WHEN ASTRONAUT JOHN YOUNG GOT BACK FROM HIS LUNAR FLIGHT ON APOLLO 16, HE SAID ONE OF THE MOST UNSETTLING ASPECTS OF THE TRIP WAS THE RELATIVE POSITIONS OF THE EARTH AND THE MOON. "YOU LOOK DOWN AND THERE'S THE MOON UNDERNEATH YOU. YOU LOOK UP AND THERE'S THE EARTH IN THE SKY. -- NOTHING'S WHERE IT OUGHT TO BE."

CONSIDERING THE REASON FOR THIS GATHERING, I OUGHT TO BE IN THE AUDIENCE GIVING THE APPLAUSE AND ALL OF YOU SUMMIT CONFERENCE MEMBERS OUGHT TO BE UP HERE RECEIVING IT. BUT, WHAT WE OUGHT TO -- AND CAN DO RIGHT NOW -- SINCE IT'S MOTHER'S DAY IN THE U.S. -- IS TO RAISE OUR GLASSES IN TRIBUTE, NOT ONLY TO MOTHERS, BUT TO HONOR ALL WOMEN, EVERYWHERE.

IT WAS WINSTON CHURCHILL WHO SAID IT BEST, RIGHT HERE IN LONDON, AT A BANQUET AT THE SAVOR HOTEL. THE PRIME MINISTER WITH HIS WIFE, LADY CHURCHILL, AT HIS SIDE, WAS ASKED: "IF YOU COULDN'T BE WHO YOU ARE, WHO WOULD YOU LIKE TO BE?" IN THAT UNFORGETTABLE VOICE THAT HAD ONCE RALLIED A NATION, HE REPLIED, AS HE TURNED TO HIS WIFE AND GENTLY TOUCHED HER HAND, "IF I
COULDN'T BE WHO I AM, I WOULD MOST LIKE TO BE LADY CHURCHILL'S SECOND HUSBAND." CERTAINLY WINSTON CHURCHILL WOULD HAVE ADMIRE THE WOMEN AND MEN IN THIS ROOM TONIGHT -- PEOPLE WHO GET AHEAD.

I MYSELF HAVE ALWAYS HAD A SPECIAL FONDNESS FOR THESE SUMMIT CONFERENCES. BEING IN THE COMPANY OF SUPER ACHIEVERS IS ALWAYS A STIMULATING EXPERIENCE. AND YOU KNOW, IT'S NOT POSSIBLE TO BE WITH A GROUP LIKE THIS -- A GROUP OF TRULY OUTSTANDING PEOPLE -- AND NOT REFLECT ON WHAT MAKES YOU SO UNIQUE -- AND FOR THAT MATTER THOSE REFLECTIONS SOON EXTEND TO CONTROL DATA'S UNIQUENESS AS A COMPANY.

SO, THIS EVENING I WANT TO TALK FOR A FEW MINUTES ABOUT "UNIQUELY YOU" -- THE PEOPLE IN THIS ROOM -- AND "UNIQUELY US" -- CONTROL DATA.

LET'S START WITH YOU. AT THE SUMMIT CONFERENCE LAST YEAR I NOTED THAT IF ALL OF OUR SALES PEOPLE WERE AS PRODUCTIVE AS THE SUMMIT CONFERENCE MEMBERS, WE WOULD RANK AS THE 45TH LARGEST INDUSTRIAL ORGANIZATION IN THE U.S. -- NOT 158TH, WHICH IS WHERE WE WERE IN LAST YEAR'S LIST. WELL, IT'S ANOTHER YEAR AND THE NEW FORTUNE 500 WAS PUBLISHED JUST LAST WEEK -- SO AN UPDATE IS IN ORDER:
IF ALL 3,000 SALES PEOPLE IN THE COMPUTER COMPANY HAD BEEN AS PRODUCTIVE LAST YEAR AS YOU 68, WE WOULD JUMP TO 27TH ON THE LIST OF LARGEST INDUSTRIAL ORGANIZATIONS. 27TH! AT THIS RATE, I'LL SOON RUN OUT OF WAYS TO IMPRESS YOU WITH NEW STATISTICS.

NOT THAT THERE AREN'T MANY MEANINGFUL ILLUSTRATIONS OF WHAT YOUR HIGH LEVEL OF PRODUCTIVITY COULD DO FOR US AS A COMPANY, OR WHAT IT COULD DO FOR THE WORLD IN GENERAL....A WORLD WHO'S SINGLE GREATEST NEED IS OPPORTUNITY FOR ALL ITS PEOPLE TO IMPROVE THEIR PRODUCTIVITY.

BUT THERE'S NO POINT IN PREACHING TO THE CONVERTED IS THERE? -- ESPECIALLY AFTER DINNER! YOU PEOPLE HAVE OBVIOUSLY FOUND NEW AND BETTER WAYS OF DOING YOUR JOBS OR YOU WOULDN'T BE HERE.

BUT WHAT IS REALLY INTERESTING TO ME IS HOW FREQUENTLY INDIVIDUALS WHO CONSISTENTLY EXCEL IN ONE AREA, ALSO EXCEL IN OTHERS. THEY DO MORE THINGS THAN MOST PEOPLE AND THEY DO THEM BETTER. CERTAINLY THERE IS LIVING PROOF IN THIS ROOM.

