

**Stories from my 23 years as a (Closet Engineer) “Bean-Counter” at DEC**

Introduction to Jeff Bergart

This talk is about **HAVING FUN** at Digital Equipment Corporation (**DEC**). I worked at DEC for 23 years (**Most** of those years were exciting, innovative and just plain **FUN!** I will focus mainly on two assignments: My first four years at DEC working with the (Advanced) (Manufacturing) (Central) (Interconnect) Process Engineering group (**PE** for short) and my eight years with the US Computer Special Systems (**US CSS**) group. **Today I will go over Part 2: the FUN I had at US CSS.**  
**Please join in at the end with YOUR favorite stories!**

Like most of you, I’ve been cleaning out my basement and have come across so many DEC treasures. Most of my slides will be from the original papers I’ve hoarded over the years.

DISCLAIMER: It's been 3 or 4 decades since these stories took place. Therefore, I warn you that the names, dates, numbers and even the truth, may be stretched as I recount what happened.  
**But the excitement and fun I experienced was very real.**

First a quick look at my background, because how I got to be a “geeky” bean-counter is important to this story.

1948	<b>BORN</b>	Of Note		
1949				
1950				
1951				
1952			<b>GROWTH</b> (8% of my Life)	
1953				
1954	Elementary		<b>SCHOOLS</b> (25 % of my Life)	
1955				
1956				
1957				
1958				
1959		Wrote		
1960	Jr. High	1st computer		
1961		program		
1962				
1963				
1964				
1965	High School			
1966				
1967	<b>BROWN</b>			
1968		Sc.B.		
1969		Applied Math		
1970				
1971				
1972	U of PA	MSEE		
1973		MBA		
1974	<b>C&amp;L CPAs</b>		Work	
1975				CPA Lic.
1976				
	<b>THEN COMES DEC</b>			

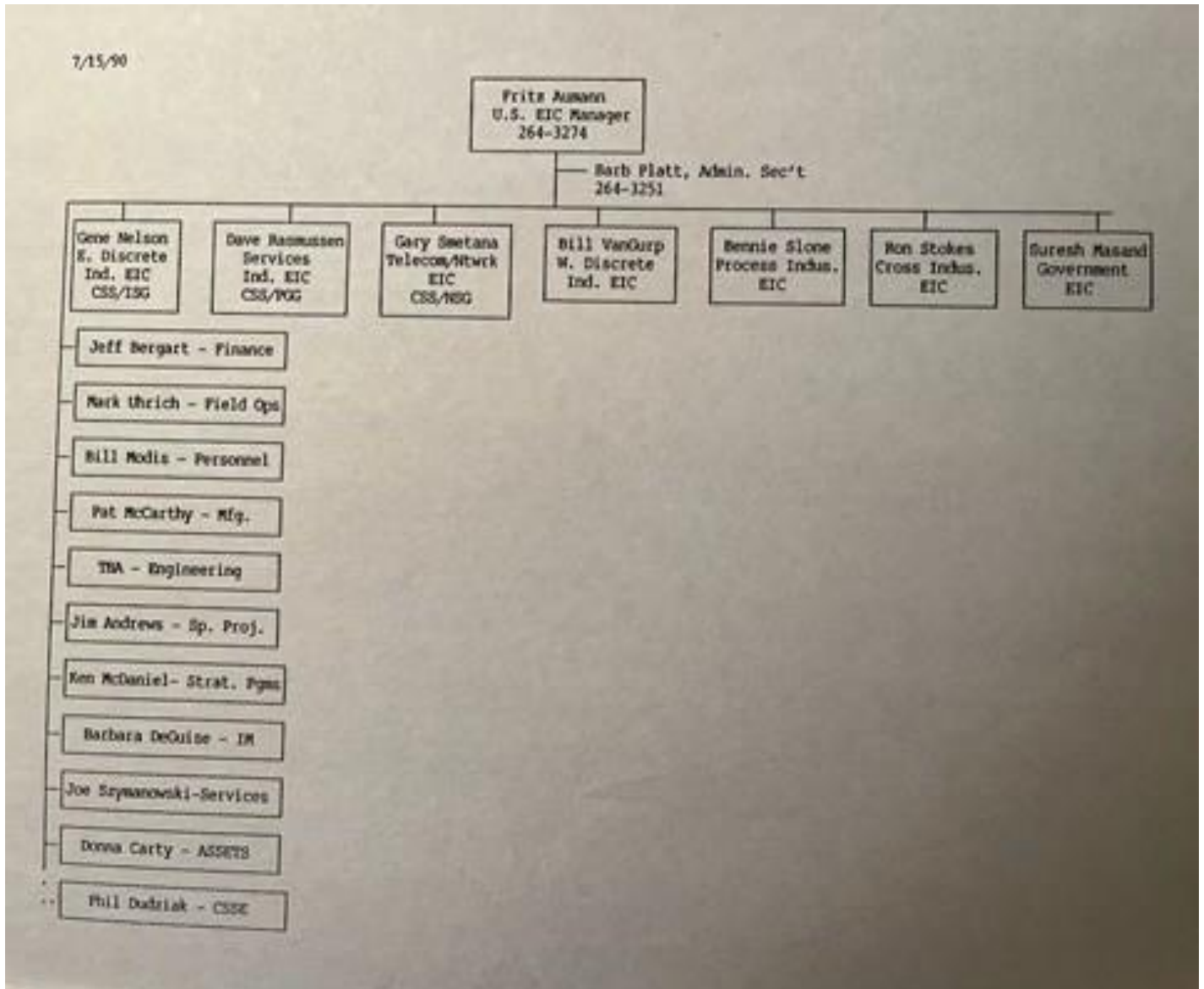
I was born in Boston and grew up in Newton Mass. I was always interested in Math. I began programming computers in Junior High (1960’s). In college I was introduced to DEC when I programmed a PDP-8s to do mathematical learning theory experiments for the Psychology department. With my BS degree, I was officially a “**Nerd.**”

