Making The Dollar

Tektronics Reveals Diversification Move

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Tektronix, which created 5,000 prime electronic jobs around the manufacture of oscilloscopes, will begin Monday, September 20, with a completely new operation to design and make a visual electronics communications instrument with perhaps even broader applications than an oscilloscope.

The new operation will be outlined to the company’s annual meeting Saturday and was first unveiled to Tektronix employes in a special letter from Howard Vollum, president, Thursday.

Diversification First

Vollum, writing to the Tektronix workers, said: “The establishment of the new activity marks our first occasion to diversify into a field considerably different from that of measuring instruments, in which we have earned our reputation.

“However our investigations of the potential market and our expectations of the performance capabilities of the new product gives us every reason to believe this diversification will have major long-range benefits for all of us.”

To the outside world, the announcement meant the unveiling at last of the rumored ‘black box’ of the Tektronix research lab, a type of television instrument which allows the operator to receive and hold a transmission picture rather than relying on a continuous ‘shooting’ of the picture from the broadcast end.

Technically, the development of the new instrument and the resulting completely separate division for the manufacture and sales pivoted on the development of a “storage” tube similar to a television tube only with a picture ‘storage’ capability.

“The storage tube has had a major effect on our oscilloscope technology and market success,” Vollum wrote Thursday of the research and development. “It soon became evident that in addition, our position in storage development held the promise of wider applications and offered a competitive advantage in areas of product development other than oscilloscopes.

“Among the most likely possibilities were:

“Large-screen monitors for the computer industry. Our storage tube monitor would provide a very economical answer to that industry’s emerging requirements for remote, rapid read-out information.

“Display instruments for the office equipment market. These instruments have the capability of transmission over long as well as short distances, displaying and providing hard copies of typewritten information.

“So strong were these possibilities that last year Tektronix began to investigate the feasibility of designing such instruments. Based upon the positive results of this investigation, it is my pleasure to announce that September 20 we will establish a new division, as yet unnamed, to design and later to manufacture and market display instruments and monitors.”

To the engineers who know the capabilities of the new devices, the Tektronix announcement holds promise of a broad market ability, broader in application than the measuring instrument, the oscilloscope.

Examples suggested by Tektronix experts included a relaying of information from a central computer station to various points around the country. On a smaller scale, they could relay information in a hospital or police information or traffic control information or even military and engineering data.

The great step forward is that the Tek storage tube allows you to flash the single picture on a tube across the country or from room to room and then hold the picture as long as you want to on your receiving screen.

As in the case of engineering or police records, should the receiver want a permanent copy of the information being relayed, the machine would be capable of passing of ‘hard copies’ in seconds.

Monitor Mentioned

The computer monitor mentioned in Vollum’s statement has an immediate market. This, in Fitzgerald’s words, would allow you to interrogate and then display information from a computer on a broad screen, or in turn relay the information to other small-set holding-tubes away from the computer.

The requirements of the computer industry are demanding this type of ‘on-line’ display of information, according to Fitzgerald.

Basically the monitor and the display equipment are two different product lines with possible joint applications, Fitzgerald explained.

Applied in commercial aspects, the new Tektronix products could revolutionize records keeping. An application suggested by one engineer could be in banks, with central records and branch operations. Thus a branch could call the central records for information on an account, get the picture of the account record, could then take off a hard-copy of that record if it was wanted, all without holding the transmission facilities for more than a second.

Tube Holds Signal

Existing systems now require the transmission facilities to hold the picture as long as the exposure is needed at the receiving end. Under the Tek device, the holding tube does the holding.

Fitzgerald said the initial operation to begin Monday will be run by C. Norman Winningstad, who will have overall responsibility and Frank Consalvo, who will be manufacturing, marketing and administrative manager. Both will report to Howard Vollum president and will operate in the old Tektronix ‘Sunset Plant’ on the Sunset Highway.

Both are to be broken out of the existing Tektronix operations, Winningstad from engineering development and Consalvo from his job as director of systems and planning.

Asked to predict the ultimate impact of the new device on Tektronix, Fitzgerald replied: “Very encouraging.”