Thank you for that warm welcome.

I last spoke to you -- at least many of you -- at the Washington Baltimore Management Club meeting last June. At that point, I'm sure you recall, the decision had just been made that rather than continue to try to sell CCC we would instead adopt an alternative strategy -- to downsize the company by narrowing its product and market focus. Your superlative performance in executing that difficult strategy over these past eight months has been a source of great satisfaction to me. So first of all let me say a very sincere "thank you."

Although reductions in Commercial Credit's work force occurred to the tune of 30%, the core businesses nevertheless achieved improved operating profitability with a third less in assets as well as people. And even tho' we have not yet achieved the sale of Gulf, the decks are pretty well cleared and you are poised for an excellent year in 1986. Borrowing from Bill Turley's STAR VOYAGE theme, your organization went on a
challenging mission and came through it a smaller "tighter ship," with each part showing or starting to show stronger forward thrust.

So at this juncture, Control Data's -- and obviously your -- overriding objective is to get those investment grade ratings back. We must. I'm confident that we will, achieve that in the next six months.

A part of the decision last June, as you know, was greater autonomy and fewer operational ties with Minneapolis. Now that particular aspect of the strategy is an important part of achieving the improved ratings objective, and it will be further strengthened. But an equally important part is for you to continue the performance improvement you have begun. All-in-all it's going to be a growth year for Commercial Credit, with plenty of expected good news for you to report at year's end.

A lot of talk has surfaced in recent months about Control Data's corporate strategy and mission -- where we are going and why. The questioning is not surprising, given the terrible performance of the company during 1985. But it is also true that given the number and variety of products and services in Control Data, the old strategy of intermingling financial and
information services, the enormous media attention portraying the company's primary mission as one of "social programs," the vision of the company's business had in fact become cloudy both inside the company and outside, and there's an old proverb that sums the situation up: "Where there is no vision, the people perish."

My vision of Control Data is straightforward and it fits in one sentence:

"To provide Control data's customers with products and services based on computer technologies."

Something that can be understood by anyone in or out of the company. (Perhaps repeat again). That sentence does not mention financial services. That does not mean that Commercial Credit is not a vital part of Control Data's business anymore than GMAC is not a vital part of GM's auto business. More than ever you represent a significant earning asset of Control Data Corporation. We are proud of Commercial Credit, its history, its performance in this period of transition and its future potential. The mission statement simply states the central vision of the company. It can be a rallying cry for all of us and I want to share the sense of adventure now upon us and go forward with this simple mission in mind.
Behind that mission, the foundation on which it rests are four commitments: first, a commitment to customers to provide innovative and technological leadership yielding high quality, cost effective products and services; second, a commitment to stockholders to provide consistent and increasing profits; third, to employees to foster an environment of fairness, concern for personal quality of work life and opportunity to pursue their full potential; and, fourth to society, to provide technologies that can be profitably and productively applied to addressing unmet needs.

In order to carry out our mission and to meet those commitments we must narrow the focus of the computer business. Which reminds me that once again Commercial Credit has led the way! In any event we are already well along that path. The revenue of the business from which we have already exited (or which are in process), represent about 10% of computer business revenues. More significantly some 19 business units are involved. That frees a lot of management time and attention to devote to better quality for customers, and improving profits for stockholders.

The commitment to customers seems obvious enough, but in practice the attention to detail that results in quality servicing is all too often lacking. The old saying that
nothing sells itself is nowhere more true these days than in the financial services market. Product knowledge and finely honed selling skills in every person serving the customer are essential. So are the support systems and product quality using advanced technology that complete the total marketing task. "Superior Customer Service" I read in the STAR VOYAGE brochure means:

"Being innovative in responding to the market rather than being imitative and responding to the competition.

Stressing the retention of existing customers -- not just stressing the acquisition of new customers.

Keeping in touch with customers.

Turning the organization into a team in which customer satisfaction is everyone's job.

It can't be said any better than that. A team is not a team until every member is dedicated to its objective, and assuring that commitment is your number one priority as a manager.
In both the computer business and in Commercial Credit 1986 is a watershed year.

We will do the things we do best....

We will do them better....

And we will return to profitability.

Again, I wish to extend my personal "thank you" to all of you.