



NEWSLETTER

MARCH, 1968

HOLLYWOOD, CALIFORNIA

PACE OF ACTIVITIES QUICKENS

The past six months have seen the institution of many new programs and the addition of a number of new key personnel in all of the affiliated companies. Past issues of the Newsletter have carried reports of these activities. Now, as the first tangible results start to appear, we are able to begin evaluating this growth program.

One of the main behind-the-scenes efforts has been the evolution of a plan for United Recording Corp. to offer to buy out minority investors in the affiliated companies by an exchange of securities. This plan was formulated and presented to the shareholders of the companies concerned in several stockholders meetings held the first part of January 1968.

A substantial growth in volume has been achieved by all of the companies. Through the end of the first six month period of the current fiscal year, gross income on an overall basis had increased by about 18%. The net income or profit figures for this period are not yet available since our auditors have not finished compiling the financial statements for this period. However, from an administrative review of the data, it appears that net profits will also be up although not quite as much ratio-wise as the growth in gross volume.

With the appointment of a Marketing Manager the sales promotion and related activities have been stepped up in many directions. This thrust in the marketing area has been particularly accelerated in distribution of products manufactured by United Recording Electronics Industries. Bigger efforts being made in advertising and field sales representation have increased the number of outlets for the diverse line of products and other related sales producing activities.

Coast Recorders Inc., in San Francisco, was the last of our recording companies to introduce 8-track recording services. Although the call for such service was slower to develop in the Bay Area, the rate of increase in the use of 8-track since its introduction at Coast has been almost spectacular. This is true to the degree that additional equipment has been ordered to fill present and anticipated demand.

Putnam Research & Development Division of the manufacturing company has again been expanded. Space has been doubled and more personnel added. This was necessitated by the demand for new product lines from the marketing function of the manufacturing company together with planned acceleration of project completion dates on development work already in the pipeline.

Individual articles on most of these topics are presented in more complete detail elsewhere in this issue of the Newsletter.

SHAREHOLDERS APPROVE CONSOLIDATION

During January special meetings were held of shareholders of United Recording Corporation, Coast Recorders, Inc. and Western Recorders, Inc., for the primary purpose of considering an offer by United Recording to acquire all of the outstanding minority interests in Western Recorders and Coast Recorders through an exchange of securities.

The proposal involves issuing United common stock for all the outstanding minority interests of Western and Coast. Unanimous approval has been voiced by shareholders replying to the plan, and application has been filed with the California Commissioner of Corporations for a definitive permit to issue the additional United stock.

This exchange of securities will give each shareholder a participation in the overall complex of companies. In addition, it will improve management's flexibility in future acquisitions or mergers since these may now be effected through exchange of stock or a combination of stock, other securities and cash.

Formulas for the proposed exchange of equities were worked out over a period of time by a management team comprised of United directors M. T. Putnam, A. M. Parri and Corporation Counsel Guy C. Hunt. Assisting the trio was George Gottfried, C.P.A. The plan was then submitted to the California Commissioner of Corporations for his review before being presented to the shareholders. The exchange ratios take into consideration the historical rates of growth and earnings of the various corporate entities, and management's belief in the fairness of the proposal was borne out by its acceptance by all responding shareholders of each company.

At each meeting directors were re-elected without change, and favorable reports presented by management on the business and financial status of the respective companies, with projections of plans for continued growth and expansion.



STELLA STEVENS — a stellar attraction at United.

SALES VOLUME CONTINUES UP

One of the prime indicators of the health of a commercial enterprise is the trend of its gross income. United and Affiliates is in a pretty robust state of well-being since the growth in volume continues. The first six months of the current fiscal year show that on an overall basis gross revenues increased by 18% over the last fiscal year. The month of January 1968 was the biggest month from a sales standpoint of the combined income of all affiliated companies.

