

the KSA Observer

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KSA Management Changes

As everyone knows by now, KSA's Board instituted several important changes in the company's top management at its June meeting: *Jack Ullman* becomes Vice Chairman of the Board; *Dave Cole* replaces Jack as President and Chief Operating Officer; *Bob Frazier* becomes an Executive Vice President, and *Ken Osborne* a Senior Vice President. In Europe, *Hardy Artelt* takes over as Manager of KSA's German Region, replacing *Hans-Horst Hensche*, who will concentrate on the development and marketing of strategy services there.

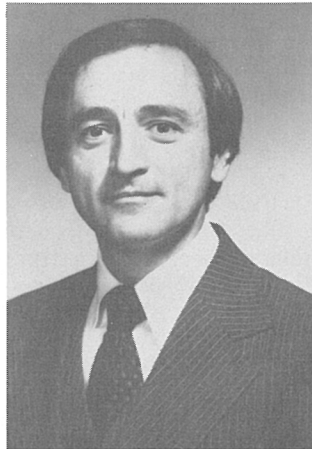
These moves, all part of KSA's long range management rotation plan, were announced in a necessarily brief memo to all employees from *Stig Kry* in June. This issue of the *Observer* provides the opportunity to offer some additional insights on the individuals involved.

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Ullman



Cole



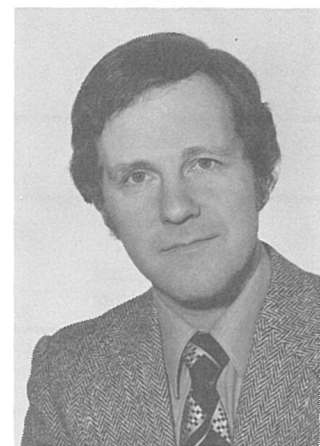
Frazier



Osborne



Artelt



Hensche

Chairman's Corner

by Stig Kry

Dave Cole

This is clearly a time of significant change for KSA. On the negative side we must take note of regrettable turnover in our Health Care practice. Our business has generally been under pressure the first part of this year as the effects of the recession lingered on.

But the recession in the U.S. is finally coming to an end; inflation is down, industrial production is up, retail sales are stronger and our clients have a more optimistic outlook. New projects have been authorized at a higher rate in the last few periods and this will turn into higher income from here on.

Europe tends to trail the U.S. in economic recoveries and this appears to be the case this time as well. The picture is spotty with real strength in the UK, good outlook in Spain, but persisting weakness in Germany.

When assessing the outlook for the rest of this year the following positives stand out: The UK practice is exceptionally strong. Fees and profits are well ahead of budgets, the backlogs are good and the immediate prospects ahead are no less than exciting. This is the strongest part of KSA right now and *John Beddows* and his group are to be congratulated on their success.

Canada is another bright spot. With the impetus of a large government support program for the restructuring of the textile and apparel industries, our business is achieving a record volume this year. The program will play out in a couple of years, but by the end of that period we should have a significantly en-

larged client base to sustain a larger practice than we traditionally have had in Canada. *Denys Williamson* is being stretched in many directions, but with the help of *Keith Alleson* and much stateside support, he manages to keep an exploding practice under control.

The international business other than Canada that we manage out of our U.S. offices is also setting new records. This business is concentrated in South America and the Far East. We have large projects under way in Jamaica, Hong Kong, Australia and activities in a number of other countries. This business should continue to grow for many years to come. The potential is huge and we are better organized to secure a good share for KSA than we have ever been before. *Jim Trautman*, a man of all seasons and many countries, logs a lot of miles in his management of these farflung markets. *Dean Vought*, *Bill Reed*, and *Don Johnson* are among the key players in the development of these opportunities.

Best of all, our domestic U.S. business is getting much stronger and our capacity utilization is rapidly moving up. The U.S. remains, of course, our biggest market by far and only if we do well here can we do well in total. The recession is over. Economists expect sustained growth with relatively low inflation for some time to come. We should have the general conditions required for sustained expansion of our practice and improved profit performance.

Our new strategy directions are being implemented and the organizational changes implemented 18 months ago are taking hold.

Most recently we have announced additional appointments and promotions adding to the picture of change I referred to earlier. *Dave Cole* will succeed *Jack Ullman* as President on August 1st of this year. *Bob Frazier* has been appointed Executive Vice President of KSA and *Ken Osborne* Senior Vice President. *Hardy Artelt* will take over as Manager of the German Region on July 1st from *Hans-Horst Hensche*.

KSA is gearing up to take full advantage of an improving economy and to resume growth. We should have a strong last half of 1983 and 1984 looks really good at this time.

When he officially joined KSA in January of 1966, some not very perceptive Personnel person wrote this about *Dave Cole*: "We should make sure he develops a sense of urgency, participation, and follow-through. In other words, load him up!"


Such advice has proved patently superfluous. Dave's 17-year career with KSA has been marked by a keen sense of urgency and drive, not to mention detailed follow-through. His recent promotion to president is partially a recognition of his ability to stay fully loaded over the years with a long line of successful and increasingly weighty consulting projects. The other part had to do with Dave's ever-broadening and sophisticated conceptual perception of the consumer products industries, and KSA's services to those markets. He is a macro-thinker.

Evidence of this trait surfaced most recently when Dave served on the internal study team that developed KSA's new strategy 18 months ago. Earlier, he oversaw the concerted development of the non-manufacturing side of KSA's activities when he was appointed a vice president in charge of the Management Services Division in 1977. In that position, he worked closely with *Bob Frazier*, *Tony DeMaria*, and *Randy Nord* in building MSD volume from approximately one-third of total fees to over one-half in five years.

One specific example of Dave's conceptual thinking at work concerns the development of our by now famous Merchandise Control seminar, in which all of KSA's management services are covered in a cohesive and directed manner.

A native of Augusta, Georgia, Dave earned his I.E. degree from Auburn University and went directly to KSA. His early work covered cutting room engineering and material utilization before he branched out into systems and general management, with special expertise in organization studies. More recently, Dave returned to the campus to participate in the Harvard Business School's "Advanced Management Program."

An avid road runner, Dave can be expected to pick up his already rapid pace in the days ahead, as KSA continues to "load him up." —JS

 The KSA Observer
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Jack Ullman

It was announced a few weeks ago that *Jack Ullman* had decided to concentrate on client-oriented activities, and that the Board had appointed *Dave Cole* to succeed him as KSA's new president.

Despite his extensive immersion in the administrative demands of his job over the last ten years, Jack has always been a consultant first. His desire to devote most of his time to client work and new business development has finally prevailed.

I have had the pleasure of working closely with Jack since 1965 and this should give me the privilege of saying something about him as a person and as an executive at this time in his career.

Jack has always represented what is best in KSA, and we owe him much for helping us maintain these values over a period of change and stress. Perhaps more than anyone, he has been our bridge to the traditions first established by Kurt Salmon and later reinforced by Karl Striegel—the dedication to hard work, loyalty to KSA's interests at all times, a deep commitment to our clients' welfare, and an abiding concern for the quality of our work. Jack is a very human individual. Coupled with his respect for Kurt Salmon, Jack has always been a natural spokesman for the sensitive and generous approach to people that was one of Kurt's outstanding qualities. This is also an extension of Jack's own many-sided personality that has in it large doses of charm, humor, warmth and generosity.

His exceptionally quick intelligence gives Jack a flexible management style that is in occasional contrast with my own approach; I am not inclined to move so rapidly. Rarely, if ever, have these differences been difficult to resolve. Reason and mutual respect usually win out, as indeed they should whenever professionals work together.

Jack's work is characterized by a penetrating attention to detail and a compulsive desire to get things right. He is largely responsible for putting in place and managing KSA's present budget and control system. I have often marvelled at the accuracy and comprehensiveness of all aspects of our budgets, and the degree of predictability and control they give us.

Jack has always been extremely successful in winning and keeping the confidence of his clients. His ability to quickly convey his sincere interest in their wellbeing is something for all of us to try to emulate. Jack has demonstrated great abilities as a business developer for KSA over the years, and more recently with such clients as Cluett Peabody, Hartmann Luggage and Oxford Industries.

