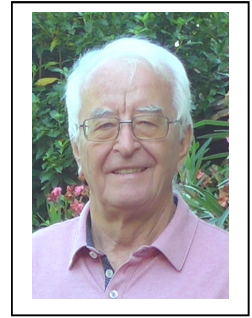


My Memories of Early Days at Hewlett-Packard GmbH

Willi Jirgal



Foreword

Mr. HP Europe Administrator—Willi Jirgal

Bill Hewlett and Dave Packard changed literally tens of thousands of lives across the globe. It wasn't so much that we couldn't have found other challenging jobs in high technology. But it was our luck that we signed on to the best company with the best work culture in the world of the second half of the 20th century.

That culture which was largely US derived soon found Bill Hewlett extending it internationally. Bill was always the internationalist, and started the HP moves overseas with operations in Switzerland, Britain and Germany. This was done to exploit the new European Economic agreements on trade. Some of this history is covered in the Ray Smelek and Carl Cottrell memoirs on this website.

Willi's memories will fill in more information on the rapid growth of the German manufacturing operation. He recalls some writings of Fred Schröder and Eberhard Knoblauch, as they reviewed some of the early decades of their endeavors. It is always interesting to review memories of managers like Fred and Eberhard, as they lead a creative team of enthusiastic engineers and manufacturing personnel to build an entirely new facility in a new land. We can then compare their experiences with other memoirs like Al Steiner's memoir of his success in moving Delcon from Mountain View, California to Colorado Springs. Or Cort van Rensselaer in his establishment of the Oscilloscope Division in the brand new site in Colorado Springs. There is so much in common with all such memories, in a way which shows how HP people adapt previous experiences and successes to install the HP Way across the globe.

John Borgstedt's memoir also contains several written references from Fred Schroder, since John and Fred spent quite a bit of time on various activities when Fred travelled here. We provided click references to those other writings.

We all know that HP became a second family for all of us. We spent more than 1/3rd of our time at work, and strong relationships developed on the various teams. In Willi's case, he also found his wife, Traudi in the factory team, and made a long 50 year life with her. We don't have statistics on "company-enabled" marriages but it is not zero.

Probably the best results of the global nature of HP was the camaraderie which developed between nations, whether it was reinforced by email correspondence, or by the huge amount of travel which our high tech industry required. In my own case, my wife and a neighbor took a tour to Germany, Austria and Italy. The neighbor bought a new Mercedes and had it delivered in Sindelfingen. They drove all over, ending in Italy. Where the car was stolen. Luckily, they had moved most of their purchases into the Pensione the night before. When my wife called, desperately, I simply told her to contact the Hewlett-Packard office in Rome. They quickly sent a car over, picked up the boxes of goods, and packed and shipped them back to me in Palo Alto.

Lifelong friendships were the coin of our realm at HP. We see this reinforced and recalled in every memoir of this series. Willi Jirgal showed how the HP work culture grew up in new places like Böblingen because HP's leadership style allowed people to be effective immediately in any HP office and transferred easily to the many HP sales and service offices across Europe which opened up in the late 60's and early 70's.

--John Minck

RETROSPECTIVE ON THE 50TH ANNIVERSARY OF GMBH

On the occasion of the 50th Anniversary of the HP German manufacturing operation, J. Menno Harms compiled some remembrances of a number of HP people who were involved. These are presented as Appendix A at the bottom of this memoir.

Willi Jirgal: A remarkable career that began in Böblingen, mentored by Eberhard Knoblauch

I was hired by Eberhard Knoblauch, in 1960, as an accountant. By 1972, I was in charge of EDP, Logistics, Materials Management and Order Processing. I then moved to Frankfurt as Finance and Admin Manager of the HP sales company. In 1976, I transferred to the European headquarters of HP in Geneva, as Sales Administration Manager, and held jobs in Customer Finance (Accounts Receivables, Credit-Collection and Sales Finance), Asset Management (European Inventory Supply Chain and Capital Budgets), Risk and Insurance Manager, Finance Function Development Manager and HP Recruiting Coordinator, Europe. I retired from HP Geneva in 1997, and now live in the Geneva area.

As I read through the memoirs of the HP Memory Project website, I thought it would be interesting for readers to be reminded that the team that Bill and Dave assembled came to include many, many international members. Germany and the UK happened to be the first outposts of the HP manufacturing factories. Ray Demere, who would later be instrumental in the creation of the Loveland Division, was sent to Germany to start up manufacturing operations, and transplant the HP Way into the German work culture.

German operations were built on local hires

In my attic, I found a manuscript from Fred Schröder, who was a founding member of the HP GmbH factory in Böblingen. In it, he describes early years at HP GmbH in Germany. To give an international perspective to the HP Memory Project, I have taken the liberty to transcribe Fred Schröder's memories and add a bit of my own.

Click [HERE](#) to read Borgstedt notes of various shared activities when Fred visited the Bay Area, and later when he moved here.

HP Germany in the early 1960s

HP GmbH was the first HP plant away from Palo Alto, in 1959. This was about the same time of the Loveland expansion. Ray Demere, together with Fred Schröder, Eberhard Knoblauch, Gunter Warmbold, Walt Noble and Bob Cornell were the startup-team. Not to forget Doris Bogdanski and Hildegard Dengler, the first women on the assembly line.