TO GIVE YOU JUST A FEW EXAMPLES, IN THIS GROUP OF SUPER SALES PEOPLE THERE IS ALSO::

* AN ACTOR FROM RIO DE JANEIRO
* A PROFESSIONAL SQUARE DANCE CALLER FROM WINNIPEG  
    WHO ONCE PERFORMED FOR QUEEN ELIZABETH  
* AN ACCOMPLISHED PIANO PLAYER FROM SAN FRANCISCO  
* A FORMER PROFESSIONAL CABARET SINGER FROM NEW YORK  
* A WRITER OF MUSIC AND POETRY FROM HAMBURG  
* A RESTORER OF OLD HOMES FROM ST. LOUIS  
* AND A MINIATURE TRAIN BUILDER FROM DUSSELDORF

MOREOVER THERE ARE:  
* TENNIS PLAYERS GALORE -- AND A DOZEN OF YOU ARE KNOWN  
    TO BE VERY TOUGH INDEED -- FRANK DAWE KEEPS CLOSE  
    TABS ON THAT -- YOU EVEN GROW YOUR OWN COMPETITION...  
    12 YEAR-OLD ANDY BANKS IS NOW A RANKED TENNIS PLAYER  
    IN CALIFORNIA. OR, MAYBE EVEN SMARTER IS TO TRAIN  
    THEM IN A DIFFERENT SPORT -- LIKE DEBBIE BLUE WHO IS  
    A NATIONALLY RANKED FREE STYLER.  
* BUT THERE ARE LOTS OF SWIMMERS IN THIS GROUP TOO,  
    INCLUDING ONE FROM WASHINGTON WHO SWIMS A MILE EVERY  
    MORNING!! THAT'S 21 TIMES ACROSS THE ENGLISH CHANNEL  
    EACH YEAR!!  
* AND MANY SKIERS FROM AROUND THE GLOBE INCLUDING ONE  
    WHO IS A SKI INSTRUCTOR IN NEW MONTREAL, QUEBEC.

AND, I ALSO NOTED THAT ALL OF OUR DATA SERVICES SUMMIT MEMBERS  
FROM WASHINGTON ATTENDED COLLEGE ON SCHOLARSHIPS -- 2 ON  
ATHLETIC AND 1 ON AN ACADEMIC SCHOLARSHIP.
AND FINALLY, THERE ARE AMONG YOU THOSE WHOSE PERFORMANCE ON THE JOB IS SO REMARKABLE THAT IT IS AN INSPIRATION TO THE INSPIRED.

* ED LEVENSON IS A 3-TIME BULL SHARK AND 3-TIME SUMMIT MEMBER AS WELL AS A FORMER OFFICER IN OUR 100% CLUB. AND, BY THE WAY, HIS WIFE, HELENE, IS AN AUTHOR OF A BOOK ON INTERIOR DECORATING.

* GEORGES SPINNER IS THE ONLY INDIVIDUAL IN CONTROL DATA WHO HAS ACHIEVED ALL 4 SUMMIT CONFERENCES.

* BILL SCARRY HAS A TOTAL OF 5 SHARK CLUB AND SUMMIT MEMBERSHIPS AND IS NO SLOUCH ON THE ATHLETIC LEVEL EITHER. TRY KEEPING UP WITH HIM IN THE BOSTON MARATHON!!

SO YOU ARE INDEED A TRULY REMARKABLE GATHERING OF PEOPLE!!

AND THIS INTENSE DESIRE TO EXCEL, IS THE SINGLE, COMMON THREAD THAT LINKS SUPER ACHIEVERS TOGETHER. AND THAT'S GOOD -- IF YOU CAN KEEP IT ALL IN PERSPECTIVE. PERSPECTIVE, BY THE WAY, IS ONE THING SPOUSES ARE VERY GOOD AT....LIKE THE GUY WHO KNELT AND OFFERED UP A PRAYER -- "OH LORD, MAKE ME SUCCESSFUL, AND PLEASE KEEP ME HUMBLE." HIS WIFE, KNEELING BESIDE HIM, CHIMED IN WITH A SOMEWHAT CORRECTIVE PRAYER: "LORD, YOU MAKE HIM SUCCESSFUL, AND I'LL KEEP HIM HUMBLE!"

indeed, success and humility are uneasy partners at best -- but better that problem than failure and conceit.
THE FORMULA FOR SUCCESS IN ANY ENDEAVOR IS SIMPLE. YOU CAN LAY ASIDE ALL THE FANCY RHETORIC -- ALL THE COMPLICATED EXPLANATIONS. THE RECIPE HAS ONLY TWO INGREDIENTS:

- THE RIGHT PLAN
- THE DETERMINATION TO EXECUTE IT

ALL OF YOU ARE MASTER CHEFS IN THAT REGARD. AND WHEN YOU GET DOWN TO IT, SO IS CONTROL DATA.

I KNOW WE HAVE THE RIGHT PLAN -- THERE IS NO GUESS-WORK, NO GROPING, NO HESITATION. WE KNOW WHO WE ARE, WHAT WE ARE AND WHERE WE ARE GOING.