His many good qualities have made Jack an effective role model for KSA's younger consultants and his ability to develop new consultants must rank high. In projecting the best in KSA to new recruits and staff generally, Jack has given freely of his personal time. In this he has the effective support of his wife, *Evelyn*, who

Evelyn Ullman Named Top Atlanta Volunteer

Years ago, Kurt Salmon was fond of saying that he picked his vice presidents according to *their* judgment in picking wives—and cited *Evelyn Ullman* as one example of excellent judgment.

No one's counting, but Kurt has been proved right once again. Last month, *Evelyn* received Atlanta's "Ones Who Care" Award for her outstanding record as a volunteer worker at the Atlanta Area Services for the Blind over the last 17 years. Not content simply to learn Braille,

has done much to make new consultants and many of us visitors to Atlanta feel welcome and comfortable in their home.

It is fortunate that in a consulting firm one can give up internal management responsibilities and turn to the challenges that client work offers, which was what attracted us to consulting in the first place. While gratefully recognizing Jack's leadership as president, we can look forward to important contributions from him in the area where our success is really generated: development of consulting projects and completing them so well that the clients come back time after time.

I look forward to working with him for a long time. —*Stig A. Kry*

led many successful efforts on its behalf. She has also served on the American Jewish Committee and the Black-Jewish Coalition Committee, the Georgia Committee for CARE, the YWCA, and the Board of Atlanta's Temple Sinai.

People who do things tend to develop long lists of affiliations like these. And they manage to raise children and husbands at the same time. What is unique about *Evelyn* is that she is a dynamo without a slow button. Her enthusiasms extend



Evelyn Ullman discusses filming of "Ones Who Care" sequence with television crew. WXIA-TV aired the awards ceremony on June 4.

convert textbooks for blind school children, head fund raising drives, chair committees, and serve on the National Accreditation Council for Agencies Serving the Visually Impaired, *Evelyn* also managed almost single-handedly to acquire a new building for the agency through an innovative gift/life income trust agreement with a perfect stranger.

Not one to limit her sights, *Evelyn* has also been active as a board member of the Atlanta Zoo, and has

to tennis, any kind of dancing, amateur psychology, and acting. Only last year, she played two roles in a courtroom melodrama presented before an audience of 800+ at the TAC Breakfast during the Bobbin Show. Recognizing the value of her enthusiastic and effective participation in everything—business, social, athletic—our multi-talented friend has been offered life membership on the TAC. Her husband's term runs out in 1985.

Bob Frazier

As one who led the design of KSA's new strategy, it was only natural to expect that Bob would be asked to help implement it. Bob has already accomplished a great deal in the 18 months that he has served as KSA's Marketing Manager.

Marketing activities as they are carried out today are a far cry from what they once were—essentially waiting for the phone to ring. We now have a pro-active posture, which means that all marketing managers and account executives are charged with initiating a specified number of new contacts each period, and following

up with one-on-one pre-proposal meetings that combine industry background and performance trends with the particular situations of a prospect company. Initial results indicate that this approach is quite successful. In addition, Bob is the creative drive behind much of our service development activities, seeking to create additional value for KSA clients in our traditional markets, and introducing these services into new related markets.

Bob likes to keep a finger on the soft goods industry's collective pulse, and responds quickly to changes in the beat. His speeches on topical issues have paved the way for many new client projects—strategic planning for the soft goods chain, inter-

national sourcing and, coming soon, total productivity.

After earning his BS in Industrial Administration at Yale, Bob joined KSA in 1961 and concentrated in manufacturing projects. He later developed our MU practice and managed it until he went international in 1968, working on a series of projects in developing countries around the world. Since 1976, he has specialized in marketing and general management for clients and for KSA, and led the development of our present strategy service group prior to taking on the marketing task.

Bob, Bonnie, and their six children live in Bryn Athyn just outside Philadelphia. —JS

Ken Osborne

Responsibility for managing KSA's traditional backbone—our Operations practice—was given to Ken Osborne 3½ years ago, and his performance in this challenging spot warrants his recent promotion to Senior Vice President.

Ken projects a genial, "good-ole-boy" image that doesn't quite manage to hide one of the sharper minds around these premises. He is a most knowledgeable and widely respected apparel engineer, with deep experi-

ence in men's tailored clothing. His contact work with the International Association of Clothing Designers over the past several years has enabled him to talk about the aesthetics of a properly pitched shoulder pad with fervor—and with or without his hands.

Notwithstanding, our new organization requires him to understand operations work for all industries, and he learns fast.

While minding half of KSA's total practice, Ken manages to retain his wit, affability, and warmth. These innate qualities have helped him estab-

lish strong personal relationships with all the young consultants under his wing, and he has proved to be an effective trainer and guide. When he was younger, in fact, he conducted a number of training projects when AAMT first burst upon the scene.

Ken joined KSA in 1963 after service in the Air Force, and earning an Industrial Management degree at Auburn University. His talents were spotted early, and he was promoted to Principal in 1970. Ken was appointed a vice president in 1976, and was also an active contributor to KSA's recent internal strategy study. —JS



Beaming Bill Beckemeyer Boasts Balloons

Promotion

Last month, Bill Beckemeyer was selected "WQXI Boss of the Day" when a letter heralding his "sense of humor and genuine concern for all" was submitted to the station by the Department T gang. "Mr. Bill" received a balloon bouquet and dinner for two at an area restaurant.

On a more serious note, Bill was also appointed Director of Finance and Administration for KSA in May.

Bill joined KSA in 1979 as controller and worked primarily under Paul Connell. After Paul left last December to pursue a career in law, Bill took on a heavy workload and absorbed many new duties, including full management responsibilities for Department T. These tasks include corporate coordination and direction of the financial and administrative functions of KSA's European subsidiaries.

Photo by JR

Hans-Horst Hensche

Hans-Horst will turn over the senior management responsibility for the German Region to *Hardy Artelt* on July 1st of this year. Hans-Horst will now be concentrating on the development of our strategy services and the marketing of these services in the German Region.

A few words are appropriate at this time about Hans-Horst. When joining KSA 15 years ago, he brought to us extensive experience in textiles, control work and consulting. He had worked for a leading German textile company and one of the most successful MIS consulting firms before joining KSA.

With that background Hans-Horst was able to give a new impetus to our control practice in the German Region. Being a man of impressive intellect and broad understanding of business, he was naturally inclined and well placed to move our practice in the directions of marketing, organization and strategy. It was through Hans-Horst's personal efforts that we obtained large strat-

egy assignments for leading German firms before we were able to do that in any other market.

Hans-Horst is well placed to give the strategy practice in Germany another big push. He has a proven record in developing such projects with leading companies and his experience is invaluable in guiding younger consultants.

Hans-Horst has managed our German Region over a period that includes some years of expansion and strong profitability as well as some years of recession and retrenchment. He has carried a big burden with patience, and he maintained his broad perspective on all matters. We are grateful for his contribution and we know that in his new role he will help us build a bigger practice in an area of vital importance to our future. While recognizing Hans-Horst's contribution, I want to pay special tribute to his wife, *Miriam*, who in her delightful way is playing her supporting role so well at many KSA functions at her home and elsewhere.

—Stig A. Kry

Hardy Artelt

As already announced, *Hardy* will take over as Manager for the German Region on July 1st. Having been with KSA for 18 years, Hardy does not really need an introduction, but a few words about his background may be of interest.

When Hardy joined us he already knew the apparel industry from an international perspective. He had obtained an engineering degree with an apparel orientation in Germany and he had worked for an apparel company in Italy. While there he became fluent in the Italian language. On joining KSA he and his wife, *Edda*, came to the U.S. for a couple of years for training and consulting work in order to get a thorough immersion in our operations practice. Hardy won much respect for his good work and developed lasting friendships in and out of KSA.