The Treaty of Rome created a single European market in central Europe. This was the motivation for Bill Hewlett



Eberhard Knoblauch, 2016

Fred is so strong in my memory in so many and such a variety of ways adventures and events. Just to sit a tree that instantly come to mind - sailing in San Francisco Bay toward the GG Bridge. I had the helmsman at top speed, Fred watching with some amusement, and someone commenting, "but we don't seem to be going anywhere". I missed that too. Fred mentioned the ten-knot incoming tide and offered to show me how to deal with it, first by getting out of there, and then.....well, all went perfectly after that.

I invited Fred to try shooting at clay birds at our private shooting range up on Skyline Boulevard. Weather was fine in Palo Alto, but the top of the ridge at 700 meters altitude was in a cloud. We tried to hit clay birds before they disappeared in the fog, but soon gave it up and I tried hard to think of an alternative adventure. On the way down off the mountain, I suggested flying in a glider. As always, Fred was game for adventure, so we drove over to a tiny landing strip across the bay in Fremont and squeezed into a glider, piloted by an experienced pilot, got over by an airplane up to 700 meters over the hills in Fremont, and had twenty minutes of fine views over the whole south bay, wild mountain gorges on the side of the mountains, and a few exciting wingovers and stalls on the way down to landing on a strip no wider than a one-lane road. To top it off Fred took me to lunch at Jack London Square. Again another fine adventure with Fred.

Fred and I attended an annual meeting of the Naval Institute at the Naval Post Graduate School in Monterey. At these events there are opportunities to meet important people in the military. So, with pride, I introduced Fred to our Chief of Naval Operations who was all smiles, learning that Fred had been a Uboat medical officer. They spoke together and we later sat at the table with a WW2 pilot who was being honored for exploits. Another great day with Fred.

Then the Virgin Islands. Fred figured I could fit in with his navy buddies. I'm not sure I did, but Fred made it work out fine, and I had another memorable adventure finding out how the German Navy trained its sailors, and how they sail a vessel right up to the anchorage. NO motoring for those guys.

There was the time I asked the Captain of the nuclear cruiser, U.S.S. Texas if I could bring on board a Uboat friend of mine. He said sure, come to have lunch with me in the Captain's cabin, and then have a tour of the ship from top to bottom, including a demonstration of missile loading. Well as usual, Fred was up to any surprise adventure. His savoir-faire was perfect for the occasion. Sailors we met along the

Borgstedt notes on activities with Fred Schroder, who was General Manager of HP GmbH. See Text for Click Reference.



Bob Cornell & Eberhard Knoblauch, 1960

to establish an HP factory inside this future market. Bill had visited Germany the year before and looked at Munich and Stuttgart as possible locations. On his visit to Munich, the lord mayor toasted to Bill Hewlett in the evening, “Here in Bavaria, we not only work, we also enjoy life with a good beer.” The legend is that this encouraged Bill Hewlett to select Böblingen, where the motto of locals was, “Work, work, work, save, save save, build a house.”



Theo Tischer, Gunter Warmbold, Ray Demere (far back)
Joe Voigt, (foreground), 1960

An old textile mill near the railway station was the first location, and the first product was the HP 200CD Audio Oscillator. Legend has it that a frying pan served as soldering bath. Other products included the 400 series voltmeters, and very soon a dozen of HP’s best selling European products were made. Some were even shipped to Canada, in order to help build volume in Böblingen.

Soon the operation moved to a larger and modern rented facility. Within a year, HP’s initial investment of \$50,000 was paid back from the profits made.

Growth continued, and the first building on a large site was occupied in 1961. Ray Demere moved back to the USA, and in town the rumor was that HP was in financial trouble because Ray was selling his house. Much to the contrary, everything boomed, growth continued at a rate of 40 – 50% a year. Fred Schröder was general manager, until his move to the European headquarters in 1969, then Eberhard Knoblauch took over. It was a first for HP worldwide: A division manager who was not an engineer, but a “beancounter.”

At that time, it was standard policy in U.S. companies to have at least one U.S. citizen as a management team member. Not at HP: The trust in people, a key value of Dave and Bill, and the integrity and reputation of Eberhard meant that he could select his management with no interference from anywhere – this was also one of his principles which Dave and Bill impressed on him: If your (profit and growth) numbers are ok, nobody will argue with you.

Steve Ford from Loveland became controller of the GmbH manufacturing site for a few years in the 70’s, but this was due to the strong relationship with the Loveland division and Steve’s strengths as a person and a manager.

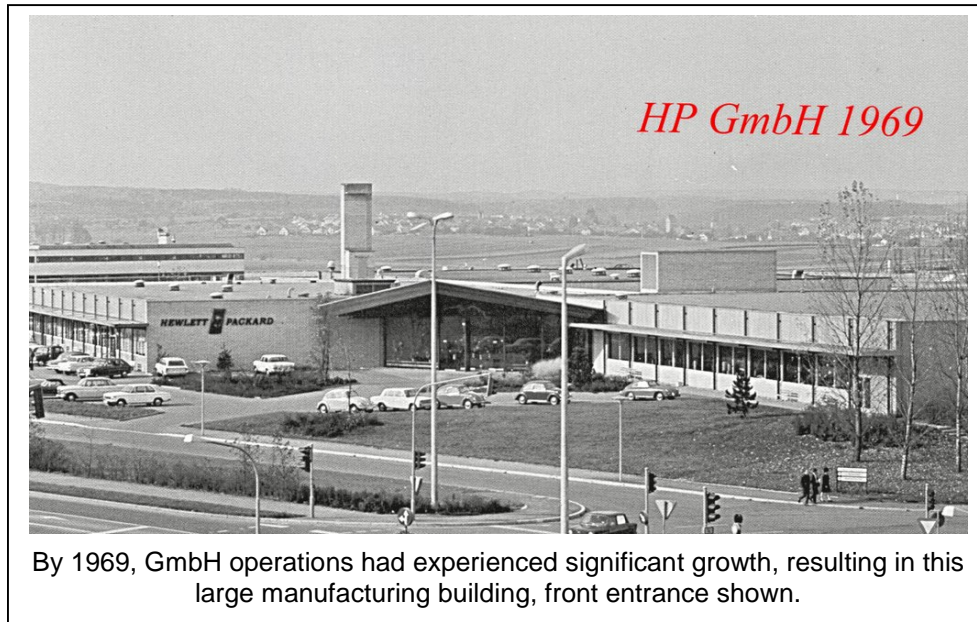
As HP grew and thrived, the name became more recognized, less and less mail was received with misspelled company names, like Houlett-Pankraz or Jule- Packer . For some time someone in the office collected the most hilarious ones.



