

A PROPOSAL TO INCREASE HP'S ENGINEERING CUSTOMER BASE, CIRCA 1970s

Economics courses at business schools teach various ways to increase a company's revenues. One way is to increase product awareness among present customers, say, by advertising. Another way is to create new applications for old products. And, obviously new revenues could also come from inventing new products. But a really important method is TO ACTIVELY increase the ranks of new customers.

This monograph is a recollection of a proposal I wrote to Noel Eldred, V.P of Marketing, probably back in the early 1970s, which suggested an active program to increase HP's base of customers. I looked in vain for the old memo in my collections. My thinking came from my neighbor in Palo Alto, who was the Western Region Sales Manager for Pfizer, Inc, the large pharmaceutical company of the time. His sales staff was composed of hundreds of drug salesmen across the western states, whose title was "Detail Men or Women." Their job was to make personal calls on doctors in their offices to educate the doctors on the advantages of their new drugs, and to hand out armloads of sample packets. It was the same industrial practice for all of his competitors.

But it was another of his training innovations that caught my imagination. He had established another practice which called for his Detail people to show up in medical teaching hospitals of the time, after normal business hours. What he realized was that medical schools, even the best, didn't really have time during their years of teaching new doctors, the principles and process of prescribing drugs, the industry practices of drug production, or even to survey available categories of drugs. So his intent was that as the new doctor interns or residents had a few minutes off to sit for a coffee, the Detail person would sit with them at God-awful hours to show the new doctor the ropes of prescribing, which they didn't get in regular classes.

For the test instrumentation business of HP, I had long watched our industry's practices of hiring and training new BSEE graduates. If my memory serves, the US University system was graduating about 15,000 new engineers each year in the 1970 period. All these decades later, I can't recall if the 15K number of graduates were strictly EEs or ALL BS engineers? During their normal education, and during laboratory courses, engineering students would get a pretty minor introduction to simple measuring equipment and processes. In my case, the measurements mostly involved heavy rotating machinery and simple audio and telephony lab experiments. But measurement theory and practice got VERY little attention in the large numbers of engineering theory courses necessary for a BS degree. Any given student might have learned the name of HP and a few of our simpler products during their entire 4 years at college.

Once a newly graduated BSEE hired in to his new company, he simply "got lost" for about 5 years, as he learned the company practices, sometimes in formal training but most often by getting mentored by some old timer. He was likely beginning to design circuits and equipment, but working from the knowledge in his college classes was not very helpful. Virtually NEVER would our HP Field Sales Engineer ever find out about the newcomer, partly because it was typically about 5 years before he was qualified or authorized to begin procuring new equipment. At that point HP would learn his name, and get his name on the mailing lists of our very popular Measurement News customer periodical or distribution of application notes and such. Worse, since our FEs were paid on commission (which is OK) there was little incentive to spend their precious time in training a new engineer and potential customer in HP knowledge of all kinds.

I thought there was a large gap in that HP approach to new BSEEs. So my proposal to Eldred consisted of several steps:

1. Make it a requirement for our Field Force to visit EVERY teaching university to obtain mailing addresses of Junior students, and immediately add their names to our HP Journal & M/N mailing lists. In addition I proposed a new college-level measurement newsletter intended specifically to bring some

training information on measurement theory and practice to students. Of course, I knew that some or maybe even most students were plenty busy with regular coursework, and yet the merely arrival of such materials would stick in the brain of the student as they later realized that they really DID need to know about measurements. From my student days, I don't remember any college courses in the technology or practice of measurements.

2. One of my proposals was to actually create a series of modern college-level measurement lab experiments, but to masquerade them as a separate unique series of application notes. Some years earlier, Carl Anderson and I had co-authored a microwave training manual, using our own HP Field Training experiments. The reason for calling them appl notes was that in my experience a large percentage of university professors kept a proprietary interest in using their own lab experiment writeups. It was a personal thing, so using an HP lab experiment outright would step on that preferred practice. But if available, I thought that the HP experiments could often serve as a guide for local preparation. Not only that, I felt that a student might well save those instructional materials in their personal library. At the very least, later in their employment, they would remember the measurement course-like materials as being available at HP.

3. My goal was that EVERY ONE of the nationwide graduating seniors with BSEE degrees would be tracked somehow to their new company mailing address. My idea was to contact the seniors BEFORE graduation to make them some sort of offer that they would receive if they would contact HP immediately upon hiring in to their new company. Their incentive couldn't be money per se, although later, with a product like the HP-35, we could have offered a one-time major discount on their purchase. But I thought we could well offer them a bound set of key application notes, and certainly the current big catalog, and continuing their receipt of the HP Journal, by just sending in to HP their new company mailing address. The objective being to keep in touch with them during those 5 years that we normally never knew they existed.

My guess was that by keeping an HP presence in their lives, they would likely begin to grab a little bit of our FE's time, which at first would not result in any product sales. And yet, it was that personal relationship that we really did wish to establish for their whole career.

So, how did the proposal go over with Eldred?

He dismissed it with some sort of statement that budgets were tight. Pity.

I should have kept pushing the idea because I thought then and think now that it had great merit.

John Minck
10-20-11