I then went to graduate school for a **MSEE** in computer science. But soon things changed, and I decided to get my **MBA** in accounting and went on to become a **CPA**. Now I was officially a “**Double Nerd.**” **What better place to go to work than DEC?**

## US CSS - Financial Success & FUN 1985-1993

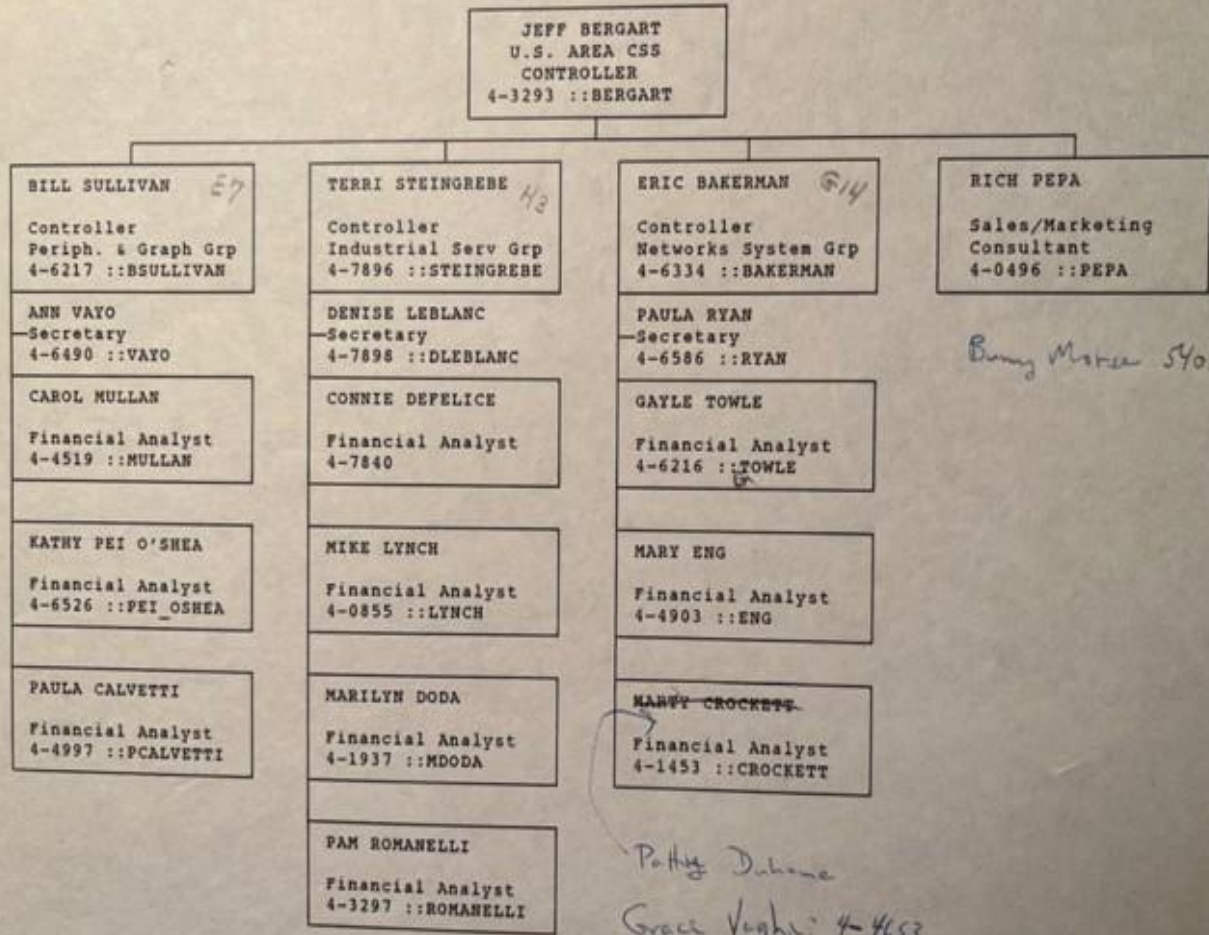
I joined US Custom Special Systems (US CSS) in 1985 as its Area Finance Manager working for Fritz Aumann. We started off in Nashua, NH and later moved to Merrimack. It was **already** a wonderful organization, and the management and finance teams were top notch. Because our financial performance over the next eight years continued to be excellent and predictable, **I was able to have the most fun I ever had at DEC.**

### Digital Equipment Corp. - US CSS Matrix Organization - 1990



US CSS Matrix Organization - Finance Organization 1988

U. S. HARDWARE SALES & OPERATIONS FINANCE



9/19/88  
A1

**US CSS - Financial Success & FUN 1985-1993**

US CSS Business Units Finance - circa 1990



## US CSS - Financial Success

### US CSS - Financial Success & FUN 1985-1993

**History:** CSS started off many years earlier by doing one-of-a-kind, hard to do, customizations of DEC gear for our customers. This led to cost over-runs and unpredictable results. Then, under new management, CSS swung 180 degrees around to being very cautious, quoting very high to CYA for overruns, and requiring many lengthy project reviews to make sure things would work.

A few years before I got to US CSS, Russ Gullotti took over world-wide CSS. Russ moved CSS to a wonderfully balanced position between the two previous approaches. First, CSS focused on “**Custom Repeatable**” solutions. If a customer needed a VAX squeezed into a 20% smaller cabinet, we would do the tooling and then reuse that tooling to offer the same solution to others who needed similar small VAX footprints.

Next, CSS documented all the engineering, financial, material, manufacturing, logistics steps needed to guarantee excellent project outcomes. But those many steps included shortcuts so, under the right conditions, steps could be done more quickly. Projects soon thereafter went through their phases much more smoothly.

To simplify and speed things up even more, US CSS finance came up with standardized costs to determine non-recurring engineering (NRE) costs, and manufacturing agreed to accept Rapid Prototyping where engineers would be designing right alongside with the manufacturing folks who were building these custom solutions.