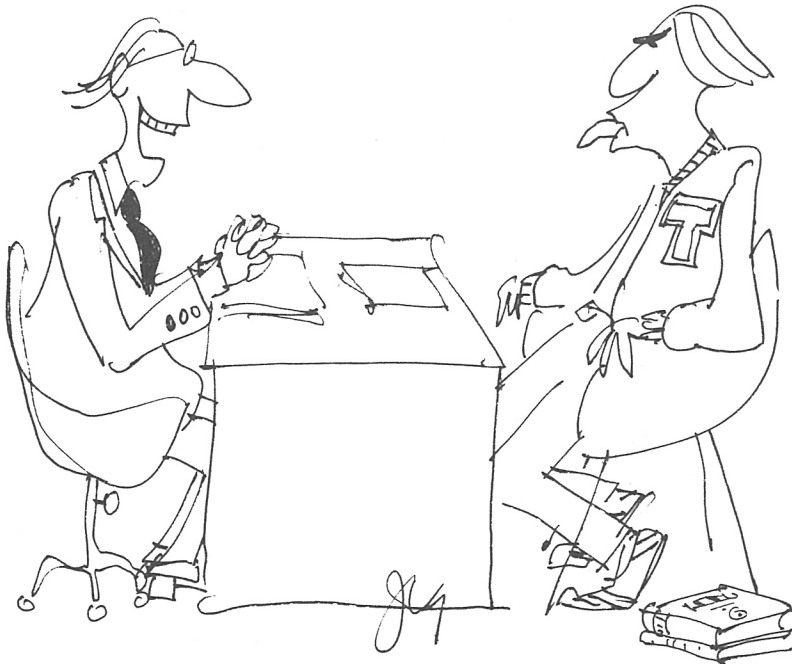
I will not try to trace his activities in detail since then, but he moved from success to success and was continuously given more and more responsibilities. His work took him to many West European countries. He is now spearheading our marketing efforts in Eastern Europe and he is currently following up on our first proposal for a major project in Russia.

For several years Hardy has managed the Operations Group in Germany and it has truly been the mainstay of the practice, enabling us to underwrite the investments required to become a full service firm. Hardy was made Principal in 1971 and promoted to Vice President in 1978.

The keys to his success are found in deep expertise in his field, competence, integrity and a sincere and likable personality that wins over clients and colleagues alike.

Hardy brings much to his new task. A born team player, he will want to draw on everybody's best ability. He will work closely with *Hans-Horst Hensche*, *Peter Amrein* and *Heinz Krogner*, the other members of the German Management Committee, and I know that they will give Hardy all support possible.

—Stig A. Kry



Cartoon by JIG

“Academically, you’re just right for KSA, Mr. Sawgrass. It’s your interpersonal relationships that we might want to explore a bit further.”

It Was A Very "Goodyear"

by Tom Barts

\$25,000... \$54,000 at maturity.

No, that's not a new money market offer; it is the net annual savings per year, per employee achieved at Goodyear as a result of the Ballute engineering program. Multiply that by 159 operators for a savings of \$8 million per year!

Goodyear Aerospace Corporation (G.A.C.) is a subsidiary of The Goodyear Tire and Rubber Company. With main offices in Akron, Ohio, G.A.C. has six locations throughout the United States. Ballutes, however, are manufactured in Rockmart, Georgia, as well as by contractors in South Dakota and North Carolina.

impact, but also stabilizes it for incredibly accurate target placement. (The aircraft, by the way, is moving at Mach 1.0 at an altitude of 60 meters!)

Ballutes have successfully carried 500- and 2,000-pound test bombs using A-7, A-10, B-52, F-111, and F-4 aircraft. Two sizes (a WIP dream—only one color, too) are currently being manufactured: the BSU-49/B and the BSU-50/B, which is only 12 percent larger than a BSU-49/B, but capable of carrying four times the payload.

The Ballute is constructed of a tightly woven quilted nylon fabric. The aerodynamic stability and high

The majority of the sewing is done with three-cord and four-cord nylon thread and 3-cord to 5-cord Kevlar thread. (Kevlar is woven into bullet-proof vests and no, it doesn't sew very well!) The machinery is, of course, heavy duty, including two-step zig-zags, SNLS, DNLS, three- and four-needle LOCKSTITCH machines, and a forty-five minute hand sewing operation. Time studies were fun on this one! In fact, the fabric is so heavy that the KSA-installed operator training program (AAMT) had a very unique feature. Fatigue was such a large part of Ballute operations that weight training exercises were included. Trainees spent 30 minutes each day lifting specially designed weights mounted on the sewing room walls. Jack LaLanne would be pleased.

The weight of the Ballutes and Goodyear politics led to another unusual twist, too. About a fourth of the sewing operators trained in the AAMT program were men—partly because their alternative was to be laid off, but also because of the muscle required to do some of the sewing operations.

The leaders in the Ballute area were amazed to learn that AAMT reduced training times from 5-6 months to about 6 weeks. Before seeing that KSA could really do such things, several Goodyear leaders were openly skeptical about our ability to achieve our claims. Frankly, they thought we used a good sales pitch to get in the door but planned to deliver a lot less than promised. It was a real pleasure to watch the

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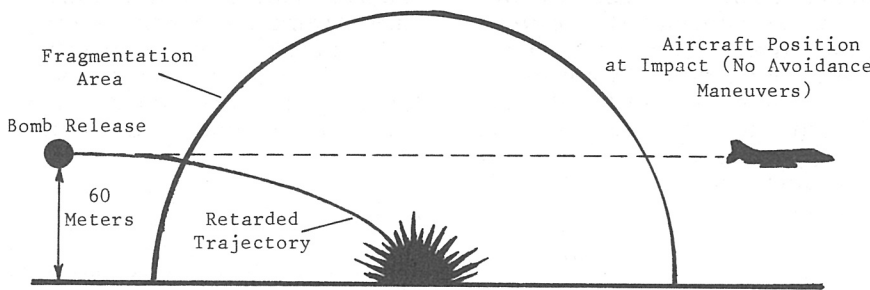


Figure 1. Typical low altitude bombing release using an air inflatable retarder.

KSA is accelerating its efforts to penetrate new markets and products, but when *Charles Topping* told me we were going to engineer Ballutes, I knew he had spent too much time down in the mines. You see, I have eaten a "balut." In fact, I've eaten three or four. I guess that qualifies me (and you, too, *Chuck Gilreath*) as a "balut" expert. With the possible exception of an edible underwear project, I can probably claim to be the only person in KSA to have ever eaten the product he engineered! (A Filipino "balut" is a duck egg that is boiled and eaten three to five days before it is due to hatch.) As luck would have it, I soon learned a "Ballute" was something very different... very different indeed!

A Ballute or "BALloon parachUTE" is an air inflatable retarder. Simply stated, it is a pear-shaped fabric structure attached to the tail of a bomb. The Ballute delays the bomb's impact with the target until the carrier aircraft is beyond the fragmentation range. (See Figure 1.) The Ballute not only retards the bomb's

drag coefficient are due to the pear shape and an eight-sided "burble fence" located on the aft end. As the Ballute is extracted, four air inlets are exposed, causing inflation. Two heavy nylon straps called "meridian straps" crisscross around the Ballute to attach it to a stabilizer bulkhead. The stabilizer is attached to the bomb. (See Figure 2.)

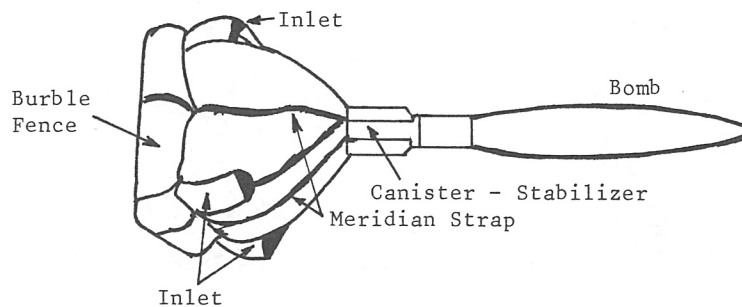


Figure 2. Mk 82 500 pound bomb with a BSU-49/B Ballute.

A Time For Renewal

By the time this column is published the announced management change for KSA will be old news. But perhaps some personal reflections will be of interest.

Three primary factors are involved and it is these which I'd like to discuss:

- Management Rotation
- Leadership Transition
- A Time for Personal Renewal

Management Rotation

In 1980 KSA's board adopted a management rotation policy. Simply stated, it provides for line management succession with senior managers rotating out of their tasks at appropriate times. This is a good policy. It's good for KSA and it's good for the individuals involved. Several months ago I felt that the "appropriate time" for KSA and for JJU was at hand and recommended to SAK that the transition be made now.