AND LIKE EACH OF YOU, THERE ARE SOME FUNDAMENTAL, DISTINGUISHING CHARACTERISTICS OF OUR COMPANY. IT HAS STATISTICAL DIMENSIONS LIKE EACH OF US -- SO BIG, SO MUCH MONEY IN THE BANK AND SO ON. BUT, JUST AS IT IS WITH US, WHAT IS MORE IMPORTANT IS ITS PERSONALITY.... ITS BELIEFS, THE CHARACTERISTICS THAT DEFINE ITS UNCOMMON INDIVIDUALITY -- ITS UNIQUENESS.

(1) **FIRST IS THE BELIEF IN A LONG-TERM APPROACH TO OUR BUSINESS.**

RECENTLY THE FIFTIETH ANNIVERSARY ISSUE OF **BUSINESS WEEK** STATED THAT, "THE AMERICAN SYSTEM IS LARGELY GEARED TO THE
HERE AND NOW. MANAGERS OF LARGE PUBLIC (U.S.) CORPORATIONS TEND TO BE PREOCCUPIED WITH QUARTERLY AND ANNUAL FINANCIAL RESULTS. AND, GOVERNMENT FOCUSES ON THE TWO-TO-SIX YEAR PERIOD BETWEEN ELECTIONS."

CURIOUSLY, DESPITE THIS ALMOST INTUITIVE REFERENCE TO THE DEVASTATING IMPACT OF A SHORT-TERM APPROACH, THE EDITORS BRUSHED IT ASIDE WITH THE REMARK THAT THERE IS A GROWING AWARENESS IN OUR SOCIETY OF THE DANGER OF SHORT-TERM THINKING. IT WAS ALMOST AS THOUGH THEY WERE LISTENING TO THE TRUTH BUT HEARING A MYTH.

RATHER THAN A "GROWING AWARENESS", I AM REMINDED OF WHAT HAPPENED A FEW YEARS AGO WHEN A U.S. SENATOR FROM THE INTERIOR COMMITTEE WENT TO VISIT A RESERVATION TO IMPROVE THE RELATIONSHIP BETWEEN CONGRESS AND OUR NATIVE AMERICANS.

THE SENATOR MADE A GRAND SPEECH FULL OF PROMISES OF BETTER THINGS TO COME. "WE SHALL SEE A NEW ERA OF OPPORTUNITIES FOR NATIVE AMERICANS," HE BEGAN. TO THIS THE AUDIENCE GAVE A RINGING RESPONSE OF, "HOYA! HOYA!!"

ENCOURAGED BY THIS, THE SENATOR CONTINUED, "WE PROMISE MORE AND BETTER EDUCATION!"

"HOYA! HOYA!!" CAME BACK THE RESPONSE.
"WE PLEDGE BETTER HEALTH CARE AND MORE DOCTORS!" YELLED THE SENATOR.

THE AREA REVERBERATED WITH MORE CRIES OF "HOYA! HOYA!"

THEN, WORKED UP TO AN EMOTIONAL PEAK, THE SENATOR ENDED HIS SPEECH: "YOUR CONGRESS COMES TO YOU TO HELP. SO TRUST US. WE HAVE ONLY YOUR BEST INTERESTS AT HEART."

THE AIR SHOOK WITH ONE LONG, MIGHTY, "HOYA!"

GREATLY PLEASED BY THE RECEPTION, THE SENATOR THEN BEGAN MAKING A TOUR OF THE RESERVATION. "I SEE YOU HAVE A FINE HERD OF BEEF CATTLE HERE," HE SAID. "MAY I INSPECT THE BULLS?"

"CERTAINLY," REPLIED THE CHIEF. "BUT BE CAREFUL NOT TO STEP IN THE HOYA."

BUT BELIEVE ME, IT IS NO "HOYA" THAT CONTROL DATA HAS PERSISTENTLY AND CONSISTENTLY PURSUED LONG-TERM STRATEGIES.

THE ROSTER OF STARS IN OUR BUSINESS TODAY IS TESTIMONY ENOUGH: OUR PERIPHERALS BUSINESS -- THE UGLY DUCKLING OF THE COMPANY'S EARLY DAYS -- TODAY IS A $1.1 BILLION BUSINESS AND HAS BEEN REFERRED TO BY A EUROPEAN GOVERNMENT OFFICIAL AS "THE IBM OF
THE DISK BUSINESS". DATA SERVICES -- THE CORE OF OUR FUTURE GROWTH WAS RECOMMENDED FOR DISSOLUTION BY A PANEL OF EXPERTS IN 1965 -- EIGHT YEARS BEFORE IT REACHED CRITICAL MASS. COOPERATIVE PROGRAMS SUCH AS MPI AND CPI TOOK TEN YEARS TO PUT TOGETHER. "LONG-TERM" HAS MEANT FIFTEEN YEARS OF EFFORT ON PLATO, A BELIEF IN THE POTENTIAL OF SCIENTIFIC AND ENGINEERING MARKETS THRU YEARS OF DOUBT AND UNPROFITABILITY AND ON AND ON.

OUR UNIQUENESS IN THIS RESPECT -- IN THIS LONG-TERM VIEW -- IS ONE OF OUR GREATEST STRENGTHS FOR THE 80'S, THE 90'S AND ON INTO THE 21ST CENTURY. FOR THE STARS OF THE FUTURE ARE ALREADY FORMING TODAY.