**The results were dramatic:**



**Backlog** - Dropped from over a year (Our customers waiting desperately for their solutions) **to less than three months.**

**Revenue** - Went from **\$50M to \$300M** in six years (a 30% annual growth rate)  
- US CSS went from being **2% of US DEC Hardware Revenue to 10%!**

**Contribution Margin** - Went from **22% to 37%** of revenue

**Forecast Accuracy** approached **100%**

**US CSS made 26 out of the next 28 quarterly 30% growth budgets** (missing two by only a couple of percentage points)

**US CSS:** The Business Units & Salem Manufacturing both got **rare “1” Internal Audit Ratings.**

## US CSS - **FUN**

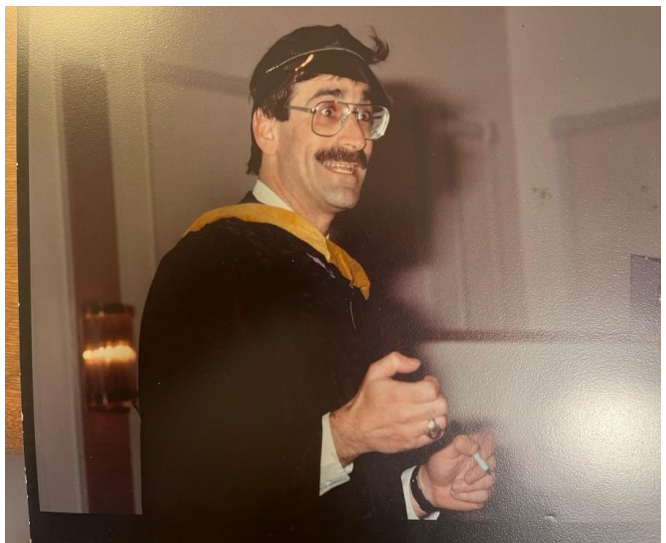
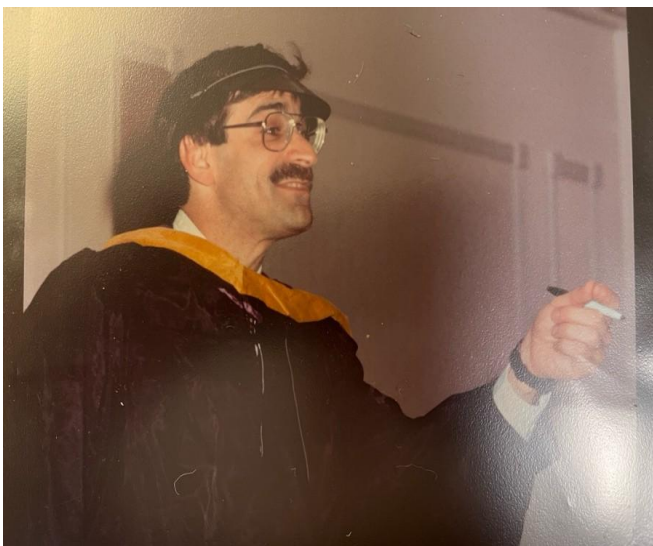
As result of meeting our budgets and forecasts, Fritz and I were “excused” from having to go to quarterly US Group forecast meetings. (We were always meeting our budgets/forecasts and they only wanted to see people who “needed their help”.)

As a reward for freeing us from these area meetings, Fritz let me chair the US CSS Bid Committee that reviewed any field sales bids over \$1M. **IT WAS A HOOT! This “Double Nerd” was in heaven.**

What follows are some of the FUN things I got to do with US CSS Sales, and the great group of finance people in our group.

### **My SIX GREAT US CSS MEMORIES**

**1) Presenting to the Sales Force:** I began presenting at their Annual Sales Training meetings. Once I was asked to explain the key lines in the US CSS Profit and Loss Statement. I gave out green eye shades to everyone (how else could they hope to understand NERD accounting) and Professor Bergart made his presentation. At one point people from the audience ran up on stage to grab a marker and ask “How Come...” questions!







