

As a result of extensive discussion of problems and anticipated programs in our overseas activities, I am announcing the establishment of an Office of International Operations. The office will consist of those in Beaverton responsible for administration of foreign operations. It will include personnel on permanent and temporary assignment to overseas duty from both domestic and foreign installations.

Don Alvey and Earl Wantland will continue as managers of International Marketing and Manufacturing. They will be accountable to me, as will Hermann Harri, manager of International Finance, who will be joining the staff at Beaverton within a few months. Scotty Pyle and Ladd Goodman will continue to account to Don, and Roger Haight will continue to account to Earl as members of the International Staff. No other changes in accountability of overseas personnel are involved.

Fifteen months ago, Don and Earl returned from Europe and brought the administration of European activities back to Beaverton. Don's responsibilities were expanded to include administration of all foreign sales. Earl was assigned the administrative responsibility of our two overseas manufacturing plants plus the mission of investigating practicabilities of new manufacturing activities in specific countries. Since their return they worked as a part of Marketing and Manufacturing. Our method of operation emphasized the integration of those functions.

Our present involvements and expected additional programs in the international sphere suggest the desirability of regrouping our operational tasks in such a way as to recognize the common aspects and interdependence of the overseas activities. Although Don, Earl and Hermann will be primarily responsible for their identified function, they will from time to time be on assignments wherein they will represent the corporation in all segments.

Mike Park, Manufacturing manager, Byron Broms, Marketing manager, and Don Ellis, Treasurer, will continue to provide policy and make resources available, and will participate in corporate strategy and plans for world-wide programs.

Intercompany relationships will be coordinated through the International office.

As soon as practicable, space will be made available to provide a common work area.

Robert G. Fitzgerald Vice-President, Operations