In the ensuing months prior to our June board meeting, *Stig*, *Dean* and I discussed the proposed transition with *Dave Cole*, and then *Stig* reviewed the potential recommendation with individual board members. The result was unanimous approval by the Board and acceptance by *Dave*.

This was all handled in much the same way and the same spirit that *Kurt* and *Karl* began the transition from first to second generation management in KSA more than ten years ago. With a smooth transition to third generation management now beginning, KSA is once again assured of continuity without disruptive changes which plague many professional firms.

Leadership Transition

As one of the architects of our recently developed strategy—along with *Bob Frazier*, *Ken Osborne*, *John Wilcox* and *Stig Kry*—*Dave Cole* brings to the COO position a level of understanding and commitment which will serve us exceedingly well as we continue to implement change in

KSA. Under *Stig's* "steady hand" and working with his "co-architects" as well as other key managers, *Dave* will do an outstanding job of directing KSA's operations along the right path to achieve our objectives.

As a consultant—*Dave* is superb. I have been personally active as an AE with him from his days as an operations and systems staff consultant to more recent work in directing major organizational change for clients. I have seen him manage complex diagnostics and play a key role in managing implementation.

Dave also has an uncanny ability to evaluate people. Many KSA clients have been the beneficiaries of this ability. Internally these evaluative skills have contributed significantly to our matching the right people in KSA with tasks to be managed.

And he cares about people in KSA—their careers and their individual opportunity for achievement. As a member of the compensation committee, *Dave* has spearheaded our efforts to develop improved procedures for recognizing and rewarding individual contributions to overall KSA performance.

As a manager—*Dave's* track record speaks for itself. His total commitment to KSA, dedication to excellence, analytical approach to management and ability to focus on those issues which really make the difference while staying on top of the details at the same time are but a few of the strengths which make up this results-oriented manager.

A Time for Renewal

This change is clearly right for KSA. As a major stockholder my self interest will be well served by new and dynamic leadership. And from a different perspective, this transition provides me an exciting opportunity for personal renewal.

I've told 200–300 trainees and perhaps 2,000 potential recruits (at campuses) that when I joined KSA 33 years ago:

— I didn't know what I wanted to do.

— Consulting would provide an opportunity to find out.

— I would make good contacts and darn good money (the promise of \$9000 per year in five years was outstanding in 1950).

— And I made a personal commitment to give it five years.

Five years came and went and I never noticed. I loved consulting, was part of the best consulting firm in the world, and apparently was pretty good at it.

KSA's still the best consulting firm in the world, and I think I'm still a pretty good consultant and business developer.

I enthusiastically look forward to concentrating on what I like best:

— Working with clients—*billing!*

— Developing business *with others*

— Working with younger KSA talent, learning from them, and hopefully contributing to their development along the way.

— Public relations and special tasks from time to time.

— Having fun without all the administrative responsibilities that detract from the above.

Ten years is a long time to be in one task, particularly when that task carries bottom line responsibilities and five of the 10 years were recessionary. We're coming out of the "worst" recession and coming out strongly. Our new strategy is serving us well. *Dave's* leadership—along with his able management team and under *Stig's* continued guidance—will lead us to record levels of performance.

Unlike General MacArthur, I have no intention of "fading away." On the contrary—I'll be extremely active, doing my thing, prodding management to do better. As always I'll have an open door to *anyone* in KSA.

This is my last column under this byline and it's one written very much from the heart when I say that the future has never been brighter for KSA. And that goes also for JJU.

**In Memoriam
Robert Sullivan**



Robert Sullivan joined KSA as a staff consultant in October, 1981. On April 14 of this year he died suddenly of heart failure. He was in a motel in Vancouver, B.C., preparing for a new assignment. He was 24 years of age and single.

Bob was a Georgia Tech graduate

from Alexandria, Virginia. After his initial training, he undertook several assignments in Canada, working out of the Montreal office. He also did brief projects in Enterprise, Alabama and Joplin, Missouri.

Bob was recognized as having a winning personality, the ability to take charge quickly, and as being a highly capable operations consultant whose future potential looked bright. His loss is felt deeply by all those who knew him during his brief career with KSA.

Denys Williamson, who worked most closely with Bob, assisted his parents, Dr. and Mrs. Robert P. Sullivan, with the necessary arrangements in Vancouver. Ken Osborne, Cesar Mantilla and Mike Furbish attended the funeral services in Alexandria. KSA made a memorial contribution to the American Heart Association.

Mornings With KSA

Without posing the slightest threat to "Good Morning, America," "Dorothy & Dick," or any other a.m. talk shows, KSA has begun to move in on the early morning scene in New York. Three events this spring provide examples.

The first, held April 5th, was a Sourcing Breakfast designed to put all the complex factors of apparel sourcing into perspective. *Bob Frazier, Richard Lusk, Peter Harding,* and *Rudy Greer* were the speakers, under the moderating hand of *Jim Trautman*, and they covered, respectively, the need for a sourcing strategy; comparative economic factors among U.S., 807, and Far East sources of apparel; the long term risk factors to consider when choosing among sourcing alternatives, and the factors driving retail sourcing decisions.

This was our first attempt to address the complexities of this highly topical subject in public, and KSA



Great Runs

The Run Over Golden Gate

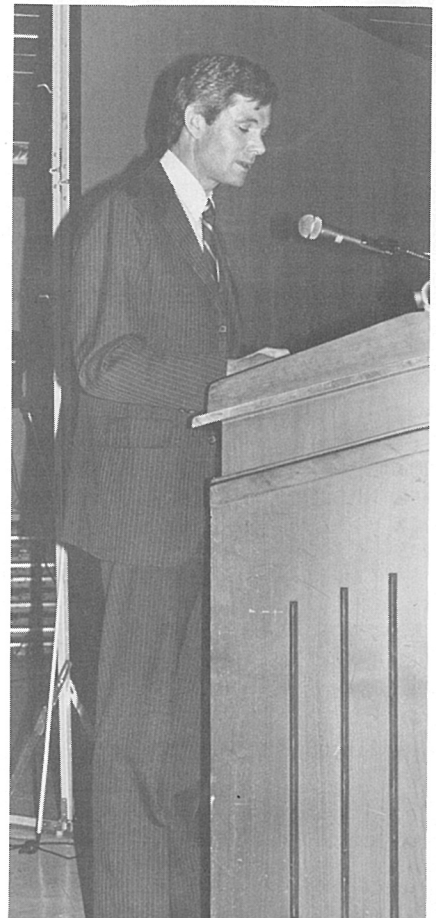
One of the hidden benefits of a consulting career is the opportunity to run in three or four different cities each week. While on client business in San Francisco, I had an opportunity to engage in one of the most enjoyable runs ever. Running KSAers who have occasion to be in San Francisco should try it!

I recommend staying at the Holiday Lodge Hotel on Van Ness Avenue near Union Street. This hotel, recommended by *Jim Trautman* about ten years ago, is clean, quiet, and has modest rates by San Francisco standards. From the Holiday Lodge, go down Van Ness where it deadends at Fort Macon. Several streets to the west you'll find Crissie Park. There is public parking in this area.

The 7½ mile run begins on a quarter mile clay track at Crissie Field and continues along the bay past a marina complete with sailboats. As you approach the yacht club, the trail jogs to the right and runs directly along the water's edge. This trail continues for about two miles, past the U.S. Coast Guard Station to Fort Point (a historic fort built to guard the entrance to San Francisco Harbor). Just before Fort Point, a brick ramp scales an embankment to the Golden Gate Bridge. There is a pedestrian lane for runners and cyclists across the 1¼ mile span. The view across the bay from the bridge is breathtaking. The turn-around point is at the end of the bridge.

The run back provides a fantastic view of the San Francisco skyline and Alcatraz. Crissie Park is equipped with a coolout area with stretching areas and "possum hangers." —*JLWilcox*

Editor's Note: At last count, there were at least thirty fairly active runners within KSA. This article is the first in a series by KSA staff describing "Great Runs." The purpose of the column, suggested by JLW, is to share running experiences/trails so that KSA runners may take advantage of the opportunities available in client cities. We encourage your contributions.



Mike Brent explaining what must happen in the cutting room when making a precision-tailored suit.