First HP rented location 1959,
an old textile building,
Böblingen, Germany

Eberhard had always been keen on developing HP GmbH, he convinced the Moseley Division to transfer the X-Y plotter production to GmbH, and the Loveland division to transfer the 3440 Voltmeter, both added tremendous volume. Then came the 9100 desktop calculator. I believe Eberhard was also the driving force behind the companywide product line accounting introduced by Corporate Finance Manager, Bob Wayman. This format showed worldwide profits credited to the originating division's report card. This motivated US divisions to transfer products, because the lower price of German production (savings on import duties) led to higher volumes in the European market.

Eberhard hears a piece of David Packard's mind



In 1971, David Packard returned from his post as deputy secretary of defense and found HP ready to launch a bond issue for \$300 million in order to finance the rapid growth of HP. But he remembered Dave Packard's reaction which he stated at a business dinner in Böblingen: "Do your job right, work as a team, develop new products, serve your customers well, reduce inventories, receivables and cost, then you do not need to take a credit."



Upon this, Dave Packard's wife kicked him in the shin and said, "Another speech like this, and I won't come along anymore." Knoblauch remembers that the intervention of Lu Packard was to no avail. Debts were a no-no.

New product development comes to GmbH

As GmbH business boomed, proprietary product development became a major objective. One of the first innovations was the fetal heart monitor (cardiotocograph), based on the idea of Dr Hammacher, a German doctor. The R&D program languished, until Karl Grund got involved, and it took off briskly.

Karl was also the initiator of a new pulse generator program, and along with patient monitors, both were the subject of lively negotiations with Colorado Springs and the Medical division. Karl's enormous enthusiasm and drive overcame many of the "not invented here" hurdles. Each of the products developed in his R&D lab was a success.

Beyond the technology and manufacturing processes, other innovations were introduced. Karl Grund was the driving force behind flexible work time. He continuously complained that he and his R&D engineers just were not "morning persons." They tended to be contrary to the factory people, who liked to show up at 7 am in order to finish work late afternoon. Finally Fred Schröder and the management team gave in to the strong desires, and in 1967 established a trial program. Everyone could start any time between 7 and 8:30 am, and leave after 8 work hours.

Employees initially could not believe that HP trusted them to be honest with timekeeping. "What, no time clocks?" was often asked.

Several new buildings were completed in the decade, and in 1970, total floor space was about 200,000 sq ft. This space was equivalent to single-floor versions of 5 of the buildings in the Page Mill complex. By this time, 250 of the most popular HP products were made in Böblingen. There were several manufacturing divisions as well as associated operations like the European Parts Center and the Computer Systems Integration Center.

HP Europe built its organization to exploit government changes

In 1961, HP decided to open a UK manufacturing operation in order to gain preferential tariff access to the European Free Trade Association (EFTA) countries of Norway, Switzerland, Austria, Denmark, Sweden, Portugal and the UK (the "outer seven"). Locating in the UK also gave HP better access to Britain's "Commonwealth Preference" partners. The production of oscilloscopes, X-Y recorders, power supplies and voltmeters in the HP South Queensferry plant took away a substantial amount of volume from GmbH. The UK team was led by John Cage and John Doyle, starting first in a small facility in Bedford, just north of London. As it expanded in a few years, the government resisted expansion around London and gave considerable incentive to set up in Scotland.

In the late 60's, a third HP manufacturing site was set up in Grenoble, France. Again, some of the best selling products were transferred from Böblingen to Grenoble, to help the new division to get off to a fast start. Kleber Beauvillain, General Manager HP France, remarked to me a few years later, "My biggest admiration is due to Eberhard Knoblauch – whenever products or activities were transferred out of Böblingen, you could be sure that a few years later, he had made up for the lost activity, and added more in their place. "

Expansion continued on a second Böblingen site, and a third site was bought and completed in 1976. In 1973, HP bought the Hupe and Busch company, which made liquid chromatographs. Then, in 1978, a new HP factory in Waldbronn was built. Dieter Hoehn started out as an R&D engineer for chromatography detectors, and ultimately became manager of HP's analytical business worldwide until his retirement in 1995.

