbach* last year and having *Helmut* spending most of his time in Eastern Europe, *Hardy Artelt* has taken over a greater part of the load of our AMMD practice in Germany.

AMSD is developing well. Experience and skills are growing and building up a healthy base. *Peter Amrein* will take over more responsibility in this area and help us develop the service.

It is important for KSA to now become well known as experts in the GM&M and Systems areas also...so *Ulf Weise* has created a very good relationship with the association of menswear manufacturers and that has led to a series of seminars this year called MT-75 (Management Training 1975). This includes 12 KSA seminars for that industry sponsored by the association. We think that is tremendous PR and a great opportunity to meet most of the important people.

Retail is a small group which will expand. Until now, we tried to get into this industry opportunistically, where *Erich Breitschwerdt* and *Hermann Frohlich* built up a strong base under *Stuart's* leadership. We think it is time to develop a strategy, put more capacity and capability into it and try to become known in the industry, so *Peter Bengsch* moved into the retail division full-time and *Werner Degen* is supporting retail systems part-time besides his role in selling and developing apparel systems in Switzerland.

This year will be a challenge for all our colleagues in all three divisions. We believe we have a rising economy and a growing capability to meet the markets' needs.

—Hans-Horst Hensche

P.R. STAFF INCREASED

A belated welcome to *Deborah Galloway*, who joined our Atlanta P.R. staff in January. Deborah has a B.S. and M.S. degree in journalism from Northwestern University, and worked in a Washington, D.C. news service and an Atlanta advertising agency before joining KSA. Interests: Volunteer work for Georgia Mental Health Center, softball, and theatre.



FLYING TO THE CARIBBEAN?

KSA'ers traveling the Caribbean route should fly Pan Am, so says *Denys Williamson*. He says that not only is the service excellent, but if you are as lucky as he was recently, you may also be fortunate enough to fly with *Glen Larsen's* wife, *Tricia*, who works for Pan Am. Besides, wouldn't you like to see a KSA wife who travels more than her husband?



Mac Ryland (left) and *Sam Morrah* (right) at KSA job for Tech Knit in Milford, Del. Photo appeared on front page of Milford Chronicle with story.

SEPARATIONS

Eric Bossak • Paul Bornstein • Lou Chou • Don Presley

Finland—Cont.

the booby prize—one hour in the sauna and a dip through the ice every 10 minutes! This year I hope to win and am in desperate training with the vodka already. Poutica and Sahte are, respectively, the moonshines of both vodka and beer and I was introduced to the former by no lesser light than the local Chief of Police.

Finally, in this commercial for Finland, let me say that there are over one hundred apparel manufacturers and that the region is now firmly under the U.K. Region's auspices. Finnair flies State-side daily and their hostesses are among the best dressed in the world. This, together with their hospitality, make Finland a must.

A trip to the Arctic Circle is a must too. The Lapps are also friendly but beware of the summer...the mosquitos run to about one million per square inch.

KELLY PLACES SECOND IN "1974 SOUTHWESTERN OHIO INTERNATIONAL SUPERSTAR DECATHALON"

In fierce competition against nine other participants, *Charles Kelly* recently won the second place trophy in a decathlon event held in Cincinnati, Ohio. The events included tennis, bowling, baseball, and the 100 yard dash as the grand finale.

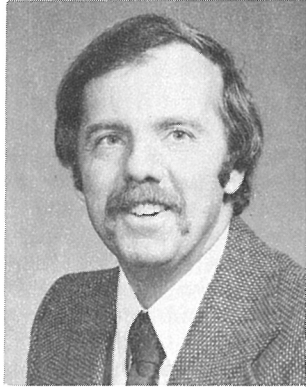
Charles was the only KSA representative in the event. In fact, he was the only entry who was not an employee of the Fechheimer Brothers Company, a client firm located in Cincinnati, where Charles was completing an assignment.

Each participant put up \$10.00 which paid for three trophies and lunch for all at the end of the games. *Norwood Utter*, Fechheimer's resident engineer and an Auburn grad, won the event with 25 points, with Charles, a close second, scoring 21 points.

Tenth Anniversaries. . .

Recruiting paid off well in 1965. . .10 years later, there are 11 who will mark their KSA-10th. *Buddy Ruppenthal, Denys Williamson, Fred Evans and Tony DeMaria* have already celebrated the occasion and we extend each our congratulations and best wishes for continued good health, happiness and success.

Buddy became associated with us on February 14. He has a degree in I.M. from Alabama Polytechnical Institute (Auburn) and brought with him a number of years of textile experience, where his most recent experience had been with J.P. Stevens as a Division Training Director. He was assigned to AAMT Textiles and was able to make an early contribution.



Buddy has effectively crossed industry lines and applied his skills in varying functions. Among his many clients—the names of some read like “Who’s Who in Textiles”—have been Monsanto (two nylon plants employing 9,000), Avondale, Rohm & Haas and West Point Pepperell. Then there was Amity Leather and presently, such interesting assignments as the one for Wigwam where he has converted a knit fixer training program into supervisory development, organizational development and long range planning, and last but not least, FMC Mining Division where he is account executive for what, thus far, has turned into a \$200,000 project.

