Bob Fitzgerald: From $0.50 an Hour to CEO

Bob Fitzgerald, or "Fitz," as he was known to his colleagues, first came to Tektronix in 1948. His was one of the company's Horatio Alger stories, for from his humble beginnings as a janitor, Fitzgerald rose over the years to the top of the company, sharing the leadership of Tektronix in the sixties with Howard Vollum himself.

While just a student working his way toward a degree in accounting at the University of Portland (still in those days known as Columbia University), Fitzgerald worked afternoons and evenings at the Hawthorne plant as a janitor. He swept up, lent a hand, and in general made himself useful to anyone who looked like they could use some help. He was paid roughly $0.50 an hour, and when he arrived he was the only employee at Tektronix not on profit share. This was something which evidently bothered the owners, at least it bothered Murdock, for that first Christmas Murdock himself came to the Fitzgerald household with a present for young Bob. "It was pretty impressive, the Chairman of the Board coming to the house with a gift. Murdock said, 'Well, we got to thinking about it. You're the only one not on profit share and we thought we owed you something.'" So impressed was Fitzgerald's sister, who was home at the time, that she went over to the company and got herself a job.

Fitzgerald did not come directly to Tektronix after college; the Korean War made that impossible. He returned in August of 1953, to find a new plant out on the Sunset Highway, and a new boss, Don Ellis. Fitzgerald joined Ellis' staff, working with Hawken Au to try to put together a materials system which would enable the company to track its materials

Bob Fitzgerald

needs and project purchasing and scheduling.

"We didn't hit it right very often," was Fitzgerald's rueful confession several decades later. Although his projections were rough, Fitzgerald showed Ellis, Murdock, and Vollum enough skill to rise quickly within finance and accounting, becoming first materials manager, then controller, and, by the early sixties, U.S. operations manager.

The youthful, crew-cut Fitzgerald was never flashy. He took an assignment, did a thorough job, and reported the results to his superiors. Unlike the brash and opinionated Davis, Fitzgerald preferred to work behind the scenes. While Davis set sparks flying, he was not particularly political, and was always open in his dealings. "Put your cards on the table," might have been Davis' motto. Fitzgerald, on the other hand, cultivated personal contacts, mastered the indirect approach, and inclined toward politics. The two styles were as different as night and day, and although over the long run many tired of Fitzgeralds's politics, he brought with him an element of stability and sound unruffled management which the company — and Vollum — sorely needed following Davis.

p. 54

As orders rose in late 1947, the shipping department played an increasingly important role. Shown here are Paul Belles (left), head of shipping, a very young Bob Fitzgerald (center), and Howard Gault (right), having prepared what were Tek's two largest shipments up to that time: nine 511s and ten 511s, both bound for government research facilities.

p. 63

Tektronix even had a custodian, albeit part time, but a custodian, nevertheless. He was a young student working his way through college, attending the University of Portland, whose name was Bob Fitzgerald. As with many college students who came to Tektronix for part-time work or during the summer, Fitzgerald wound up with the company and two decades later had risen to become executive vice-president. "Fitz," as he became known to his colleagues, was only one of many Horatio Alger stories at Tek, for others rose from the ranks to become executives of the company, among them Bill Polits, Bill Walker, and Earl Wantland, all of whom we shall meet subsequently.

Reorganization for the Challenge

On the evening of Monday, December 22, 1958, a participative management meeting took place, which included vice presidents Dallas, Davis, Ropiequet, and Webber, as well as both Vollum and Murdock. At the meeting, Vollum outlined "several changes in both the corporate and operating structure of Tektronix that promise to have some important and far-reaching effects upon the future of our organization." An extensive report of the meeting appeared in a newsletter, dated January 3, 1959, which went on to describe the changes:

The rapid growth of our company has resulted in many management problems, and to handle some of these, Bob Davis has been appointed Executive Vice President of Tektronix. This means that Bob will now be the operating head of Tektronix, responsible directly to Howard.