Early in the 70's. HP organized into several product groups, and Eberhard and his team split the manufacturing activities along product groups: - all the newly created division manager's jobs were



filled from within HP GmbH, an indication of Eberhard's uncanny skill to identify and develop management talent. The instrument division, the largest one, was headed up by David Rose, who had come up through marketing, David later moved to Grenoble to start up manufacturing there, and was replaced by Jörn Kos, an R&D section manager. The Medical division was headed up by Karl Grund, the Analytical division with manufacturing activities in Böblingen and Waldbronn was headed by Dieter Höhn, and the Calculator division was run by Srini Nageshwar, an Indian, who had made his career in the Böblingen manufacturing activity.

Over time, this changed Eberhard's role as the product groups started making most decisions about investment and manufacturing processes. Through his personal connections and the respect Eberhard had everywhere in the HP organization, he continued to play a major role in all aspects of this new organization.

One of the many ways in which Eberhard kept control of what was going on was the daily mail meeting. Eberhard's secretary had sorted all incoming mail by function / division, putting the most important pieces of mail on top. The entire management team met, standing up, while Eberhard took one after the other pieces of important mail (he had read it before the meeting), summarized the content quickly and proposed the action to be taken. The whole meeting lasted typically no more than ten minutes, and in this way all the management team was informed of important events.

HP GmbH (manufacturing) merged organizationally with the German sales organization in 1977: Here again Eberhard made his mark: He challenged the German sales forces to close the gap between the lower U.S. field selling cost and the German "cost per order dollar." The larger German organization continued to adapt rapidly to a changing business environment. Acquisitions, mergers, splitting off activities like metal shop, logistics, printed circuit board manufacturing and loading are just a few examples.

When the Deutsche Mark continued to revalue versus the dollar, the cost of labor and overhead in Germany rose substantially, from 4.20 DM per \$1 in 1969 to 1.80 DM per \$1 in 1979. Eberhard successfully rallied employees and management to increase productivity and cut costs through automation, so that manufacturing cost in Germany remained competitive with the USA.

Parts Center Europe and the European Distribution Center in Böblingen

In 1967 Eberhard had convinced Dick Alberding, then HP Europe General Manager, to move the parts center from Geneva to Böblingen, on the argument that most of HP's most popular products were built here, and thus spare parts could be pulled from the factory inventory. Parts not available from the German inventory could be obtained very rapidly and at the lowest shipping cost from the U.S. division on the regular factory support shipments. This proved a most successful activity. Very quickly, the parts center under the responsibility of Dieter Berner established an excellent reputation for speed, reliability and accuracy.

Hans Vogel, then in charge of Electronic Data Processing, developed, together with his team and the help of Les Oliver from Corporate and Curt Edelmann from Geneva an integrated inventory and order processing system for the European Parts Center and the European sales companies that proved to be a true stroke of genius.



Eberhard instituted a daily management meeting during which the daily mail was reviewed, 1970

Field offices transmitted their parts orders on teletype machines, which produced paper tapes, these were converted to punch cards in Böblingen by an automatic card punch machine. These cards went to the stockroom, where parts were pulled, one card went with the parts, one card returned to EDP. There, intercompany invoices and trade invoices on behalf of the 12 European HP sales offices were printed, in local language and 12 European currencies. A punch card with the trade invoice details was fed into the accounts receivables system of the sales offices. A truly unique integrated approach at a time when data processing consisted of islands of automation, but no bridges in between, so that, for example, for the trade order system, accounting had to re-enter details of invoices created by the trade order processing system.

Because of the above, the HP components division gave the European parts center the charter to distribute most small orders within Europe, Medical supplies like the paper for cardiographs and Analytical chemicals and columns were distributed through the Parts Center Europe.

Based on the reputation of the parts center and the EDP system, it was logical that the HP35 would be distributed in Europe through the Parts Center Europe.

The efficiency of this distribution activity progressively led later to the establishment of the European Distribution Operation at Böblingen

In 1972, Vogel moved to Palo Alto and then to Geneva to help to develop and manage the European Trade Order Processing System COCHISE (equivalent to the HEART system of the U.S.), He returned to Böblingen in 1977 and developed the European Distribution Operation. Later, he and his team conceptualized and implemented the Manufacturing and Logistics Center, an automated warehouse for most Distribution Products and for some manufacturing activities until he retired from HP.

Hans Vogel had joined HP GmbH in 1963 as inventory control clerk, where he met Heike (then Wollrab) who was in charge of Inventory control and widely respected at HPGmbH and in Palo Alto for her charming efficiency and reliability. Heike Wollrab had been hired by Ray Demere in early 1960 and had the employee number 11. Together with Dick Were, Zella Williamson and Dick Stone from HP Palo Alto, they developed the inventory control system that supported the Böblingen manufacturing activity.



Heike and Hans Vogel, 2015

This narrative would be incomplete without Dieter Hofherr: Hans, Dieter and I had met during our apprenticeship at a German textile manufacturer, where Eberhard Knoblauch was implementing a punch-card based inventory system as part of his business school graduation paper. Dieter Hofherr joined HP GmbH as an accountant in 1961, and became the accounting manager until his move to Corporate, in 1977 where he worked in senior positions in the Controller and Tax function until his retirement in 2010. He married Eberhard's secretary Birgit in 1971 and they live together in Auburn, CA.

Even though we were living apart, Hans, Heike, Dieter, Birgit and Traudl and I share many fond memories of friendship and the many years at HP.

Eberhard's dedication to people and HPGmbH expatriates

Because of HP's company culture, labor unions were not welcomed by employees and management. An HPGmbH employee council, mandatory under German labor laws, was set up in the late 60's and its members earned the respect of the employees and management. HP employees felt that HP was "their company." HP GmbH had joined the German metalworkers association. Early in the 1970's, wage negotiations between labor unions and the employer's association were in a stalemate, and the employer's association decided on a mandatory lock-out for all its members.