On a percentage basis the largest growth was registered by Coast Recorders Inc. of San Francisco, while the sales income of United Recording Electronics Industries from the distribution of proprietary products increased at a rate which placed it in second spot on the "Growth Parade." United Recording Corp. and Western Recorders Inc. also registered gains but on a ratio basis they ran well behind the top two in improvement. This performance is to be anticipated since Coast Recorders and the electronics manufacturing company have the greatest latitude for improvement due to the lower base against which the performance is measured.

In the recording companies significant factors in the growth trend were the advent of widespread use of 8-track recording, the improvement of plant facilities, and the general business climate. In the manufacturing company increased marketing efforts, new Universal Audio products and the addition of the Waveforms product line were the main ingredients contributing to improved performance. Of course in all areas the qualitative efforts of the people involved were important in helping boost sales.

Since our auditors have not yet finished the review of the first six-month period and have not rendered a financial statement, it is not conclusively known how the growth in gross volume will affect net income or profits. However, information culled by management from the accounting records indicates that net profits will also be up over last year on an overall basis, but that improvement in profits probably will not be as great as the ratio of increase in the gross volume. The basic reason for this, of course, will be the increase in operating costs as reflected in higher payroll costs, increased state and federal taxes, increased depreciation writeoffs and the upward thrust in the cost of other supplies and services purchased to operate the businesses. Management makes every effort to keep costs within a reasonable range at all times.



NOEL HARRISON — unique on every record and a most beautiful person to work with.

R & D UNIT EXPANDS AGAIN

The very roots of any manufacturing company are in its research and development programs for creating, designing and developing new products to be profitably manufactured and sold.

As announced in the last issue of the Newsletter, Mr. John Jarvis was appointed Director of Engineering, heading up the technical and engineering activities of U.R.E.I. Since assuming his duties, Mr. Jarvis has expanded the physical facilities of the research laboratory and secured additional engineering personnel to accelerate the development of new Universal Audio, Waveforms and Teletronix products using the latest solid-state technology.

A large part of our development work evolves around the redesign of many existing products from vacuum tube to solid-state. So it seems timely to mention that this year marks the 20th Anniversary of the invention by Bell Laboratories of the TRANSISTOR, a tiny device which makes this conversion possible.

First termed "the crystal triode," the transistor, generally speaking, is a device which uses the properties of electrons in motion within a solid to amplify the power level of electrical signals. While the layman may not understand its many intricacies, he is aware that the transistor in many cases has replaced the electron tube. He also has added to his vocabulary the term "solid-state," which is another way of saying that circuitry employs transistors or other semiconductors.

However, although he uses the words "transistor" and "solid-state" almost synonymously, he probably doesn't realize what a startling technical revolution this small device created! The past twenty years have been the most exciting and prolific period in science, but particularly in the field of electronics. The sophistication and refinement of these devices which has taken place in this span continues to accelerate beyond the wildest dreams of those most closely involved.

The "integrated circuit," which is a tiny device resembling a small black bug perhaps 1/4 inch or 3/8 inch in diameter and containing 10-12-15 transistors as well as resistors and other elements, is truly remarkable, particularly in light of all the functions which it may be made to perform.

The never-ending challenge created in part by this super rate of technological advancement focuses more emphasis on the performance of those involved with research and development in that they must continually stay "on top" of the state-of-the-art, to make certain that the latest devices and technology are incorporated into each new product they design.

Around the R & D Lab, if you ask, "What's new?"



LIZA MINELLI — her style and ability need no introduction.

the only logical answer would have to be "D'you mean today or yesterday?"

To enable us to stay "on top" in our field and to make certain that the latest developments are incorporated into our new products, the PR & D staff has been expanded with the addition of two talented people. Mr. Mario Yogore and Mr. Hugh McDonald.

Mr. Yogore was born in Iloilo City, on the island of Panay in the Philippines. After receiving his BSEE at the University of the Philippines he was employed as an electrical engineer at the San Miguel Corporation, the largest corporation in the islands. He later returned to the university serving for twelve years as a faculty member in the Electrical Engineering Department. He earned his Masters Degree at Stanford University and prior to joining PR & D spent a year at Capitol Records as electronics engineer. Mr. Yogore's knowledge and experience in transistorized circuitry design is a valuable asset to our research department where he is currently putting it to good use on new Waveforms product development.