BUT SPEAKING OF LONG-TERM....I CAN SEE JACKIE WIEDENFELLER SMILING OVER THERE....BECAUSE LAST YEAR IN PUERTO RICO WE HAD KIND OF A "LONG-TERM" APPROACH TO BREAKFAST ONE MORNING. WE SAT -- AND SAT -- AND SAT SOME MORE WAITING TO BE SERVED, ONLY TO BE GENTLY TOLD BY JERRY THOMPSON -- IN RESPONSE TO MY GROUCHY INQUIRY AS TO THE WHEREABOUTS OF SERVICE -- THAT THE BUFFET LINE AWAITED US A FEW FEET AWAY!

BUT ON TO THE SECOND BELIEF: THE BELIEF IN TECHNOLOGICAL COOPERATION.
FIRST, LET ME MAKE THE POINT THAT TECHNOLOGICAL COOPERATION
doesn't mean marketing cooperation, which is banned by law in
some forms and which, in any event, can lead to all kinds of
difficulties. Just how messed up things can get with the wrong
kind of cooperation reminds me of what happened once in a place
called Haw River, North Carolina near my home town of
Greensboro:

NOW, HAW RIVER IS A VERY SMALL PLACE, AND ONE SUMMER THE
BAPTISTS AND CONGREGATIONALISTS AGREED TO COOPERATE AND STAGE A
JOINT REVIVAL WEEK. THE METHODISTS AGREED -- WITH SOME
RELUCTANCE -- TO GO ALONG. AT THE END OF THE WEEK, THE THREE
MINISTERS GOT TOGETHER TO DISCUSS THE RESULTS.

THE CONGREGATIONALIST WAS OBVIOUSLY PLEASED. "WE CAPTURED FOUR
NEW MEMBERS," HE REPORTED.

THE BAPTIST WAS EVEN MORE PLEASED. "WE DID EVEN BETTER," HE
SAID. "SIX PEOPLE BECAME CONVERTS TO THE BAPTIST FAITH."

THEN THEY ASKED THE METHODIST HOW HE DID.

"WELL," HE TOLD THEM, "I GUESS WE DID THE BEST OF ALL. WE GOT
RID OF TEN MEMBERS WE SURE DIDN'T WANT."
BUT SERIOUSLY, IT IS UNBELIEVABLY STRANGE TO ME THAT PEOPLE IN OUR INDUSTRY DO NOT UNDERSTAND THE NEED FOR TECHNOLOGICAL COOPERATION. ALL YOU HAVE TO DO IS LOOK AROUND AND SEE WHOLE INDUSTRIES WHICH WERE ONCE THE STARS OF U.S. BUSINESS, BUT TODAY ARE IN TROUBLE BECAUSE THEY ARE TECHNOLOGICALLY LAGGING.

YOU CAN APPRECIATE THAT JUST BY LOOKING AT WHAT THE ABSENCE OF COOPERATION DID TO AMERICA'S ONCE-MIGHTY AUTOMOBILE INDUSTRY. AND I USE THE TERM "ONCE-MIGHTY" ADVISEDLY, CONSIDER WHAT'S HAPPENED TO IT. THE THIRD LARGEST COMPANY IS ON THE BRINK OF BANKRUPTCY. ITS SECOND LARGEST COMPANY LOST ONE BILLION DOLLARS IN 1979 ON DOMESTIC OPERATIONS AND, IN FIRST QUARTER 1980, WENT INTO THE RED BY $164 MILLION WORLDWIDE. AS A RESULT, IT'S CLOSING SOME OF ITS LARGEST PLANTS. AND THE BIGGEST AUTOMOBILE COMPANY OF ALL -- GENERAL MOTORS -- HAD AN 87.7 PERCENT DECLINE IN FIRST-QUARTER PROFITS THIS YEAR AND ANNOUNCED A TEN PERCENT REDUCTION IN ITS ENTIRE SALARIED WORK FORCE. INCREDIBLE? AND YET IT IS HAPPENING.

IN THEIR SINGLE-MINED PURSUIT OF PROMOTING BIG CARS, U.S. AUTO MANUFACTURERS HAVE BEEN ADDRESSING "WANTS" INSTEAD OF "NEEDS" FOR OVER FORTY YEARS. WHY? ONCE AGAIN IT HAS BEEN A CONCENTRATION ON OPTIMIZING TODAY'S BOTTOM LINE. AND THE INDUSTRY'S FAILURE TO WORK TOGETHER TO ACHIEVE TECHNOLOGICAL INNOVATION AND COMPLIANCE WITH GOVERNMENT ENVIRONMENTAL
REGULATIONS. The excuse for not doing so is the U.S. Antitrust Laws. Certainly, Antitrust Laws were and are a barrier. However, laws can be changed with concentrated effort. And no real effort was made because extensive cooperation wasn't seriously contemplated in the first place.

But we shouldn't just pick on Detroit. Our own industry is almost as bad. The only reason we haven't encountered the same difficulties is that we're younger. Our technology is not yet mature and we haven't had time to get into all that trouble.

Eventually, though, it could happen to us because -- with the exception of Control Data -- the giants of the computer industry are just as smug, just as arrogant and just as blind as the big three car companies ever were. Without technological cooperation our industry too could wind up struggling for our very existence in a market that has passed us by....Stubbornly turning out products that are no longer competitive.