Photo by JS

achieved its purpose by demonstrating that we understand the issues, have developed a large body of data, and know how to apply it. A quality audience of 124 apparel and textile top management people, plus a sprinkling of retailers, purchased tickets and listened attentively. Our basic premise (that there is room for competition in many product/market categories) stood up under some spirited questioning at the end, despite the fact that many of the firms represented have been active sourcers for years, and have a wide range of experience in this delicate and critical area.



At the CMA Seminar, **Bill Williams** coils up as he straightens out a point about the P-T suit. **Glen Larsen** isn't so sure . . .

On May 21st, a panel of KSA suit specialists led off the annual production program of the Clothing Manufacturers Association with a presentation on "The State of the Art in Suit Manufacturing"—which could easily and more accurately have been sub-titled "Why You Had Better Start Using the Precision-Tailored Approach to Making Suits Before It's Too Late."

For those unfamiliar with the term, a "precision-tailored suit" used to be known as a "European engineered" suit. It employs a net cut, turned construction technique that is more logical, more precise, takes less time and labor cost, yields a high quality garment in a range of fabrics, and offers wider marketing opportunities than does conventional "open" coat

construction. While the name contradicts itself (tailoring is needed to make up for an initial lack of precision in patterns), it seems to have some sex appeal in the trade.

Glen Larsen, **Bill Williams**, **Mike Brent**, and **Ken Osborne** were the speakers at this well received Saturday-morning event.

On May 26th, KSA presented its ninth annual Financial Breakfast, at which highlights from our fiscal 1982 Profiles for public textile, apparel, and footwear companies were presented. **John Wilcox** and **Bob Nahas** did the honors again for their respective industries, **Jay**

Other Communications Department news . . . The busy spring season also saw us involved with a seminar and exhibit at the WAM Show in Los Angeles, an exhibit at the S.E. Hospitals Conference in New Orleans, speeches by **Steve Schlehuser** and **Dudley McIlhenny** at the Annual Convention of the National Association of Hosiery Manufacturers, a speech by **Ron Brockett** at the AAMA meeting, a presentation on fixed costs by **Freddie Wood** and **Bob Nahas** at the ATMI meeting, and a presentation by **Bob Frazier** to the top executives of Hartmarx. Some of these events were as much as one whole day apart from each other, which led to some exciting juxtapositions and juggling acts. —JS



West Coast Office founder **Jim Trautman** (right), passes on the symbol of leadership to West Coast office leaders (1 to r) **Lynn Spuhler**, **Pete Cleaveland**, and **Ken Campbell**.

So Much For Horse Sense

A well-known KSA consultant and avid horseman accompanied a new client to the horseraces one weekend. After an exhaustive inspection of each horse in a particular race, our hero finally made his decision, placed his bet, and joined the greatly impressed client in the clubhouse.

And did the consultant's horse win, place, or even show? Not exactly. He threw the jockey at the gate, shattered a foreleg in the stretch, and was later shot.

Productivity Gains Without Stopwatches

by Peter Dubuisson

KSA's Physical Distribution services originated in the apparel manufacturing industry, where installing incentives in a warehouse was a natural progression from the previous successes achieved through sewing room engineering.

Through the years, our expertise has evolved to include distribution center design, material handling equipment layouts, transportation analysis, and much more; nonetheless, a major share of our business still comes from incentive rates engineering. More recently, we've taken our time study boards into retail distribution centers and have had major successes in adapting traditional piecework engineering to this more complex environment.

In such projects as Dillard's (Ft. Worth) and Hudson's (Detroit), we developed an innovative variation

Mervyn's of Ontario, California, was our first major retail project which sought to significantly improve productivity without incentives. Mervyn's, a division of Dayton Hudson Corp., has been a major success story in the recent history of soft goods retailing. It has become one of the country's fastest growing retailers by finding a special niche for itself between the prestigious department store and the lower quality discount store. Mervyn's carries high quality branded and private label apparel, shoes, accessories, linens, and domestics. This merchandise is sold at modest discounts, supplemented by heavily advertised weekly and seasonal promotions.

The Ontario distribution center began operations in early 1981 with modern, mechanized material handling equipment. The center was

designed to process 100 million pieces per year and to service 50 stores. Projections showed that 120 million pieces were expected by 1985, well above designed capacity. Management was competent and aggressive, achieving impressive gains in productivity the first year of operations. They were aware that even greater efficiency would be necessary if they were to eventually process 120 million pieces, and had long considered the use of wage incentives as a means to that end. KSA was asked to submit a proposal for Base Plus™.

disrupt what they considered to be a unique relationship between management and employees. What we eventually sold them was a program of productivity improvement without incentives: supervisory development in communication skills via L.E.T., and methods and procedures improvements through basic industrial engineering. There were obvious opportunities to gain yet another foothold in the retail distribution industry, and with Mervyn's in particular; but there also were, we realized, some calculated risks involved with this type of project:

- We were uncertain of the impact methods and procedures changes alone would have on productivity, particularly in a highly mechanized, well-managed facility.
- Mervyn's management was already planning productivity increases of 18 percent through their own management and engineering efforts; conflicts over credit for productivity improvements could be a potential problem.
- Realizing the full impact of improvements based only on methods changes is more dependent upon the skills and aggressiveness of department managers than an incentives program in which operators generate much of their own motivation.

A complete list of all the methods, procedures, and work-aid improvements that were made during the project is extensive, and ranges from simple paperwork changes to com-

"We . . . recognized the necessity to offer alternative methods of productivity improvement to retail clients who consider incentives to be out of the question."

to wage incentives called Base Plus™, which basically guaranteed that operators would never earn less than they were paid before standards were installed. Complementing this positive approach to incentives were "umbrella" programs which paid bonuses for both productivity and quality to supervisors and other support personnel.

The productivity improvement of 74 percent achieved at Dillard's was one of many reasons for expecting that retailers would break down our doors to get Base Plus™ for their own distribution centers. We did not, however, anticipate the strong resistance we would encounter from so much of the retail industry's management. For many of them, the idea of incentives seems to conjure up visions of sweatshops and militant unions.

So, while continuing to promote the unequalled benefits of Base Plus™, we have recognized the necessity to offer alternative methods of productivity improvement to retail clients that consider incentives to be out of the question.

The job that I staffed from February to September of 1982, with

Despite our estimates that Base Plus™ would reduce payroll and fringe benefits by \$1 million per year, Mervyn's eventually decided that an incentive system would be incompatible with their people-oriented philosophy of management. No amount of reasoned persuasion on our part could dissuade them from the notion that incentives would

"We were uncertain of the impact methods and procedures changes alone would have on productivity, particularly in a highly mechanized, well-managed facility."

plete material-handling layout designs. Here are a few selected examples of improvements:

plete material-handling layout designs. Here are a few selected examples of improvements:

- Reduced repetitive paperwork, combining forms where possible, eliminating double recording of data, and completely disposing of forms for which there was no clear need.

- Developed new management information reports to enhance control over production and work balancing.
- Implemented statistical sampling techniques to improve productivity of accuracy checks of received merchandise while maintaining or improving established quality standards.
- Trained receiving operators to unload garments from trucks onto hanger trolleys in correct size sequence, eliminating resorting of merchandise in the processing area.
- Extended slick rails in handling goods unpacking stations, increasing trolley capacity by 150
- Department managers were usually reluctant to take full advantage of the extra production capacity provided by many of the changes we made. A primary example was the change from manual price ticketing to hand labelers. Whereas this change provided a potential 30-50 percent improvement in marking productivity, it took us quite some time to persuade the department manager to reduce her staff accordingly. In the meantime, of course, output per operator decreased—there was simply more time available to socialize.
- For the full year prior to our arrival at Ontario, the Mervyn's manage-

“Department managers were usually reluctant to take full advantage of the extra production capacity provided by many of the changes we made.”

percent and greatly improving order integrity of large shipments.

- Prioritized section of the flat goods price-marking module to handle larger than normal shipments. This eliminated the trouble of breaking up large orders and then recombining them for later transfer to store-distribution modules.
- Substituted efficient hand-labeler guns to replace manually-applied price tickets; potential productivity gains of 30-50 percent were expected.