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NEW FILM SCORING FACILITY OPERATES TO THE HILT

During the past several months the nerve center of our film-scoring capability, Studio 6 at Western Recorders, has been operating to the hilt as many of us have been deeply engrossed in the exciting television segment of the entertainment industry.

In large part this has been occasioned by the film scoring we've been doing for CBS-TV while their own studios are inoperative for a number of months for remodeling and refurbishing. In order to take care of the scoring work they needed to have done during this period of construction, CBS-TV made a study of facilities available in the Hollywood area and concluded that the equipment, engineering know-how and end-quality available at Western Recorders would best fit their needs.

Episodes for "Gunsmoke," "He & She" and "Wild Wild West" were involved as well as two new shows filmed for fall release, "Blondie," and "Hawaii 50." In addition, a pilot show, untitled at this writing, was completed, using our 3M eight-track recorder. Results were dubbed from the eight-track directly to film, an innovation to the film industry.

In conveying his thanks for our services, a CBS-TV spokesman said he was, "impressed with the facilities and the talents of Western's crew, especially when confronted with problems. Congratulations on a job well done."

ALAN SOLOMON RETURNS TO UNITED

After a brief fling at the budding tape cartridge equipment field, Alan Solomon has returned to the United company group as Controller. In this capacity he will play a greater, more important role in corporate planning, especially as it applies to the overall financial structure and growth of the various companies.

The expansion of his responsibilities has prompted the creation of a subordinate position, that of Chief Accountant, which will free him of many of the routine accounting functions such as office supervision, compilation of daily reports, etc., allowing him more time for planning and analysis in the complete financial picture.

Alan now occupies new offices at the United building in Hollywood where he has begun initial research into a new cost and budget program for the manufacturing company.

Working closely with Secretary-Treasurer Tony Parri, Alan will be directly involved in preparation for the immediate growth foreseen for United and Affiliates in the coming year as well as in formulating the financial structure necessary to accomplish long range objectives.

SALES PROMOTION ACTIVITIES ACCELERATED AT U.R.E.I.

Unlike many other departments in a company, the worth of a good sales organization can be appraised in dollars and cents. It's not good policy to lag behind the manufacturing organization and stockpile finished goods on the shelves. Neither is it wise to overextend and sell beyond a calculated margin that the manufacturing company can provide. Somewhere between these two, the sensible marketing manager sets his first goal. Then, by increased sales pressure, he strives to keep manufacturing up to its potential.

Some months ago a new Marketing Director was hired and charged with establishing a well-rounded sales program for our recording studios and the manufacturing division. At U.R.E.I, he faced a complex situation: the demand for Universal Audio products was on the increase, Teletronix and Waveforms had just been acquired, and the PR & D program was launched to provide additional products for manufacture. In addition, our public image now had to reflect the company name change which recently had taken place.

It was soon determined that there were three major areas through which our existing sales program could be accelerated and broadened to get across to the product-buying public our new image and to increase the demand for our products. These include expansion of our representative/distributor system, additional direct media advertising, and the provision of larger quantities of sales promotional tools such as technical data sheets and engineering back-up material.

A budget was set up and a program outlined to accomplish these first three objectives. An increased direct advertising campaign is currently being implemented. Space previously placed in strategic trade journals is being continued and expanded. This program will be augmented by placement of advertising in additional media to give broader coverage in the industrial area and bring about increased demand for all three lines of products manufactured by U.R.E.I.

As well as advertising in selected trade journals, it was also determined to continue running new product releases as another method of disseminating new product information. In the past this relatively inexpensive, but effective procedure has brought us some very gratifying results.

Sales generated by this method, as well as by direct advertising, are effected through established representative firms and distributors who also reap

the benefits of our sales activities. In recent months many new firms have become aware of U.R.E.I. through national publicity and a sizeable number of new representatives and distributors have climbed aboard our bandwagon. Most recently we have finalized representative and distributor agreements for the States of Hawaii and Alaska and are currently working on a contract for the New England area. Gotham Audio, of New York City, who replaced Roche International as our foreign representative for Universal Audio and Teletronix products, is hard at work creating interest in our products and stimulating sales in the overseas market.