Fortunately, the lessons of cooperation Control Data learned as a small company are still strong in our culture. We see and feel the benefits cooperative programs have brought and know that we can gain more in the future.
(3) THAT BRINGS ME TO THE THIRD BELIEF: IN UNCERTAINTY AND CHANGE LIE THE OPPORTUNITIES OF THE FUTURE.

MANY PEOPLE WORRY ABOUT ALL THE UNCERTAINTY OF OUR WORLD TODAY. BUT, IF THE PROBLEMS SEEM GREAT, THINK OF THE DILEMMA OF THE GEORGIA FARMER WHO TIRING OF NIGHT TIME RAIDS PUT A SIGN IN FRONT OF HIS WATERMELON PATCH WHICH READ:

"ONE WATERMELON IN THIS PATCH HAS BEEN POISONED."

THE NEXT MORNING SOMEONE HAD CHANGED THE SIGN TO READ:

"TWO WATERMELONS IN THIS PATCH HAVE BEEN POISONED."

STILL THE SOCIAL AND ECONOMIC UPHEAVAL IN OUR WORLD IS PARTICULARLY GREAT. FUNDAMENTAL CHANGES -- FOR EXAMPLE IN ENERGY SOURCES AND SOCIETAL STRUCTURE -- ARE UNDERWAY. IN THE FACE OF ALL THAT UNCERTAINTY, BUSINESS HAS A TENDENCY TO "HUNKER DOWN". PLANNING SEEMS FRUITLESS AND SURVIVAL MORE QUESTIONABLE. IS THERE A WAY OUT OF THIS DILEMMA? AS A MATTER OF FACT, THERE IS. NO MATTER HOW GREAT THE TURBULENCE OF CHANGE, PEOPLE HAVE BASIC NEEDS WHICH MUST BE MET. SO THE BEST WAY -- INDEED THE ONLY PRACTICAL WAY -- FOR BUSINESS TO COPE WITH UNCERTAINTY IS TO MAKE SURE THAT STRATEGIES ARE FOCUSED ON MEETING THESE BASIC SOCIETAL NEEDS. IRONICALLY, IN OUR WORLD TODAY, WHILE BUSINESS STRUGGLES WITH ITS SURVIVAL, MAJOR SOCIETAL NEEDS -- THE VERY VEHICLE OF THAT SURVIVAL -- ARE GOING LARGELY UNMET. THE LIST OF WOES IS LARGE AND GROWING:
ENERGY, FOOD, ADEQUATE HEALTH CARE, QUALITY AND EQUALITY OF EDUCATION, REVITALIZATION OF SMALL BUSINESS AND SMALL FARMS AND, ABOVE ALL, MORE JOBS. PERHAPS THE PROBLEM IS THAT UNCERTAINTY IS NOT YET GREAT ENOUGH TO FORCE MOST BUSINESSES TO GRASP THE SOLUTIONS AT HAND -- BUSINESS IS STILL TOO MUCH LIVING IN THE PAST WITHOUT BENEFITTING FROM THE LESSONS OF THE PAST.

SOMEHOW WE'VE FORGOTTEN WHAT WE LEARNED FROM HENRY FORD AND OTHER ENTREPRENEURS EARLY IN THIS CENTURY. FORD ADDRESSED THE URGENT NEED OF A GROWING RURAL AMERICA FOR BETTER TRANSPORTATION. AND IN THE PROCESS HE BUILT ONE OF THE GREAT CORPORATIONS IN THE WORLD THAT PROVIDED HUNDREDS OF THOUSANDS OF JOBS AND MADE FORTUNES FOR UNTOLD NUMBERS OF PEOPLE.

GENERAL WOOD OF SEARS ROEBUCK BUILT A HIGHLY PROFITABLE RETAIL NETWORK TO SERVE THE DIVERSIFYING NEEDS OF A NEW AMERICAN MIDDLE CLASS. GENERAL ELECTRIC AND WESTINGHOUSE BUILT GREAT BUSINESSES SERVING THE GROWING NEEDS OF A NATION FOR ELECTRICAL POWER. OTHERS COULD BE MENTIONED, HOWEVER THE POINT IS CLEAR ENOUGH, AND WHAT IT NETS DOWN TO IS THIS: THE BUSINESS OPPORTUNITIES OF OUR UNCERTAIN WORLD ARE MANIFOLD. SURVIVAL, STABILITY AND LONG-TERM PROFITABILITY WILL BE FOUND IN ADDRESSING THESE MANIFOLD NEEDS. THIS IS NO DIFFERENT THAN IT HAS BEEN THROUGHOUT HISTORY. BUT THERE ARE DIFFERENCES IN OUR
WORLD BECAUSE SOLUTIONS REQUIRE MASSIVE RESOURCES, THEY MUST BE HOLISTIC NOT PARTIAL, EFFECTIVE PLANNING AND MANAGEMENT ARE ESSENTIAL, ABOVE ALL, COOPERATION AMONGST MANY ELEMENTS OF SOCIETY -- BUSINESS, GOVERNMENT, ACADEMIA AND OTHERS -- IS ESSENTIAL.