In short, we recommended, and in most cases finally implemented, a wide range of beneficial improvements; however, the good reviews would be a while coming. Surprisingly, productivity declined gradually about one month after the project started and, except for some isolated operations, continued that trend through the engineering of the last department. Why the apparent contradiction? Well, productivity has since climbed 31 percent over initial levels, so it's probably safe to say that improving methods and work-aids doesn't harm efficiency. Actually, there were two primary reasons for the temporary decline of productivity, the first of which relates to one of the potential problem areas I described earlier:

ment had been engaged in a frenzied program to wring as much productivity as they could out of their facility. Apparently, their efforts had reached a peak by the time we arrived on the scene, and a sustained period of apathy set in.

Both of these points were vigorously stressed to the distribution center management. In the last few weeks of the project, we began to see a reversal of the trend, and performance has continued to improve.

Incidentally, we also had some temporary experience with another of the potential problems described previously. When productivity finally began to recover, Mervyn's first tendency was to doubt the effectiveness of our recommendations, inclining instead to the feeling that they were finally achieving their 18 percent improvement goal. However, as productivity has continued to climb to the 31 percent level, the benefits of our work have not been in doubt.

We have now proven to ourselves, and demonstrated to a major retail client, that basic industrial engineering alone can produce impressive productivity benefits. Moreover, Mervyn's confidence in KSA engineering methods may eventually persuade them, and possibly others, that Base Plus™ is indeed the proper final step in their productivity improvement programs.

20 Years at KSA

A favorite pastime of *Fran Preston's* is birding, and after twenty years of watching some strange birds come and go at KSA, Fran is capable of identifying almost anything.

Six consultants, one full-time secretary, and a then part-time secretary, *Ann Hodgens*, staffed the Atlanta office when Fran arrived in 1963. Through the years, she has discovered some amazing similarities between KSAer's and her fine feathered friends. There are early birds and nightowls, as well as warblers and Jonathan Livingston Seagull types.

The study of migration patterns is especially interesting to Fran. Consultants migrate every week, month, and year, and some always seem to find clients in the South in winter and the North in summer.

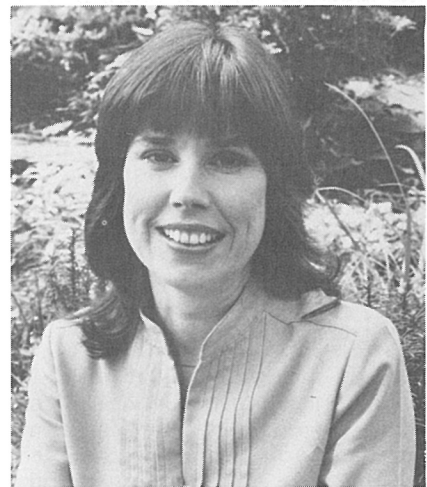


Photo by BS

Fran has served as *Jack Ullman's* right hand for 17 years, and her professional manner and incredible memory have become almost legendary. Her reputation as a confidence keeper, no matter what, has thwarted all the yellow-throated sap suckers who try to pry the current goings-on from her. Her quick-witted replies always send those birds to roost.

In addition to her Administrative Assistant duties for JJU, Fran coordinates several personnel functions related to Principals. In the past year, she has assumed the additional role of insurance claims liaison.

Some birds have come and gone; some have stayed. Fran has found that studying creatures in their natural habitat is almost as interesting as the happenings at KSA.

—Beth Souther

cont'd from page 6

changes in their attitudes as piece-rates were installed and results were achieved.

Goodyear authorized the Ballute engineering program for cutting, sewing, and packing in April, 1982. At that time, production was approximately 15 Ballutes per day from 35 operators. Our goal was simple: reduce the labor content from two Standard Allowed Days to one S.A.D. per Ballute! When we left, 102 operators were producing 100 Ballutes per day. The web cutting and sewing labor content was reduced to slightly over six S.A.H. with fabric cutting yet to be engineered. Packing went from zero production to 480 per day. To my knowledge, this is the only KSA project in which the remaining labor content at the end was less than half that at the beginning. Needless to say, the project was an overwhelming success... in spite of Murphy (not you, Greg!) and with the help of Jim Trautman, Charles Topping, Bob King, and Dale Graham.

Because of Ballutes, two additional projects have been proposed concerning both material utilization for rubberized fabric and a productivity enhancement program for fuel tank manufacturing.

Yes, it was a very good year!

Greene Turns Red

While visiting Kleinfeld's, a respected bridal gown retailer in Brooklyn and prospective KSA client, Rudy Greer noticed a familiar name on a list of appointments scheduled for the next day. He immediately called Linda Greene, strategy consultant extraordinaire, and said, "Please approach your appointment tomorrow with a professional, as well as personal, attitude." Baffled, Linda asked what the devil he meant, and Rudy responded, "When you try on your wedding gown."

Sure enough, it was KSA's own Linda Greene who was considering a Kleinfeld gown for her wedding—and no one in the office knew about this, Linda thought. She was incredulous until Rudy told her where he was and what he was doing.

By the way, Kleinfeld's is now a client and Linda was an early candidate for this work. Peter Brown was the choice, however. Seems it had something to do with his needing that kind of wholesome exposure.

—Jim Giddings

Focus On: Ann LoPrinzi

The subject of our first Princeton "up close and personal" has to be Ann LoPrinzi. "Ann who?" many of you might ask. Aha! The exact reason for our choice. Ann has been with KSA since December, 1978. That's 4+ long, hard working years without a shred of notoriety and we think it's about time she got it.

Ann actually contributes very little to the operation of the Princeton office. We only keep her around because we like her. The fact that she's our entire word processing department (a skill she eagerly learned), librarian, file maintenance clerk and general "administrative assistant of all skills," is of little consequence. And that's on a part time basis. Imagine what she could accomplish full time! On the social side, Ann readily participates in Princeton office activities, including being the sole organizer of our Phillies baseball trip last season.

When Ann first joined KSA there was concern if she could be guaran-

ment to say she enjoys the game, as does her husband Tom, 13-year-old son Darren, and 11-year-old daughter Julie. Ann plays competitively and in tournaments (quite well I might add, having been recently dubbed Ann "Chris Evert" LoPrinzi on her office birthday cake). She has organized women's and junior tennis leagues in her township which she still maintains.

The LoPrinzis all ski together, too. Yes, Virginia, there is an all-American family right here in Mercer County. And in her spare time, folks, Ann reads. She's currently working her way through a book so long she's averaged out how many pages she must read daily in order to get it back to the library on time. We're all on standby to chip in to help pay the overdue fine!

In addition to all of the above, she has been a Brownie Scout Leader, Director of her Civic Association, and held almost every office available within the PTA organization.



teed a 15-hour work week. She now has a struggle getting away from us after putting in an average 30-hour week.

I could, of course, list all of Ann's professional attributes such as her dependability, efficiency, reliability, etc. (all of which are absolutely true), but that might be embarrassing for her ("Embarrass me," she's saying), in addition to making her sound like my '71 Chevy. So enough of "up close"—on to "and personal."

When Ann does break free from the Lanier she can usually be found dabbling at her favorite pastime, tennis. It would be an understatement

to say she enjoys the game, as does her husband Tom, 13-year-old son Darren, and 11-year-old daughter Julie to their various sports, activities and lessons (including Darren's guitar lessons—he plays a LoPrinzi guitar, made by his father). With a schedule like Ann's I'm ashamed I feel pressured by having to remember to feed my parakeet.

Well, that about wraps up the "and personal." I sincerely hope no one has reason to say "Ann who?" again. And to Ann, I say "thanks" for the tremendous support. We in Princeton, without a doubt, have known who you are all along.

—Debby Governali

UK News

There is little news to report from the UK this quarter. Business continues to be very strong and year-to-date sales are 40 percent over a budget which already includes significant growth. Sales prospects can justifiably be described as "tremendous," particularly in the Vantona/Viyella Group where, following input from *Jerry Armfield*, *Sergio Cruz*, and *Nort Eberly*, there are now several man years of work close to authorization.

The strong sales position and continued hard work by our staff has resulted in a strong billing performance. Income for the first half of the year will be more than 10 percent over budget, with every prospect of a highly profitable year.