**2) Rallying the 3 Business Units (ISG, NSG, PGG) and Manufacturing to compete in the Corporate Finance “Balance Sheet Review” process.**

I fashioned a winner trophy with a Bull on top (It is a **B**alance **S**heet Competition). Each quarter, the winning business unit’s finance folks would parade the award around our floor. It was great fun, UNTIL I got this **disturbing message** from the current winner - Manufacturing.

```
From: SALEM::COOPER "RUSS COOPER NIO/L13 285-3966" 2-JAN-1992 13:10
To: SOLVIT::BERGART, SOLVIT::JSULLIVAN, SOLVIT::BSULLIVAN, SOLVIT::DEFELIC
CC: COOPER
Subj: BULL!

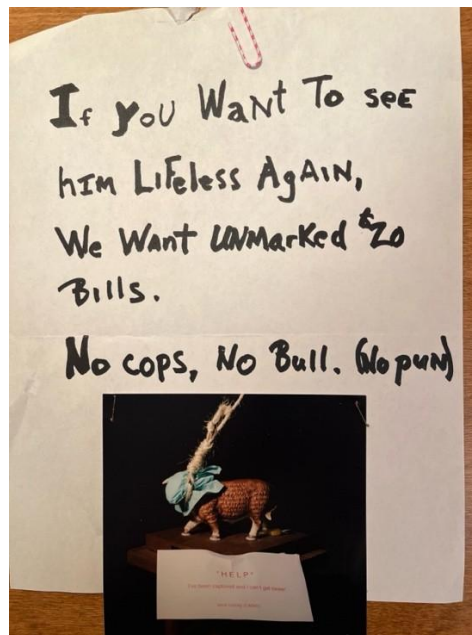
Jeff,

I'm afraid I have some bad news to convey ... the BULL has disappeared!
NO KIDDING! Some terrorist group broke in, took the BULL, and left a
bunch of strange messages. We're having the lab test for fingerprints.
Our surveillance camera indicated fuzzy images of someone ... someone
I really don't (shouldn't) describe! (SAY THE SECRET WORD ....)

We'll keep looking and let you know if we find any more clues. My
deepest regrets.

Regards,
Russ
```

Followed by an equally **disturbing ransom demand!**



US CSS - FUN

Eventually the BS Award was returned and the good natured "competition" continued until Corporate Finance lost interest in making us fill out their forms.

BUT, years later, it seems that the seriousness of this endeavor was not forgotten.

In his email to me when I left my position at US CSS, **the wonderful PGG Business Unit manager, Dave Rasmussen (may he rest in peace)** said:

Jeff...

Because of a prior appointment, I won't be able to join you tonight. Maybe that's the good news, 'cause if I was there I might have to relate a few stories describing some of your more mischievous activities as a member of the EIC/USA Management staff. The bad news is that maybe I ought to tell anyway.

Like the time you and I went to MRP2 training in Chicago. Offsite, no less. I never did figure out how the CSS/USA financial controller was able to arrange for an offsite meeting when none of the rest of us could get away with doing it. Oh sure, blame it on the consultants, huh? Wasn't that the business trip where you became an expert on Illinois wine? Nice job - offsite meeting conveniently located near a winery. You know that nobody believes they make wine in Illinois. You tried to convince me they really do. Well, you were right - they do MAKE the wine there; but remember, the grapes are imported from California! By the way, did you ever figure out what "time fences" were? That was a great lunch, Jeff.

You know, I've never worked with a financial manager that was so full of "bull", that he actually had to go around "awarding" some of it to other groups. You tried to convince us that the "balance sheet review award" was really meaningful. Only you could come up with a statue with a bull on the top, present it for a serious business accomplishment with a straight face and feel good about giving out some more's \_ \_ \_ !