In another appointment Don Ellis has been named Treasurer of the firm, succeeding Jack Murdock who will still be Secretary of Tektronix. Don will still function as Controller, and also becomes a member of the Management Committee which now consists of Don, the four Vice Presidents, Howard and Jack. Bob Fitzgerald will assist Don, in addition to his present activities in Materials Control. King Handley will move up to assist in Materials Control, so that Fitz can spend more time on the financial activities.

A new group, called the Operations Group, has been formed to remove some of the day-to-day operational pressures from the Management Committee. This group will be directly responsible to the Management Committee. The group consists of Byron Broms, Bob Fitzgerald, John Kobbe, Jim Morrow, Derrol Pennington, Bill Polits, Dick Rhiger, and Earl Scott. It is hoped that improved coordination between the various sectors of our company will result from the work of this group.

Reorganization for the Future

Within a month after having resumed the reins of the company, Howard Vollum announced the first in a series of moves to strengthen Tektronix. On July 17, 1962, readers of the *Newsletter* learned of the creation of the Management Group. "The choice of people for this group was necessarily a compromise between adequately representing all areas and viewpoints and keeping it small so that effective discussions could be obtained," said Vollum. The group consisted of Byron Broms (Marketing), Jim Castles (Legal), Don Ellis (Finance), Bob Fitzgerald (Accounting & Operations), Guy Frazier (Personnel), Jack Murdock, Bill Polits (Engineering), Bill Webber (Corporate Relations), and Vollum himself. The purpose of the Management Group was to facilitate the flow of information between senior management and the board of directors, as well as to keep Vollum fully informed on matters throughout the company. In addition, he hoped it would reduce the frustration felt by many managers who found that their assignments were to a significant degree dependent upon the cooperation of other managers.

Vollum immediately huddled with the Management Group to reach a decision on another pressing problem: the managerial structure of the company. By the early fall he had heard enough, and, taking the Management Group's recommendation to heart, announced a reorganization of the company along functional lines. Under Davis there had emerged a dual structure of domestic operations and foreign operations. This led to "confusion regarding responsibility and authority and inadequate communication," which Vollum now sought to overcome with the unveiling in September 1962 of a functional structure. "We do have, in a legal and corporate sense, five Tektronixes — Tektronix, Inc., Tekintag, Tektronix Canada (registered in December 1961, following the discovery that Tektronix had been doing business without registration in Canada for a number of years), Tek Holland, and Tek Guernsey." The Management Group felt that "the simplest and most efficient total organization is best," with which Vollum concurred. Thus, the company's new structure would follow different lines: "an organization made up of various functional areas of Research-Engineering, Manufacturing, Marketing, Finance, etc.," which would "bring increased efficiency and a greater sense of unity to Tek's endeavors."

In his announcement, Vollum spoke of the need for the company to prepare for change:

One of the hopes I have is that we can develop an organization which is responsive to changing conditions, both internal and external, and thus one where change is to be expected. Change must not be capricious, and need not be disruptive, but rather should embody and reflect what we have learned. The ability to change is a valuable asset. Our future may indeed depend on our ability to change easily and wisely.

As if to prove the prophetic nature of his prose, exactly a month later Vollum announced the appointment of Bob Fitzgerald to the position of Vice-President, Operations.

Although Fitzgerald had no credentials in the technical or engineering side of the company, Vollum hoped that if he himself remained alongside Fitzgerald, then the combination of his own engineering leadership with Fitzgerald's management skill would prove a potent mixture. In his discussions around the company, Vollum discovered that Davis' central weakness had been his tendency to take virtually everything upon himself. Davis' inability to delegate came more from his sense of personal responsibility than from any authoritarian streak, but it had undercut the vital spirit of teamwork which must pervade any management team. The resulting lack of coordination meant that schedules were missed, timetables were upset, and tempers rose. "Fitz was a very good manager," according to Vollum. "He was deeply involved with the operation of the company, so he was the logical guy to do it [move into the role of chief operating officer]."