We made a second successful presentation of the Merchandise Control and Inventory Management seminar at London's Westbury Hotel on May 24 to an audience of 25 people. This is indicative of the increasing awareness of our clients in this functional area and supports the emphasis we are placing on developing control services in the UK with expert assistance from *Randy Nord*.

We are pleased to have board approval of our plans to establish a permanent office in Capetown, South Africa. *Mervyn Kerr* has agreed to take responsibility for developing our practice there, and *Mervyn Joy*, and the boys will be moving later this year.

—John Beddows

KSA Spain

The first quarter of 1983 was a period of high sales activity. A number of proposals produced sales above budget for the first four periods. We have also renewed contacts with such good KSA clients as Liwe and Mayoral.

The difficult times for industry have not ended; even our brand new Socialist government has finally admitted that an upturn of the economy is not foreseen in 1983. This has created a wave of conservatism and low investment. The average size

German Region

Germany, as the biggest and most important market for the German Region, has gone through a period of serious recession. The Socialist government was replaced by a conservative Christian-Democratic government in March. First and modest signs of economic recovery can be seen but no one in Germany is expecting a fast turn-up.

KSA German Region has suffered from the bad economy. Most companies held back investments because of growing uncertainty. This resulted in small sales, low backlogs and unsatisfactory year-end results for 1982. It also heavily affected fee income for the first five periods.

The change in attitude in industry, together with old sales efforts, show some positive effect, although we cannot yet call this a turn. There is some confidence that this new trend can be strengthened.

We hope our many PR and marketing activities will pay off soon: seminars on sourcing, control and strategy were well received, some contacts could be developed and one job with a new client has sold. Speeches nationally and internationally to top people in industry in Germany and Switzerland have been well-received.

An important marketing study for the German knitwear industry was delivered recently. It was appre-

ciated as an excellent piece of work and received positive press coverage. This work will be a good door-opener in knitwear for KSA. Follow-up is under way.

The situation in other countries of the German Region:

Netherlands: The competition study for the Dutch Ministry of Economy, (which indicated revising national aid schemes for the apparel and textile industry), has been completed for over a year, but the government has not yet made a decision. Industry, waiting for further subsidies, is hesitant in making investments; therefore, KSA's business is at a very low level.

Denmark: On the basis of strong business with our good client Brandtex we will gradually expand as the limited market allows.

Switzerland: The number of companies big enough to count as target clients is limited. Still, a good basis for retailing. (Schild, Thigros, Loeb, PKZ...)

Austria: Business ongoing. KSA's fees are very high in this country. Although a limited market, there is still potential to extend work in all service areas.

Italy: Business is keeping up nicely and contributing to budget. We are working mostly in operations, but work in strategy and control services growing.

Eastern Europe: To get work in countries within this area is result of long-lasting effort. First proposals made to Russia will take more time to get through. Bulgaria, where we have worked extensively over past years, has just authorized another assignment (operation service).

In summary, the overall regional success depends on the nature and timing of the German economic recovery. We are confident in the development, although we don't think it will be very quick.

—Alberto Figa-Beleta

—H.H.Hensche

A Mari Usque A Mare

KSA is now, more than ever, following the Canadian motto ("From one ocean to the other"). So far this year we have made proposals in all Canadian provinces except the Northern territories and PEI.

Through Period 5, KSA-Canada is on budget and actively involved in all functions. This is a major change from the past, when most of our practice was in operations. A unique aspect of our work in Canada over the last 16 months has been the number of multi-functional projects due to the CIRB. While capturing over 20% of the consulting fees authorized under the program, KSA has been able to increase its client base. We are presently working with industry leaders in ladies' sportswear, protective clothing, ski wear, outerwear, vertical knitting, hosiery, home textiles, and men's tailored clothing.

A tribute to the quality of our work is the flow of new inquiries, which make our future bright in this politically troubled and economically depressed country.

This year alone over 50 KSA'ers have flown or driven across the border (carefully and unnoticed most of the time). We cannot name them all, but we sure thank them all.

—D.J. Williamson



Monica Sanders, a single, 23-year-old redhead, is the latest addition to our Canadian practice.

Having worked for the engineering department of DuPont Canada, she felt she would not have any problem setting up our Montreal office, where 10 years of filing awaited her. Since February she has straightened out our disorganized office, managed to understand how KSA operates (which is more than some of us can say) and made herself indispensable.

NYO Notes

Tenth Anniversary

Once upon a time, the Communications Department had the highest secretarial turnover rate in NYO. Then along came *Jill Steinberg* in April, 1973. Not only did she tame the beast, but she has also brought the confusing world of advertising, trade shows, hotel negotiations, Profile solicitations, photo studios, and printers to its knees.

During her decade with KSA's PR circus Jill has probably typed and retyped 10,000 pages of articles and scripts, making only 23 errors in the process. She has also typed camera-ready copy for about 1,800 slides, several hundred name badges, and five "drop dead" letters to avaricious suppliers. And before we had our own microcomputer, Jill personally tabulated the results of more than a few surveys—Delphic and otherwise.



Photo by JS

For her decade of dedicated service to KSA, during which she has become more of a partner than an Administrative Assistant in the Communications Dept., Jill recently received an "11th hour" watch. This clever device emits a loud roar when a deadline is approaching... and that's when Jill is at her best.

New Office Manager

Roberta Edwards White was appointed manager of the New York office at the end of March, taking over many of the duties that *Phil Lutz* had been responsible for in this area. With the growing demands of the Strategy Group, tempermental word processing equipment, and the daily soap opera crises that make NYO such an interesting place, Roberta will have her hands full. Luckily for all of us, they are very capable hands—as was evidenced regularly during her 12 years with



Photo by JS

KSA as an Administrative Assistant and, most recently, head of the Word Processing Department.

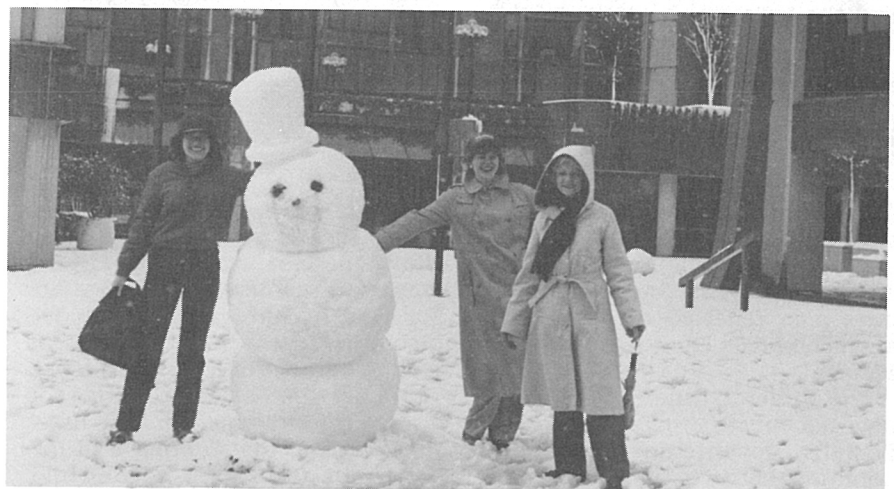


Photo by Denise Trostle

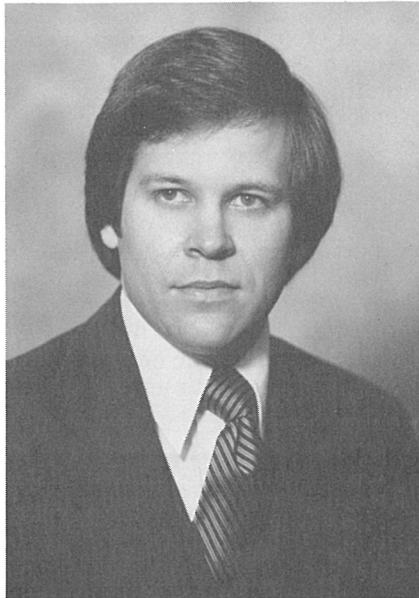
Snow Joke. *Cyndi Holloway, Penelope Malone and Libby Morgan* pose outside Colony Square with their new friend, a product of the more than 8" of snow which surprised Atlantans on March 24.