Eberhard and his management team struggled with the decision for several weeks, and it clearly tore at their conscience to have to lock out HPGmbH employees from work. Finally, the team decided to notify the employer's association that HPGmbH would not participate in the lock-out, upon which HPGmbH was promptly excluded from the employers association. This was an enormous loss of prestige and reputation to Eberhard, his team and "his" company. But, it just emphasized that HP's loyalty was with its people. And they remembered, and applauded this loyalty.

Over the years, many HP employees and managers had opportunities to develop their careers at other HP units. Gunter Warmbold took an assignment as factory general manager in Brazil. Wolf Michel helped start up HP's factory in Barcelona/Spain. Hans Vogel went to the U.S. and to Geneva to develop HP Europe's trade order processing system named Cochise. Eberhard had a strong commitment to "his" expatriates and he bent over backwards to find them a suitable job when they wanted to return to Germany. After about two years of my stay in Geneva, Eberhard started to make me very attractive job offers at HP GmbH, but my family had decided to stay in Geneva, the boys had integrated well into their school, and we all liked all the things the Geneva area had to offer, skiing, the lake, an international town. Eberhard tried several times to convince me to come back to Böblingen, until he accepted that my decision was made.

Another HP career mentored by Eberhard: Klaus-Dieter Laidig started in 1967 as personnel specialist, became personnel manager in 1969, European Sales Admin Manager in 1971, and evolved into General Manager, European HP computer systems production, sales, marketing and logistics. He left HP in 1998 and became a leading, well-known figure in German industry.

European and international employee development and integration

For many years, Eberhard maintained an exchange program for young engineers from several countries, notably from France. They would be assigned to HPGmbH to work in their respective activity on the production line, as production engineers for example. These cross-national technical training roles benefited both HP facilities as they shared cultures and expertise.

Because of the ties to Loveland division, many HP GmbH technicians were sent to Loveland for a kind of internship, to be fully indoctrinated to HP's technical knowledge and the HP Way. Eberhard strongly believed in development of management from within. When he retired in 1993, Menno Harms, who had come up through the R&D Department and HP Medical Sales, was an ideal candidate to replace him for the next 11 years.

A personal career choice for Eberhard: Around 1976, when Dick Alberding, then director of European operations, returned to the USA, there was a strong rumor that Eberhard was offered the job to run HP Europe. He is reported to have said: If I can do the job from Böblingen, I'll be glad to take it. HP did not want to relocate the European management function to Böblingen, and so Franco Mariotti became General manager of European operations, which he remained until his retirement in 1996.

Some closing remarks about people:

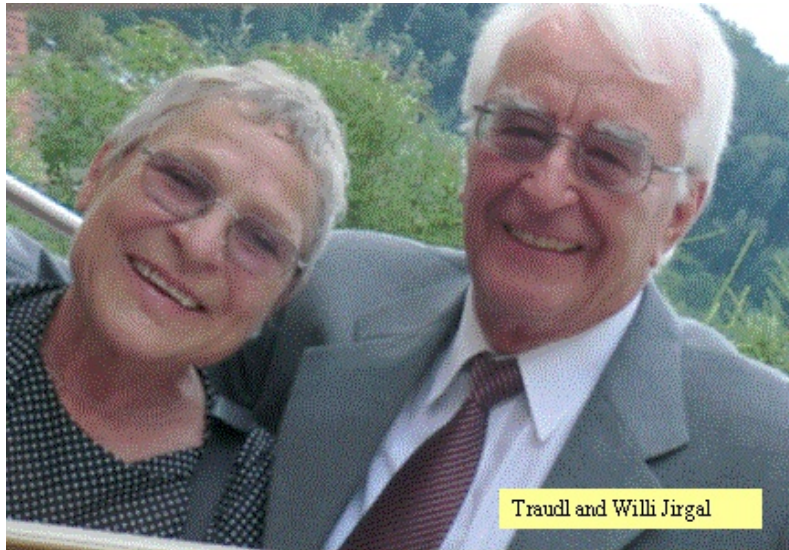
Those years were marked by continuous innovation at all levels, technology and human. The HP Way was much admired in Germany, and HP was considered as one of the best companies to work for. Heinz Fischer who had made a remarkable career, moving from accountant to Finance and Human Resources manager at HP Germany, introduced the “Human Resources Marketing” concept. This awareness process went about selling the HP Way and workplace to Germany, increasing respect for HP in German industry. Heinz later became Controller of HP Europe and Human Resources Manager Europe.

There are many other examples like Heinz, managers who made a great career at HP worldwide, and contributed to the continued success of HP. I refrain from mentioning names, as I might not do justice to all of them.