THIS IS NOT MERE THEORY. IT IS BEING DONE TODAY BY CONTROL DATA IN ITS CITY VENTURE, PLATO, RURAL VENTURE, STAYWELL, BUSINESS AND TECHNOLOGY CENTERS, FAIR BREAK, HOMEWORK AND A HOST OF OTHER BUSINESS VENTURES. THEY ARE ALL OPPORTUNITIES BORN OF UNCERTAINTY -- THEY INVOLVE TECHNOLOGICAL COOPERATION AND A WILLINGNESS TO STICK TO IT FOR A LONG TIME. THEY ARE ALSO THE STARS OF OUR FUTURE BUSINESS. WHICH LEADS ME TO BELIEF NUMBER FOUR.

(4) THE FOURTH BELIEF ... RISK IS AN ESSENTIAL INGREDIENT OF BUSINESS.

ALMOST 100 YEARS AGO, WILLIAM JAMES WROTE AN ESSAY IN WHICH HE RECOMMENDED RISK-TAKING AS A WAY OF LIFE. HERE'S WHAT HE SAID:

"SO FAR AS MAN STANDS FOR ANYTHING, AND IS PRODUCTIVE AT ALL, HIS ENTIRE VITAL FUNCTION MAY BE SAID TO HAVE TO DEAL WITH MAYBES. NOT A VICTORY IS GAINED, NOT A DEED OF COURAGE IS DONE, EXCEPT UPON A MAYBE. NOT A SERVICE, NOT A SCIENTIFIC
EXPLORATION OR EXPERIMENT, THAT MAY NOT BE A MISTAKE. IT IS ONLY BY RISKING OUR PERSONS FROM ONE HOUR TO ANOTHER THAT WE LIVE AT ALL. AND OFTEN ENOUGH OUR FAITH BEFOREHAND IN AN UNCERTIFIED RESULT IS THE ONLY THING THAT MAKES THE RESULT COME TRUE."

LET ME CITE SOME EXAMPLES OF HOW CONTROL DATA HAS ACTED ON FAITH IN AN UNCERTIFIED RESULT....AND MADE THE RESULT COME TRUE.

SUPER COMPUTERS
WHEN YOU CONSIDER THAT THE COST OF DEVELOPING A NEW COMPUTER LINE WAS WELL IN EXCESS OF 100 MILLION DOLLARS, CONTROL DATA WAS LITERALLY BETTING THE COMPANY EVERY FOUR YEARS OR SO FROM INCEPTION ALL THROUGH THE SIXTIES. THE ONLY WAY A SMALL COMPANY COULD HAVE R&D MONEY WAS TO TAKE FIXED PRICE DEVELOPMENT CONTRACTS AND GO FOR BROKE. THE FACT THAT WE WON MORE OFTEN THAN WE LOST IS IMPORTANT. WE WOULDN'T BE HERE TODAY IF WE HADN'T. BUT JUST AS IMPORTANT -- PERHAPS EVEN MORE IMPORTANT -- IS THE HERITAGE WE HAVE BUILT. IT'S A HERITAGE OF INNOVATION....OF BOLDNESS....OF THE COURAGE TO MAKE BIG PLANS AND THEN STICK WITH THOSE PLANS EVEN WHEN THE ODDS SEEM INSURMOUNTABLE.

THE START OF INTERNATIONAL OPERATIONS IN 1962
OR CONSIDER OUR INTERNATIONAL OPERATIONS. IT WAS IN 1961 THAT CONTROL DATA EXPORTED ITS FIRST 1604 COMPUTERS AND BECAME
INTERESTED IN THE OVERSEAS MARKET. BECAUSE OF OUR LIMITED RESOURCES, WE DIDN'T THINK WE COULD GO WORLDWIDE BY OURSELVES. WHAT WE WANTED WAS TO LINK UP WITH A BIGGER COMPANY IN A COOPERATIVE VENTURE.

BUT THE BIGGER COMPANY WE HAD IN MIND -- PHILIPS NV -- RAN INTO TROUBLE WITH THEIR U.S. SUBSIDIARY, NORTH AMERICAN PHILIPS, WHO INSISTED THAT THE JOINT VENTURE INCLUDE THE U.S. -- SO WE DECIDED TO GO IT ALONE. WE DECIDED TO TAKE THE RISK.

IN 1962, WE WENT INTERNATIONAL BY SETTING UP SHOP IN LUCERNE, SWITZERLAND, WITH FIVE PEOPLE. AND WE COULD ILL AFFORD EVEN THOSE FIVE. BUT THE GAMBLE PAID OFF. TODAY, ONE-THIRD OF OUR BUSINESS COMES FROM OUTSIDE THE U.S., AND WE'RE NO LONGER A SMALL COMPANY. NOT EVEN BY PHILIPS' STANDARDS.

DATA SERVICES
A FINAL EXAMPLE. GETTING INTO THE DATA SERVICES BUSINESS WAS BOTH LONG-TERM AND RISKY. FROM 1960 UNTIL 1973, WHEN SBC FINALLY PROVIDED THE NEEDED CRITICAL MASS, RUNNING OUR DATA SERVICES BUSINESS WAS A REAL HAND-TO-MOUTH OPERATION -- INADEQUATE FINANCING WAS A BIG ENOUGH PROBLEM, BUT SECOND-GUESSERS AND SKEPTICS IN THE REST OF THE COMPANY WERE EVEN MORE OF A THREAT. FORTUNATELY, WE SURVIVED BOTH. TODAY, IT IS HARD TO IMAGINE A CONTROL DATA WITHOUT DATA SERVICES.
THERE ARE HUNDREDS OF STORIES FROM THOSE DAYS OF DATA SERVICES
BUT ONE OF MY FAVORITES TOOK PLACE IN THE EARLY SIXTIES

WE HAD ACQUIRED A DATA PREPARATION BUSINESS IN ITALY. IT WAS A
SMALL FAMILY BUSINESS AND, WHILE OUR APPROACH -- IN OUR EYES AT
LEAST -- WAS ONE OF "LET THEM DO IT THEIR OWN WAY", YOUTHFUL
MISSIONARY ZEAL FOR PLANNING AND BUDGETING COULD NOT BE TOTALLY
CONTAINED, AND THUS MY STORY.