p. 230

Overseas Changes

The appointment of Fitzgerald as Vice-President, Operations, seemed to Vollum "a major step in our program to improve Tektronix' efficiency by securing closer coordination of the various phases of our operation, both here and overseas." Vollum did not have to wait long for Fitzgerald to begin to show his managerial touch, for on November 26, 1962, the new vice-president made public the first of his appointments. "During the past year," he indicated, "we have had many discussions about the need for a common ground to solve manufacturing problems." These talks had convinced Fitzgerald that manufacturing activities needed further integration, which "should result in a manufacturing posture more conducive to acceptance of products from engineering and will facilitate the important work of turning new products into goods for marketing." To accomplish his ends, Fitzgerald established a new position, that of Manufacturing Manager, to which he appointed one of the rising stars at Tektronix, Mike Park. Park would administer all manufacturing activities: Instruments Manufacture, Cathode-Ray Tube, Fabrication and Molding, Materials Management, and Quality Assurance. He reported directly to Fitzgerald, and at the same time became a member of the Management Group.

Fitzgerald's was the most direct solution to the confusion which had governed both domestic and overseas manufacturing for the past several years. More than the functional reorganization of the company several months earlier, it heralded the coming of a new stage of growth at Tektronix. The fly-by-the-seat-of-the-pants era was coming to a close, yet there were some — Davis, Dallas, Ropiequet prominent among them — who found it difficult to work under the tighter structure imposed on the company by the realities of growth.

Fitzgerald and Park wasted little time in their crusade to bring more rational organization to both domestic and overseas marketing. By spring of the following year, Fitzgerald named the recently returned Earl Wantland as International Manufacturing Manager, while tapping Don Alvey to become International Marketing Manager. Wantland was technically under Park, but enjoyed a direct line to Fitzgerald. Such changes fit well with Fitzgerald's overall emphasis of company reorganization, but they served an additional purpose as well.

p. 232

International at its zenith. Never again would the company have such a high concentration of talent in its International operation. Seated from the left: Haerri, MacLean, Doyle, von Clemm, Alvey, Wantland. Standing from the left: Fitzgerald, Young, Goodman, Sellers, Gwynn.

p. 236

The first Board of Directors after Tektronix became a publicly-held company numbered six: (from left to right) Bob Fitzgerald, Howard Vollum, Jack Murdock, Walter Dyke, Frank Warren, and Jim Castles.

p. 257

Howard Vollum and a New-Generation Scope

The acquisition of Pentrix, the conception of Sony/Tek, the first steps in the consolidation of Tek's overseas distributorship network — all of these events give ample reason to consider 1964 an extraordinary year. The year was a watershed in the technological development of the company as well. Vollum decided in 1962 to replace Davis with Fitzgerald for a number of reasons, among them his concern that little or no progress was evident on the development of the next generation of instruments. Vollum knew that, despite the runaway success of the 540 Series oscilloscopes, the company would have to develop a new scope line soon, or face increasingly stiff competition from its competitors, particularly Hewlett-Packard. His hopes that his engineers would come up with a new scope began to fade as he saw first Ropiequet and then DeLord become bogged down in highly experimental work which seemed too far removed from what Vollum viewed as the company's mission: producing oscilloscopes.

p. 271

Bob Fitzgerald had worked himself into ill health by 1968, and as his health declined, Vollum took steps to give him more support. First Vollum augmented the ranks of the engineering managers, and ultimately he made Earl Wantland executive vice-president in January 1969, with responsibility for U.S. manufacturing, marketing, and engineering. For a short time in early 1969, Fitzgerald and Wantland divided the responsibilities of chief operating officer, but by spring Fitzgerald had resigned. Wantland thus became the sole executive vice-president of the company, replacing Fitzgerald. As time passed his managerial role grew, until in 1972 Howard Vollum retired as president of Tektronix and Wantland moved into that position.