As we increase our representative coverage throughout the country and abroad, this places a greater demand upon us for catalog material, for more detailed engineering information and for increased field-training programs to hammer home product information to these men who are selling our goods to the individual customer. Our sales budget includes funds to provide additional sales literature, engineering data, and to set up a planned program of personal contacts with field representatives to encourage their sales efforts.

One of the most exciting and gratifying of our sales promotion efforts is our participation in trade shows. Again this year we will exhibit in the AES Show in both Hollywood and New York. Highlight of our display will be a brand new booth to showcase our products. Extremely functional in design, the booth consists of two complete segments — one for Waveforms and one for Universal Audio. Either can be used separately for display as required, or the two can be used together for an attractive showing of our total product line. Now in the final stages of completion, it will be used for the first time at the Spring AES Convention and Exhibit at the Hollywood Roosevelt Hotel in April.

Our sales program is gaining momentum every day and we're setting goals for the production department which is simultaneously planning its workload to ensure a supply of finished goods to keep pace with our diverse sales efforts. We're working toward a total program that will cover all the bases. We know we have the right people in the field who know what they're doing and how to do it. We are providing them with every sales tool they need to promote a continual flow of products from our assembly line to the customer. We're convinced that we have the right products and that the manufacturing division has no where to go but UP!

ARE YOU READY FOR THIS?

On Saturday, April 20, all employees from the United studio group of companies are invited to leave the prosaic world of Los Angeles and "let-go" on the beautiful Vista Valencia Golf Course in the newly-established community of Valencia, just an easy 25 miles from Hollywood.

Plans for this, our first "Employee Golf Tournament," were occasioned by the indication that there will be very little let up in the coming months for the recording studios. Apparently someone in the ranks took a look at the growing list of advance session bookings and did a rapid double-take. Suddenly the happy summer vacation period seemed only a glimmer on the far horizon and the days ahead seemed a bit fun-less. Probably that old saw about "All work and no play . . ." popped into his mind and he decided to do something about it.

Word got around that what we needed was a brief turn at what the army calls "R & R," or Rest and Recreation. The idea caught on and since a head count anytime and anywhere always shows there are more golfers than there are model-builders, fishermen, skindivers, or maybe even women-chasers, a Golf Tournament began to be the rallying cry of the busy recording crew.

It took very little table-pounding to get the idea across because up at the head of the table was Studio Manager Bob Doherty. Bob is keeper of the funnel through which passes each and every studio vibration, be it good, bad, funny or ridiculous. While requests for meal penalties, overtime and the like may have to be made in a loud roar, when it comes to golf, Bob operates on a high level of E.S.P.

The vibrations came through loud and clear and it didn't take long to get the tournament scheduled. On the 20th, at Vista Valencia, tee-off for the men begins at 10:36 AM on the 18-hole, three-par course, while the ladies will start on an "anytime" schedule on the 9-hole course.

The name of the game will be fun and relaxation. Rescue parties will be available for casualties who don't finish due to exhaustion, exposure, thirst or just plain getting lost in the rough. Both veteran golf addicts (a growing social problem) and those coming out just for a walk in the sun will be given handicaps and will be in the running for the various trophies to be awarded. And remember, you novices, people who don't play golf well get twice as much fun and exercise as those who do; they hit the ball twice as many times!

Because this is the first company-sponsored tournament, there are bound to be a few surprises in store. Andy Richardson, for instance, might just possibly groove his swing and rack up another hole-in-one, while Phil Kaye, unofficial winner of the "Most Appropriately Dressed" award at the Record Industry Tournament may be masterminding a comeback. There's a rumor wafting about that Bob Doherty is planning a last ditch effort to affirm his leadership, and it wouldn't surprise this writer to find Bill Putnam out on the tee flight-checking a 6-volt portable club degausser. Come to think about it, are lady golfers wearing miniskirts this year?