Having recently been appointed manager of KSA’s HRD services, his technical experience and enthusiasm should enable him to lead this function to bigger and better things.

Buddy, Elaine and children—the oldest of whom will enter college next year—are settled in Atlanta.

Tony marked his KSA-10th on March 19. He holds a B.S. from Holy Cross College in Massachusetts. . .a physics/philosophy major.

Many of you will recall the profile done on *Tony*, KSA’s “Master Builder” a little over a year ago but, to refresh your memory and enlighten newcomers, *Tony* joined our PD group shortly after his initial training and has played a major role in developing KSA’s PD practice in the ensuing years. His basic knowledge of the building industry, gained during his pre-KSA days, has served him well in his primary task of assisting our clients in planning and implementing new distribution centers and production facilities.



It would take a full page to list all of *Tony’s* successful planning assignments, for he has had a direct role in planning somewhere between four and five million square feet of new or renovated building areas. For those of you

who can’t visualize the impressiveness of these figures, they are equivalent to 90 — 115 acres, or 80 — 100 football fields!

Tony, Diane and their two children—*Tony, Jr.* and *Michelle*—have been settled in Atlanta for quite a few years, from where he has come to the aid of many KSA’ers with a sticky-wicket in his area of expertise.

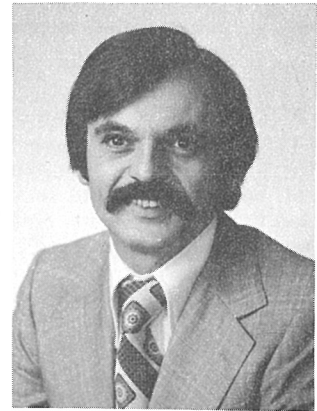
Fred, another textile man, came with us on March 18 and even at that time had a distinguished record of experience and accomplishments. His in-depth textile knowledge is excellent and he is equally capable in AAMT.



Fred’s assignments have been widely scattered throughout the U.S. and Canada. He has received an abundance of accolades from his clients, with many of them requesting that he be assigned to conduct further work for them, not only because of his knowledge but also his rapport with their workers. More recently he has been lending his skills in our “Third World” activities.

Fred attended the University of South Carolina and now resides in Greenville, S.C. with his wife, *Lorna* and their children.

Denys a native of France, holds two Baccalaureats from Lycee Clemenceau in Paris. His anniversary date was February 22.



Because *Denys’* background was written up in the last issue—on the occasion of his promotion to Principal, about the only thing we can add is that he is very enthusiastic about his role as a consultant, and one who has sold himself well at all levels (management, supervisors, operators), with the end result being a long list of well satisfied clients.

Long Term Relationship—Cont.

engineering training school in Atlanta. *Jack Murray* has also conducted several weeks of BMT and communications training for all engineers in the division.

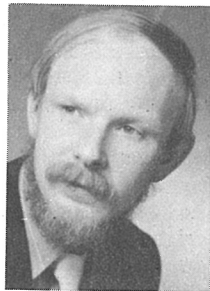
What’s next? A quarterly retainer that gives us an opportunity to maintain a continuing relationship, on a paid basis, and once a year to conduct a manufacturing overview in several plants. With an opportunity like this we should continue to offer this client a valuable service.

The list of KSA consultants involved with Oxford Slacks Division continues to grow. As of this time, over 20 KSA’ers have worked with them. If you have the opportunity—and you well might—look forward to it because they are a great group with which to work. . .both short- and long-range.

NEW STAFF



Robin Rowles



Horst Dieckmann

Robin Rowles. . .age 28. Lives in Crowthorne in Berkshire. Has spent 9 years in the Retail trade. From 1967-70 was with Dorothy Perkins as a computer operator at their computer centre in Bracknell. He became Systems and Programming Manager in 1970, and soon after, moved to British Home Stores as a systems analyst. Returned to Dorothy Perkins group in 1972 with the specific task of putting in Systems in Biba, and was Marketing Manager with them when he joined KSA.

Horst Dieckmann. . .Wife *Paula*. One daughter. Made apprenticeship as tailor, then received a degree in apparel technology from the engineering school in Moenchengladbach (Germany). Worked in several leading men's and ladies' outerwear factories, including Schild and Esco in Switzerland and Vestra in France. Speaks quite fluent French and some Italian and is ideally suited for working out of Geneva, where he will live, in either France or Italy. After initial training in the U.K. his first assignment is likely to be Sonitex in Algeria. Interests: French theatre and cinema, literature, handiwork, skiing.