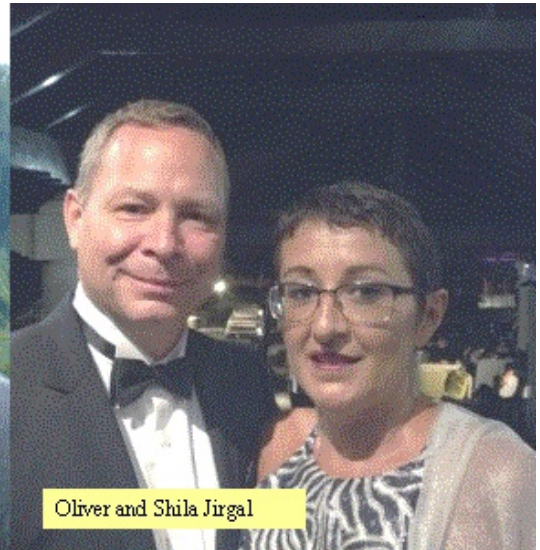
I'll close with a word of thanks and recognition to Eberhard Knoblauch. I had the privilege to work for him for 12 years. He was very demanding, very true to the HP Way, and extremely respected for his management foresight and skills. He was a developer of people and the HP organization in the most positive and successful way. He retired as General Manager HPGmbH in 1993 and continued as consultant to HP worldwide on environmental matters for two years, and as a member of the board of directors of HPGmbH until 2002.

He married his wife Helga in 1960. Helga, always so cheerful, had a positive influence on his career and was an excellent host to many HP visitors. They have 4 children and 9 grandchildren and live in Böblingen since 1966.

I want to also acknowledge and thank my wife, Traudl, for her enthusiasm and joy of life, which made her a well liked person with everyone she met. She has been a real shining star in my life. Our boys reverently called her Chef, for the way she ran the family, and for her great cooking skills. Two younger colleagues from HP whom we took skiing called her Iron Traut because of her strong physical condition. We met at HP in 1961, got married in 1965. Our two boys made out well in life. Sven, born in 1966, started working at HP Geneva in 1992 as a financial analyst, became a medical sales rep for Middle East Africa, and was in charge of Sales Finance for the Instrument business when Agilent was split from HP in 1997. He currently is the COO of CISCO Capital, based in Geneva. He married Terue in 1992 and they have two children, Nina and Dan. Oliver, our younger son, became an aeronautical maintenance engineer, lives in Geneva with his wife Shila, and has just completed a sabbatical year in Asia.



Traudl and Willi Jirgal



Oliver and Shila Jirgal



Sven and Terue Jirgal



Nina and Dan Jirgal



Willi and Traudl Jirgal, circa 1963

Willi Jirgal
Geneva, Switzerland
Dec, 2017

Appendix A

Retrospective of the 50th Anniversary of HP GmbH

J. Menno Harms

--April, 2009

**For the message from Menno Harms –
Chairman of the Board of HP GmbH
50 years of HP Germany – please go to
the end of this document.**



Dean Morton, Division Mgr., Medical Division, HP Corporate Vice President

Here are a few words regarding my thoughts and memories of GmbH:

My most direct and personal experience with GMBH began in 1969 when I was appointed to be the General Manager of the Waltham Division in Massachusetts. Within the year, we made the decision to focus our strategy on the opportunities for technology in health care and named ourselves the "Medical Electronics Division." This coincided with a growing collaborative relationship with the GmbH medical operation and the legendary Karl Grund.

An outgrowth of this relationship was the transfer of the 8020A Cardiotocograph (Fetal Monitor) from HP GmbH in Germany to the Medical Division in Waltham. This was the first time a major product had been transferred from one of HP's overseas plants to the U.S. The transfer of this important product allowed us more rapidly develop the U.S. market and to better serve our customers worldwide. And, it clearly demonstrated the growing strength of HP R&D programs around the world.

The Cardiotocograph was, in fact, a product development initiated entirely by Karl and his team working with a physician who brought the idea for electronic fetal monitoring to them. This single product gave significant momentum to the worldwide expansion of HP's medical business.

Another wonderful and lasting idea was imported to the Medical Electronics Division, and ultimately to virtually all of HP, from GmbH when in 1972 we instituted "flexible work hours" similar to those being offered in Germany. Some of our manufacturing management people and our personnel manager, John Flaherty, had seen how successful flexible hours were from visits to Boeblingen and suggested we do the same. We spoke with Ed Porter and Bill Hewlett about this and got their support to move ahead. They saw it, as we did, as a logical fit with the HP Way. We were the first facility in the U.S. to adopt this program and we saw it spread and develop into one of HP's most appreciated personnel practices. All thanks to our exposure to the benefits of flexible hours through GmbH.

Well, these are just a couple of examples of things that happened in one small chapter of the "book" about HP GmbH 50. Neither of the two I talk about here were part of any master plan in the beginning, I'm sure, but they do serve illustrate the kind of countless everyday contributions this talented group of people have made to our great Company over time. Congratulations and a Happy 50 Year Anniversary!

Dick Alberding, CEO HPSA, Geneva

First, a Happy 50th BIRTHDAY HP GmbH!
.... And then please permit me a bit of “stage setting” for my brief walk down memory lane of my limited but rewarding involvement with the HP/Agilent GmbH success story.

In a few words, I had the truly unique opportunity of relating to GmbH first as a Palo Alto based manufacturing support engineer; second as the CEO of HPSA, the legal owner of GmbH; third as the Boston headquartered Medical Products Group Manager providing “stewardship” to the Boeblingen Medical Division; and finally as the HP Corporate Marketing/Sales/Support Manager focused on world wide “go to market strategies” and their implementation.

It was a challenging but rewarding 30 year period for all concerned; and saying, that brings me to the next “Challenge,” namely, noting some of my cherished GmbH memories from that period. Try these on for size:



Menno Harms interviews Franco Mariotti and Dick Alberding, 1970

- * My amazement at the early success Ray Demere and Fred Schröder had in installing the HP Way at GmbH (e.g., the open door policy, first name relationships, coffee speeches every week, an integrated Workers Counsel, etc.).

