

Tektronix flatly denies report of plans for Philips merger

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A report that Tektronix, Inc., is holding merger discussions with the largest electronics firm in Europe was firmly denied Wednesday by Tek chairman Howard Vollum.

The report in Electronic News said management of N. V. Philips, of Eindhoven, The Netherlands, "has held several discussion with officials of Tektronix with a view toward acquiring the Beaverton-based oscilloscope leader."

"That is not true," Vollum stated. "We have had no negotiations with the company and don't plan to."

The article in the trade journal referred to several meetings between management representatives of the two companies but Vollum indicated these were nothing more than courtesy calls.

He said Tek officials have not visited Philips recently and that "some Philips officials have visited us" but reiterated that there were no talks about merger.

"In fact," he added, "we are not talking with anyone about merger. We have held the historical position that we are not interested in a merger with another company and we still feel that way."

The article said the overture to Tek was part of a plan to "obtain a dominant position in the U. S. test and measuring instrument market by acquisition partly or completely of major U. S. instrument manufacturers."

Quoting a Philips' document, the trade journal said, "As Tektronix is by far the

leading manufacturer in this field, an acquisition of Tektronix would be a step function in the growth line to achieve our objective."

Vollum noted that the article quoted documents by Philips and "they probably have similar information on a number of companies in the electronic business."

Despite the assertion that talks are being held, the article also reported denials by management officials of the two companies.

The head of Philips test and measuring department said the company "has no interest in acquiring Tektronix at the present time, certainly not at the existing interest rates."

N. V. Philips is a holding company which includes Philips' Lamp Works, the largest foreign producer of electrical products and electronics. Gross revenues in 1973 were nearly \$7 billion with net income of nearly \$328 million.