GEORGIO, THE PRESIDENT, RAN THE COMPANY ON A CASH BASIS AND I
MEAN CASH -- THE MONEY WAS KEPT IN THE UPPER RIGHT HAND DRAWER
OF GEORGIO'S DESK AND THE HELP WAS PAID THEREFROM WHILE
RECEIPTS -- AFTER AN APPROPRIATE DEPOSIT TO THE FAMILY BANK
ACCOUNT -- WENT THERETO.

THE ADDITION OF A LITTLE ACCOUNTING SYSTEM, SOME BUDGETING, WE
THOUGHT WERE MODEST ENOUGH REQUIREMENTS. LITTLE DID WE KNOW.
THE SESSION ON THE FIRST ANNUAL BUDGET LASTED THREE DAYS -- NO,
NOT TO EXAMINE IT, NOT TO DO IT -- JUST TO TALK ABOUT WHY IT
SHOULD BE DONE. GEORGIO WAS ELOQUENT. GEORGIO WAS NEAR
EXHAUSTION FROM THE IMPLACABLE DENSENESS OF HIS YOUNG AMERICAN
BOSS. FINALLY, DRAWING ON ALL HIS RESERVES, HE SAID: "MR.
PRICE, TOMORROW AFTERNOON I AM GOING TO SEE MR. 'X'. I AM
GOING TO GIVE HIM A PRICE TO DO HIS WORK. IF HE LIKES MY PRICE
WE ARE GOING TO MAKE A MILLION DOLLARS. IF HE DON'T LIKE MY
PRICE WE AIN'T GONNA MAKE NOTHING. MR. PRICE, I DON'T KNOW WHAT'S GOING TO HAPPEN TOMORROW AFTERNOON! HOW DO YOU THINK I KNOW WHAT'S GOING TO HAPPEN NEXT YEAR!? AND GEORGIO WENT HOME TO BED -- AND TO THINK ABOUT HIS BID. I SAID TO HELL WITH IT AND FILLED IN THE BUDGET FORMS MYSELF.

AH, PEOPLE....WHICH BRINGS ME TO THE FIFTH BELIEF, THE ONE WITH SPECIAL RELEVANCE TO THE SUMMIT CONFERENCE.

(5.) IT'S OUR BELIEF IN THE REALITY OF INDIVIDUALS.

NOW JUST ABOUT EVERY ORGANIZATION -- PUBLIC AND PRIVATE -- CLAIMS A COMMITMENT TO PEOPLE. JUST ABOUT EVERY ORGANIZATION INSISTS THAT PEOPLE ARE ITS MOST VALUABLE ASSET.

BUT WHEN YOU TAKE A CLOSER LOOK, YOU FIND THAT WHAT MOST ORGANIZATIONS SEEM TO REALLY BELIEVE IS THAT PEOPLE ARE UNITS OF RAW MATERIAL TO BE CLASSIFIED AND PROCESSED. THEY REGARD PEOPLE AS PEGS TO BE FITTED INTO SLOTS IN THE CORPORATE STRUCTURE.

"HERE'S A LIKELY GROUP OF PEOPLE," YOU CAN ALMOST HEAR THEM SAY. "WE'LL TAKE THIS BATCH AND USE THEM IN RESEARCH, AND WE'LL MAKE THIS BATCH SALESPEOPLE. AND THIS CHAP OVER HERE DOESN'T SEEM TO HAVE ANY SPECIAL QUALIFICATIONS, SO WE'LL EARMARK HIM FOR PRESIDENT."
WELL, REALITY IS VERY DIFFERENT FROM THAT. IN THE BRITISH
MUSEUM, NOT FAR FROM HERE, YOU CAN SEE ALL 75 DRAFTS OF GRAY'S
MASTERPIECE, "ELEGY WRITTEN IN A COUNTRY CHURCHYARD." GRAY
SIMPLY WASN'T SATISFIED UNTIL HE HAD REVISED IT 74 TIMES. NOT
ALL OF US MAY HAVE THAT KIND OF DEDICATION, BUT FOR US, TOO,
REFINING IS A CONTINUOUS AND LIFELONG PROCESS. BUT, WHILE WE
CAN GROW, CHANGE AND IMPROVE -- WE DO NOT COME TO OUR JOBS
PERFECT -- EVER.

CONTROL DATA, MORE THAN ANY COMPANY I KNOW, UNDERSTANDS THIS
REALITY. WE UNDERSTAND THAT INDIVIDUALS ARE DIFFERENT AND
THAT, BY THE TIME AN EMPLOYEE COMES TO US, HE OR SHE HAS GONE
THROUGH YEARS OF CONDITIONING IN WHICH THE DIFFERENCES WERE
INTENSIFIED.