No matter who wins the trophies or who falls out of the golf-carts, it'll be a day for all employees to get out and enjoy themselves while proving to each other that the people we work with are the greatest people in the world!

EMPLOYEES: Shape up and SIGN UP at the Pro Shop in the traffic office, or call Carolyn Wolf at Western for foursome reservations and starting times.



Waveforms Engineer Hugh McDonald seems impressed by performance of new UA Limiter being checked out by Production Test Supervisor Frank Wurz.

COAST RECORDERS BLASTS OFF!

COAST RECORDERS, INC., in the City By The Bay, is going FULL BLAST! Studio A is performing 8-track work morning, noon and night! Studio B is heavily booked with commercial production sessions for ad agencies. Studio D is always backed up with production work ... and TAPE DUPLICATION has increased approximately 500%!

New equipment has been added ... new mikes and headsets are being used. New sound panels are being readied for Studio A. A wall modification and a completely rebuilt piano, all to accommodate small music dates in Studio B. Naturally, remodeling and reconstruction is being done between sessions.

COAST Engineers Mel Tanner and Walt Payne have perfected 8-track recording in Studio A and between them have recorded the "Quick-silver Messenger Service" for Capitol Records, "Country Joe and The Fish" for Vanguard, various groups for Warner Bros., as well as the new Levi-Strauss 1968 Spring/Summer Radio spots

for Honig-Cooper & Harrington, produced by Art Twain.

Baseball is in the air! The San Francisco Giants' sportscasters Lon Simmons and Russ Hodges have been steady clients at COAST cutting Burgie Beer radio spots for Post-Keys-Gardner, Roos-Atkins spots for Lennen & Newell and Pacific Telephone for Batten, Barton, Durstine & Osborn. Maybe next week Willie Mays?

COAST RECORDERS is also getting into the academic world. Yes, audio aids for primary students with emphasis on moments in American History have been recorded for Professional Arts, Inc., San Mateo, as well as for Field Enterprises in San Francisco. What did Pocahontas REALLY say to her Indian Chief Father that he spared John Smith's life? Coast Manager Mel Ryan knows!

Next week another thrilling installment of "Adventures in History" ... live at COAST ... or ... "Can a Beautiful Indian Girl Find True Happiness with a "John Smith?"

SECURITY MEASURES TAKEN BY HOLLYWOOD STUDIOS

The sizeable increase in work volume at United and Western has resulted in the use of additional specialized equipment now in a movable, more flexible mode. This, together with the increasing number of people and equipment coming in and out of our doors, has necessitated installation of a security guard system. This function is designed to protect the properties and premises of the studio and to screen out the idle passers-by desirous of wandering into a studio and "bumping into a star."

Guards are on duty during hours of peak operation as well as the early morning hours, checking all doors to the studios and entrances to the building.

To assist them in performing their duties quickly and efficiently, all employees and other people who may need to have access to the premises are being furnished with identification cards.

R & D (Continued from Page 2)

Another new staff member is Mr. Hugh McDonald, formerly Chief Engineer of Waveforms Inc., who elected to come west when the firm was acquired last year. Recently reassigned from duties as Manufacturing Engineer for Waveforms products at the Valerio Street plant, he is now concentrating his full effort on design and development of new Waveforms instruments. Besides eleven years with Waveforms and four years as a service engineer for Raytheon, Hugh can also point to teaching in his background. As a Navy instructor in electronics at Treasure Island during World War II, he taught radar and countermeasures. Prior to leaving New York last year he spent approximately nine months at New York University as Manufacturing Consultant on the NASA-sponsored Cosmic Ray Project. Duties on this assignment included construction supervision of proton and neutron counters used to measure the density of cosmic rays.

To round out the staff in the research lab, additional personnel will be selected by Mr. Jarvis. These include a mechanical designer who will be responsible for packaging of new products and an engineering aide. Both will serve as support for the design engineers to implement the transfer of their design concepts from the "bread-board" stage into actual production prototypes.



SAMMY DAVIS JR. — ... The horn? Sure I can!

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