Training and Professional Development

With the Atlanta classroom behind him, *Trainee Paul Connel* gives us some of his impressions of In-plant Training:

Armed with the innumerable manuals, notes, and handouts *Bob Pee* and *Bill Cameron* so generously provided the preceding six weeks, the Atlanta Training grad arrives on location for his in-plant training. In a way, those manuals and the all-too-new time study board with precious few hours of Roswell experience serve as his armor, masking what apprehensions he may have.

The concerns probably vary from man to man. He may worry as to his lack of know-how in how that shirt, or coat, or pair of pants is put together. He may be amazed and puzzled by the new terms and lingo he encounters. Perhaps he wonders if he'll be able to keep his watches synchronized. . .let alone grade properly. In all, there are many avenues for concern but, in general, he realizes that all the classroom preparation in the world is one thing, in-plant experience is quite another. In one sense, his training is ending and his professional development just beginning. . .a giant step forward.

Fortunately, the concerns are short-lived. Within days, the new man may find himself preoccupied in motivating ol' Madge in reaching that 100% level. In a matter of weeks, he will probably be caught up in the complete engineering

of one, two, or three operations and, as the months quickly move by, he may well forget that he arrived on location under the banner of training in the first place. The transition from training grad to staff man has been effected.

Some may contend that the explanation for all this is that KSA men do not have time for apprehensions but, however valid this may be, the new man soon realizes that the smooth transition has resulted for three very good reasons.

First, the sound basis of the Atlanta training. It is not for them to present particulars of construction, or of equipment application, or other specialized training. The logic of the oft-quoted KSA intent to train engineers and not coat men, or pants engineers, or whatever, becomes evident. The projects and discussions have provided a framework for attacking all problems, and the role-playing has proven its worth time and again in all types of contacts (and we are thankful that no shop manager in sight is as crazed as Bill Cameron's "Gip").

Secondly, the in-plant training guide and associated reports amply provide the new man with a priority checklist to be followed during the assignment, and an opportunity to illustrate his ability to assume responsibility.

The final reason is perhaps the most significant. It is the staff man who must be fully aware of what preparation Atlanta training has provided, and who must quickly ascertain the new man's abilities. With this data, the staff man must determine the proper level of responsibility to be assumed by the new man. Nothing can be so stifling as too little responsibility, nor as deadly as too much. Further, the staff man needs to continually re-evaluate this facet as the new man progresses along his learning curve. Successful in-plant training is to be fairly viewed as an accomplishment by both new man and staff man alike.

The success of KSA training is an indication that all three elements are well taken care of in the above formula. Hats off to Training and Professional Development for its role in the first two elements and to KSA staffers for their part in that essential final ingredient.

Coming Events. . .

- April 12—Seminar for the CMA in New York.
- April 28—May 2—Knitting Arts Exhibition in Atlantic City. KSA will exhibit.
- May 7-9—Southeastern Hospitals Show, New Orleans. HIC will exhibit.
- June 3—KSA-sponsored Financial Breakfast, Essex House, New York City, Introduction of 1975 Financial Profiles covering textile and apparel public company performance in fiscal 1974.
- June 3-5—Texpo trade show for apparel fabric buyers. KSA will exhibit.
- June 25-28—Apparel trade show, Mexico City. KSA will exhibit and present two programs in Spanish. *Ole!*

Congratulations!

To *Chiara* and *Tiziano Battaglia* on the birth of a daughter, *Christina* on February 9.

Audrey Baisley Kelly and *Philip C. Lutz* were married January 4. Phil, your many friends in KSA wish you and Audrey many years of happiness and good fortune.

ATLANTA

OMNICOM, a group formed to identify, discuss, and solve major problems confronting Atlanta Office effectiveness, is in full swing. It consists of a dozen sub-committees, each dealing with a specific problem area and each having 2-3 members assigned to study the problem. STECOM, look out. You may have your meetings, dinners, and "spiffy" pictures taken at Callaway Gardens...but we seriously doubt if you can match the fervor, interest, determination and, hopefully, results shown by OMNICOM participants at their cottage cheese and bologna sandwich "eat-in meeting/luncheons."

—Vallene Baker

NASHVILLE

A word of warning to KSA gals...don't leave your purse in an unattended desk. Recently, while at the Xerox in the

next room for a short time, someone entered the office and took my wallet containing a large sum of money and my drivers license...fortunately, credit cards were in a separate holder. Though it was in a closed desk drawer, it takes only seconds for a pro to sniff out a wallet. Since then, we've all been a little "punchy" about hearing people come in. Early one morning CZR was on the phone when I arrived, so I went to hang up my coat, turned around and ran smack into him...he'd rushed back to see who was here. Don't know who was more surprised. Looking back, wonder what he'd have done had I been the intruder...suggested next time he at least come armed with a bookend or a paperweight!

Guess who...enthusied over his newest assignment for the Holiday Inns, Inc., tried to count the number of stories of one of their Inns from his auto in afternoon traffic, and narrowly missed hitting the car ahead when the light changed? (Never did get the number of floors, either...)

—Mary Jo Higley



FRANKLY RUNNELS, I THINK YOUR SALES STRATEGY STINKS.