- * Those end of the work week beers and a schnaps, Schwaben humor at its best, the Stuttgart Volksfest, etc

- * The tough job Fred Schröder and Günter Warmbold had in convincing US Division managers to transfer to and then support product manufacturing at GmbH (i.e., dealing with the loss of revenue on US Division’s books, recognition that the Germans could produce transferred products at a lower cost/ higher quality, the role of US Expats, Wally Klingman and Bob Cornell.

- * Wolfgang Ohme’s leadership and determination behind the launching of local R/D.

- * Being treated to a surprise US style Thanksgiving dinner at Eberhard and Helga Knoblauch’s home.

- * Dealing with the competitive spirit that existed between GmbH and Carl Döring’s led VGmbH sales team in Frankfurt as they competed for the honor of who best understood “doing business in Germany challenges.”

- * The very successful “one-two punch” of promoting Fred Schröder to Geneva to head up HP’s fast growing European Computer/Calculator business and elevating Eberhard Knoblauch to General Manager, GmbH (two of the best management decisions I ever made).

- * Fun weekends in Nesselwang with GmbH employees and their families enjoying skiing in the winter and long walks with white sausage barbecues in the summer.

- * The shock of Eberhard Knoblauch tragic auto accident, the stressful days of hospital anxiety and the rallying together of his management team along with all employees to continue the GmbH success story.

- * Watching with pride as Karl Grund, Hans-Gunter Hohmann and Menno Harms combined as a management team to help lead the Medical Products Group to its first ever profitability and GmbH to market dominance in Fetal Monitoring.

* The thrill of many glider flights with Karl Grund and then the sadness of standing at his grave site with his wife Bruni and asking why?

* Intriguing sessions with Dr. Herriger and Dr. House (leaders of the GmbH Advisory Counsel) as they expanded my knowledge of the German version of “Corporate Governance.”

* Discovering that while HP Palo Alto was recognizing the critical importance of excellence in the marketing of high technology products, Klaus Dieter Laidig, Menno Harms, Thomas Vogt and others at GmbH were “in house models” of how to do it!

In closing, thanks for “walking with me down memory lane.” I hope you have enjoyed it as much as I have; and again, a HAPPY 50TH BIRTHDAY.

Dieter Höhn, Vice President, Hewlett Packard Company (retired)

I had the great chance to start my career in 1965 as a development engineer working for Dr. Karl Grund, who taught, developed and also demanded performance. After my move to the production area, Günter Jehl and Gunter Warmbold lived the HP Way. Fred Schröder helped me to join HP in the USA and in 1984 to HP Corporate. I enjoyed passing on my positive personal development experience to many other employees, and many of them made a successful career at HP. The following are successful R&D projects of the early HP years:

1. The cardiocograph in cooperation with Dr Hamacher – today this technology is applied worldwide although HP-Agilent is no longer part of it.
2. The first sub-nano-second pulse generator HP 8000 was developed by Dr Karl Grund: The fast digital and memory technology was enormously influenced by this development.
3. The first Loudness Analyzer for airport noise monitoring: Today this technology is in use at many airports in the world, even here (place of retirement of Dieter Höhn) at Sarasota such an installation exists.
4. The first supermarket barcode checkout system, developed for METRO almost 40 years ago was developed here.
5. The first microprocessor-controlled liquid chromatograph in the world, the HP1084A HPLC became the most widely sold technology/application.

David Rose

HP in 1966 only manufactured instruments. Computers were still in R+D. The model HP 35 calculator was not yet developed and the first desktop calculators were just being introduced. We asked ourselves questions like – who could possibly need 1Mb of memory? We were only about 200 people at GmbH, mainly in manufacturing. Everyone started work at 07h00am, until R+D said they could not invent before 09h00am, so flexible hours were born. I think it was the first time they were used in any major company.

We had a daily management meeting for a few minutes just after the coffee break where the incoming mail, including email (telexes), was discussed and distributed and there were Beer busts when we met an important target. The relatively small size of HP allowed us to develop close personal relationships.

We often skied with Bill Hewlett, though Dave Packard did not ski. Being close made it easier to take those tough decisions such as closing projects or reorganizing, which happened just as often then as now. For me that was a wonderful period of my life where I met and worked with fascinating people and we helped get HP started. By the way I still have Fred Schröder’s old office chair here in my home in Grenoble, a bit worn but comfortable.

Tom Viola

I joined the Computer Manufacturing Organization in the mid 80's when computers started to transition to a commodity product. This transition drove tremendous change for all manufacturing operations around the world as we shifted from a vertically integrated capability to assembly and distribution.

As we implemented the required changes, HP GmbH stood out as an organization that quickly understood the shifting dynamics in the computer industry. This enabled not just management and engineering, but all employees to find innovative ways to balance the needs of both business and employees.

Manufacturing capabilities were spun off as independent businesses and the remaining personnel acquired the new skills required to keep HP competitive in the high-end computer business. It was during this point in my career that I set a personal goal to someday work at HP GmbH. I achieved this goal during my last two years with HP and was able to understand why HP GmbH is such an outstanding organization.

I believe it comes down to three characteristics: flexibility, pride and continuous innovation. I observed managers moving freely and successfully between manufacturing, marketing and sales, engineers shifting disciplines with relative ease, and production personnel learning multiple tasks to improve flexibility while maintaining quality. I witnessed pride of workmanship and innovation as all employees constantly strived to improve their own performance and the processes used to accomplish their tasks.