Milestones

John Champion's 10th

John's 10 year anniversary was recently celebrated at a luncheon attended by his fellow distribution practitioners. To insure some measure of professional behavior, *Penelope*, John's wife, and *Jim Trautman* also attended.

John joined KSA in May 1973, straight from North Carolina State



University. At the 1977 staff meeting between the 7th and 8th holes, John agreed to transfer from MMD into the Distribution Group.

Since that time, he's worked in all facets of our distribution practice—from Base Plus™ productivity programs through design and implementation of major distribution centers. His most current project, a 340,000 square foot distribution center for Hub Distributing in Ontario, California, is in the final implementation stages. It is designed to make extensive use of computer systems.

While John is one of the leaders in the Distribution Group relative to "high tech" design, his greatest strength lies in the "high confidence" following he develops with clients. Both Campus Sportswear and Hub are his accounts and both keep returning to KSA for additional professional assistance.

John's 10 years as a KSA'er have been extremely productive. As John is one of the mainstays in the Distribution Group, we are confident that our services in this area will grow in magnitude and quality.

—A.A. DeMaria

Senior Consultants

Congratulations to *Jeff Palmer* and *Mike Fodor* who recently advanced to the level of Senior Consultant.

Congratulations

To *Shifrah* and *Keith Alleson* on the birth of a daughter, *Keren*, on March 15.

To *Kathy* and *Steve Riepenhoff* on the birth of a daughter, *Courtney Elizabeth*, on April 17.

To *Jane* and *Tom Gibson* on the birth of a daughter, *Caroline Wynne*, on May 19.

To *Carol Sherwood*, who recently received her Masters in Education (reading specialty) at Shippensburg State College in Pennsylvania. (We understand *Doug* and son *Charles* received a Masters in Microwave Cooking while Carol was in school.

To *Cecil Phillips*, who has been named Southeastern Regional Director of the Institute of Management Consultants for a three-year term. In this capacity he will supervise four chapters which includes North Carolina, Miami, Atlanta, and Puerto Rico. Cecil is also a member of the national Board of Directors of the IMC.

Departures

The following have recently separated from KSA: *Jean Snow*, *Geneva Joyce*, *Ed Loseman*, *Don Grede*, *Bea Alpert*, *Charlotte Branton*, *Steve Bodnar*, and *Lynne Dumas*. We wish them success in their future careers.

Phil Lutz Retires

After 36 years of service, Phil Lutz retired from KSA this spring. His departure was quiet, matching Phil's self-effacing style; a few of his older friends in the company attended a small dinner in honor of Phil and his wife, *Audrey*.

During his early years with KSA, Phil served as a one-man Systems Division. Progenitor of what is now KSA's Control Services Group, he designed payroll and standard cost accounting systems for most of our early clients, and managed a gradually growing group of specialists in that area. He was co-author of the first Accounting Manual that KSA produced for the AAMA in 1970.

Towards the end of his career with the company, Phil divided his time between consulting and managing the New York Office.

We wish Phil and Audrey many years of healthy, well-earned relaxation.



Phil Lutz posing in 1960 with some others who established the foundations of KSA: *Abbie Jean Quick* is at his right, *Karl Striegel* seated in front of Phil, and *Kurt Salmon* next to him.

Thanks to you
it's working



The United Way

Traveler's Aid

Numerous travel discounts are available through airlines and hotel chains for frequent travelers.

Following are summaries of two travel memberships/plans submitted by *Bill Reed*. We encourage you to share information about similar travel clubs or discounts with fellow KSA'ers. Contact the *Observer* staff.

Encore Travel Savings Service Membership—2-night business-or-pleasure stay, 50% off. Stay any two nights, with or without your family, at any Encore participating hotel or motel and you get your room free the second night. 7-day business-or-vacation-stay, two of the seven nights free. In addition, Encore offers discounts on car rentals, vacation packages and resort getaways. Membership cost is \$25, one year and \$39, two year. For details write Encore, 4720 Boston Way, Lanham, MD 20706.

Holiday Inn Priority Club—As a member, you receive an I.D. number which you will give when you make a reservation or when you register at any Holiday Inn in the U.S. or Canada. Priority points are automatically recorded and stored. The Grand Award, which requires 75 points, is a free one-week vacation at any Holiday Inn Hotel worldwide, including airfare, for two. Contact Holiday Inn for details, 800-238-8000.

Thanks, we needed that

Mr. Joseph Scheines
Kurt Salmon Associates
350 Fifth Avenue
New York, NY 10118

Dear Joe:

As you know, our special feature in the February 1983 *Bobbin* is on affordable technology, and the editorial department sent out questionnaires to a couple of hundred manufacturers who subscribe to *Bobbin* asking them the question "What is the best purchase you have made in the past five years, in terms of payback to your company in increased productivity, labor savings or improved morale?" The good news is that one manufacturer responded that his best purchase was the consulting service of KSA on material handling and work flow changes you prescribed for him.

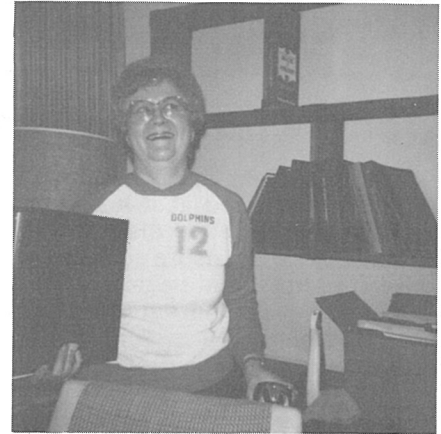
Best regards,
Julie Britt

TBMD/GSO

The Big Move Day at the Greensboro Office was April 22. I came in that morning dressed in my Dolphins sweatshirt, all ready to grab the March of Dimes 4-wheel hand truck (which we couldn't have gotten along without) to haul another load up two floors to our new location. I knew *John Wilcox* was around but couldn't see him. Then, I found him, dressed in Lee jeans and Levi shirt, building shelves in his new office.

Actually, the move wasn't all that bad. Over a three-week period, we moved the library and everything else we thought we could possibly do without that wasn't nailed down. First, we got *Lynn Spuhler* settled in, small job. Then we tackled John's office. Could you believe that by the time his office was settled, all the shelves he'd built were full? *Bob Malburg* settled in the library, his favorite spot!

KSA was located at Suite 203 in the Freeman Building for approximately 21 years, with other little offices here and there as we expanded and contracted. However, a



general change was needed, so we acquired Suite 405 in the same building. The offices are very compact but every inch of space has been "engineered." In approximately 670 square feet we have a reception and general office area, two professional offices, a library complete with conference table, and a utility room with Radio Shack computer, where we run those pesky marketing and account executive listings.

We're proud of our new location. Come see us sometime!

—Doris Oakley

A Unique Rebuttal

FROM: Western Region Emperor
El Taco Office
TO: THE BIG RAGU
a/k/a: Tony DeMaria
CC: Co-Conspirators
a/k/a: PD (Physical Deviates)
Group
Kurt Salmon Associates

SUBJECT: Recent attempt at character assassination during commemorative dinner celebrating ten years of exemplary service to aforementioned company.

Dear BIG and Henchpersons:

Received your recent correspondence during a dinner engagement in a seedy, run-down area of Los Angeles (who would have thought there would be an Italian restaurant in Los Angeles). It is unfortunate that some of you had sought to defile the character of one who has lived his life in an almost missionary manner. The repeating of unfounded rumors concerning past Christmas parties was totally inappropriate. It was obvi-

ous that this document had been prepared by **short-sighted** people.

I certainly appreciated the lovely watch. However, I must admit that, due to strong tendencies, or at least preferences, resulting from upbringing and events during my early developmental period, as well as natural biological tendencies associated with people of my gender, I would have preferred Minnie rather than Mickey. Any comments about Pluto are uncalled for.

Seriously, I certainly appreciate the time, effort, and total fabrication of lies that went into the preparation of this document. This note is only meant to be a temporary response. Be advised that *Licia* and I will be preparing a more appropriate response in rhyme. Perhaps we will deliver this at the '83 staff meeting (now scheduled for June 1985).

I apologize for the lateness of this response. However, due to the hurricane, we have not been able to get to work—the surf has been too high.

Best regards,

Pedro (a/k/a Pete Cleaveland)