SO, RATHER THAN IGNORE -- OR GRIND AWAY -- THE DISSIMILARITIES,
WE TAKE ADVANTAGE OF THEM. WE PROVIDE SPECIAL TRAINING ON AN
INDIVIDUAL BASIS, ALONG WITH PERSONAL AND CAREER COUNSELING.
WE MATCH SKILLS TO JOB OPENINGS, RECOGNIZING AND USING
STRENGTHS, PERCEIVING AND SHORING UP WEAKNESSES.

AND THEN, WITHOUT RELAXING ACCOUNTABILITY OR PERFORMANCE
STANDARDS, WE GIVE OUR PEOPLE THE FREEDOM TO GROW. WE PROVIDE
THEM WITH AN ATMOSPHERE OF CHALLENGE AND INCENTIVE, OF
OPPORTUNITY AND REWARD.
EVEN HERE THERE'S AN ELEMENT OF RISK. WE TAKE A RISK IN THE PEOPLE WE HIRE, AND THEN WE DEVELOP THEIR SKILLS AND ATTITUDES IN SUCH A WAY THAT THEY WILL TAKE PERSONAL AND BUSINESS RISKS FOR THE COMPANY.

DOES THE SYSTEM WORK?

YOU BET IT DOES. THE CONFIRMATION IS RIGHT HERE IN THIS ROOM.

SIXTY-EIGHT CONFIRMATIONS!

EACH PERSON HERE IS PROOF OF WHAT A COMPANY CAN ACHIEVE WHEN IT RECOGNIZES PEOPLE AS INDIVIDUALS...AND WHAT INDIVIDUALS CAN ACHIEVE WHEN THEY HAVE OUTSTANDING SKILLS, EXCEPTIONAL DRIVE AND THE RIGHT CLIMATE IN WHICH TO USE THEM.

IN A WAY, CONTROL DATA IS A TESTIMONIAL TO THE POWER OF THE UNCOMMON MAN.

THE HEART OF OUR FIFTH BELIEF -- IS THAT THERE IS NO SUCH THING AS THE COMMON MAN -- OR WOMAN. EACH HUMAN BEING IS TOTALLY UNCOMMON -- AN ENTITY UNLIKE ALL OTHERS. AND IT'S OUR JOB TO DISCOVER THE DIFFERENCES....TO POLISH AND PERFECT THEM....AND TO CHANNEL THEM INTO THE MOST PRODUCTIVE PURSUIT.

AND SO, WE HAVE FIVE BELIEFS....FIVE STRENGTHS, A FIVE-FOLD FOUNDATION, ON WHICH TO BUILD TOWARD INCREASING EXCELLENCE IN THE EIGHTIES AND BEYOND.
(1) WE HAVE THE SURE KNOWLEDGE THAT A LONG-TERM APPROACH IS BEST. AND WE HAVE THE COURAGE TO STICK TO IT.

(2) WE UNDERSTAND, BELIEVE IN, AND CHAMPION THE CAUSE OF TECHNOLOGICAL COOPERATION. AND WE CAN MAKE IT WORK FOR US.

(3) WE KNOW UNCERTAINTY BRINGS OPPORTUNITY TO THOSE WHO WILL BASE THEIR STRATEGY ON MEETING FUNDAMENTAL NEEDS. AND WE HAVE PRODUCTS AND SERVICES TO MEET THOSE NEEDS.

(4) WE UNDERSTAND THAT RISK-TAKING IS ESSENTIAL TO SUCCESS. AND IT HAS FORGED THE FOUNDATION OF OUR COMPANY.

(5) ABOVE ALL, WE BELIEVE IN THE REALITY OF INDIVIDUALS. AND WE ARE DETERMINED TO ACHIEVE GROWTH INTO EXCELLENCE OF THE UNCOMMON INDIVIDUALS WHO WORK FOR CONTROL DATA.

OVER 23 YEARS -- WORKING FROM THESE FIVE FUNDAMENTAL BELIEFS, WE HAVE PUT TOGETHER A STRATEGY AND AN ORGANIZATION SECOND TO NONE. IT REMAINS FOR US TO SEE THAT THE PROMISE IS FULFILLED -- THAT EXCELLENCE IS ACHIEVED -- FINANCIALLY, ORGANIZATIONALLY, PERSONALLY.

SO FAR, WE'VE DONE OUR JOB EXCEPTIONALLY WELL. SO WELL IN FACT, THAT THE FORTUNE 500 LIST SHOWS CONTROL DATA TO BE THE
FOURTH FASTEST GROWING COMPANY OF THE PAST TWENTY-FIVE YEARS.
AND THOUSANDS OF UNCOMMON MEN AND WOMEN HAVE CONTRIBUTED TO
THAT SUCCESS.

RALPH WALDO EMERSON ONCE SAID THAT THERE WERE FIVE MARKS OF
SUCCESS:

TO LEAVE THE WORLD A BIT BETTER BY A JOB WELL DONE OR A
REDEEMED SOCIAL CONDITION --
TO WIN THE RESPECT OF INTELLIGENT PEOPLE --
TO EARN THE APPRECIATION OF CRITICS --
TO FIND THE BEST IN OTHERS --
AND TO KNOW THAT EVEN ONE LIFE HAS BREATHED EASIER --
BECAUSE YOU HAVE LIVED.

THANK YOU.