It was a real honor and privilege to work alongside the many employees of HP GmbH and to be a part of the significant contributions HP GmbH has made to HP's overall success.

Heribert Schmitz, GM HP Project Business Europe, Chairman of the HP GmbH Management Board from 2001 – 2002

I had a great time at HP, enjoyed the HP Way, great teamwork, and made a great career at HP. These were a great enrichment of my life. I wish that HP can maintain this company culture and prosper through it in the global competitive environment. I wish the best of success for the future.

Knud Schulte , Patent Attorney and Legal Counsel

The most remarkable experience was the mutual trust at HP, I am convinced that this is one of the foundations of HP's success. An example is the flexible work time. My personal experience was with John Chognard, his welcoming message on the first day of my worklife at HP GmbH was: *"Hi Knud, welcome on board. We will keep you busy. If we dislike something, we will let you know. Don't take it to heart. Jean "* and he was true to this promise.

A positive experience is that we were successful in all patent negotiations to come to an agreement without ever needing an outside court or mediation.

HP was a leading company in terms of employee relations and benefits – many of the benefits such as the stock purchase plan, profit sharing and pension plan at HP were uniquely motivating to employees and much admired by the German industry. The reduced work week in difficult times, shared by all levels of the organization set HP apart from other companies.

Antonio M Perez, former President Kodak Corp.

BMD and Boeblingen (1984-1988) have a very special significance for me. On a personal note it led me to my wife Lori, and on a business level it was a critically important stepping stone that launched my career at HP. Those long and cold winters and those never-ending cloudy days were positively balanced by great new friends, awesome skiing in the Alps and memorable Sauerbraten, Linsen und Spaetzle; mit dem besten Pils, natürlich!

Laszlo Szegedi

In all of my functions in HP (Calculators, Medical, Computers), my organizations and I have received the most professional and dedicated support from HP GmbH, which helped us to achieve above average growths. Good luck and the very best regards.

Uli Holdenried

Joining HP Germany as a division controller was a real chance, I was always challenged professionally and could learn, learn, learn – and I stayed because I became very much attached to the company that Bill Hewlett and Dave Packard had created. (Uli started as a financial analyst and had various senior management positions at HP in the USA before becoming to chairman of the management board HP GmbH from 2004 to 2008).

Klaus-Dieter Laidig

I enjoyed a great career at HP during 31 years. What I remember most from the HP years was a talk by Dave Packard to General Managers at Monterey shortly before his death. The 4 important points were:

1. Vision and strategy: A professional business plan, shared by managers and employees.
2. Team spirit and teamwork across the organization at all levels, worldwide. Motivation of employees through the HP Way to achieve challenging goals.
3. The will to win: Clear definition of the target areas. My personal experience was DEC vs. HP, DEC already had a 32-bit computer and superior networking technology, thus was the arch enemy. HP was focused on winning orders vs. DEC: the rest is history, DEC became part of HP.
4. Monitoring and control of key performance parameters.

Over the last 10 years I have successfully implemented these principles in many of my activities as board member or board chairman. They lead to success across industry sectors and countries.

Hans-Günter Hohmann

41 years ago I moved to Böblingen in order to start my career in an unconventional company. HP has taught my integrity and business ethics, and Karl and Eberhard taught me early on a "can-do" attitude, these are lasting ways to success then and now. HP GmbH was way ahead of traditional companies, and this was a key to its success.

I look back at this time with satisfaction and pride, and wish that the basic HP Way principles would be used more broadly in business – this would solve many problems. The basics of the HP Way are the foundation for innovation and sound growth – and thus for success.

Werner Kanthak

HP Germany lived the HP Way and generations of managers inside and outside of HP were successful using these principles. Eberhard Knoblauch and Menno Harms, and others, were role models particularly in challenging times. Employees and management at all levels followed these examples. Individual contribution was always valued higher than job titles. I am proud to have been part of 35 years HP and wish continued success to all of HP.

Menno Harms - Reflections and observations after 40 years at HP GmbH

1968 was a difficult year for German industry. My applications as a graduate of the technical university in Stuttgart at German industrial giants like Alcatel, AEG, IBM, Rohde & Schwarz were turned down. Klaus-Dieter Laidig and Heiner Blaesser hired me as R&D engineer with employee number 658. I wanted to stay a few years, but things worked out differently. I wouldn't want to miss any day of it, except, perhaps a few hours..

For the first 20 years I participated and contributed in the growth of HP. The number of German and international employees continued to grow, as did the manufacturing and sales activities. The strengthening Deutsche Mark required continuous productivity increases and led to outsourcing of a number of activities. Eberhard Knoblauch's management team drove this development, cooperation with the U.S. entities was excellent.

HP evolved from a hardware to a service, consulting and software organization and we can be proud of excellent relationships with systems integrators, distributors and retailers. Globalization increased in the 80's and made it necessary to outsource manufacturing and distribution functions. Great care was taken to assure a good fit with HP values, and these activities continue to be successful as independent enterprises to this day.

Then came the Agilent split, the acquisition of Compaq and other major acquisitions like EDS.

HP Germany has responded very well to the challenges and opportunities of this international competitive environment. Employees increasingly became members of worldwide teams.

My best wishes to the HP team: Keep the leading edge, stay innovative and efficient, keep moving towards success. Best of success to all existing and future HP employees. Menno Harms.

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--Edited and prepared by Willi Jirgal
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