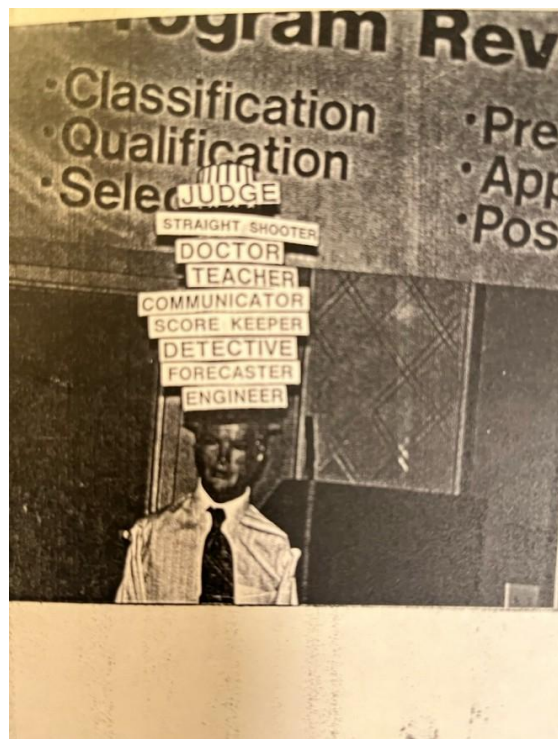
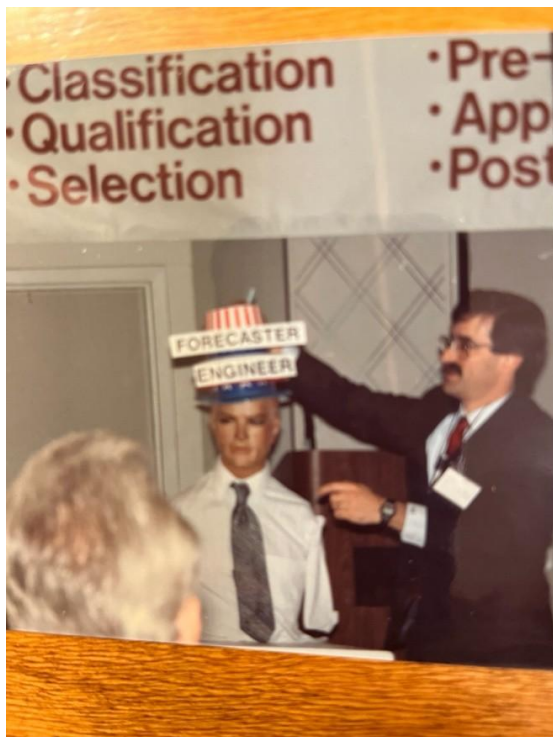
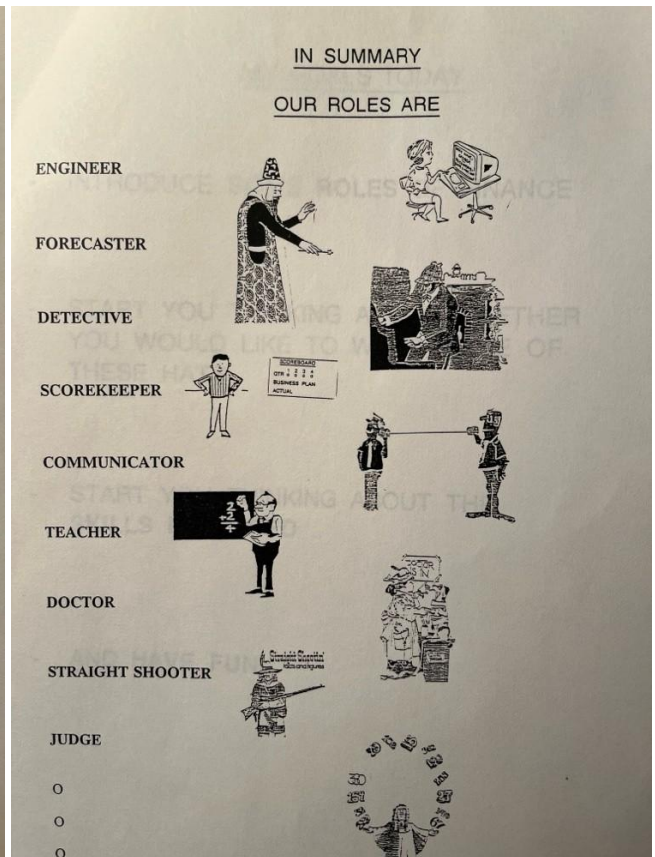
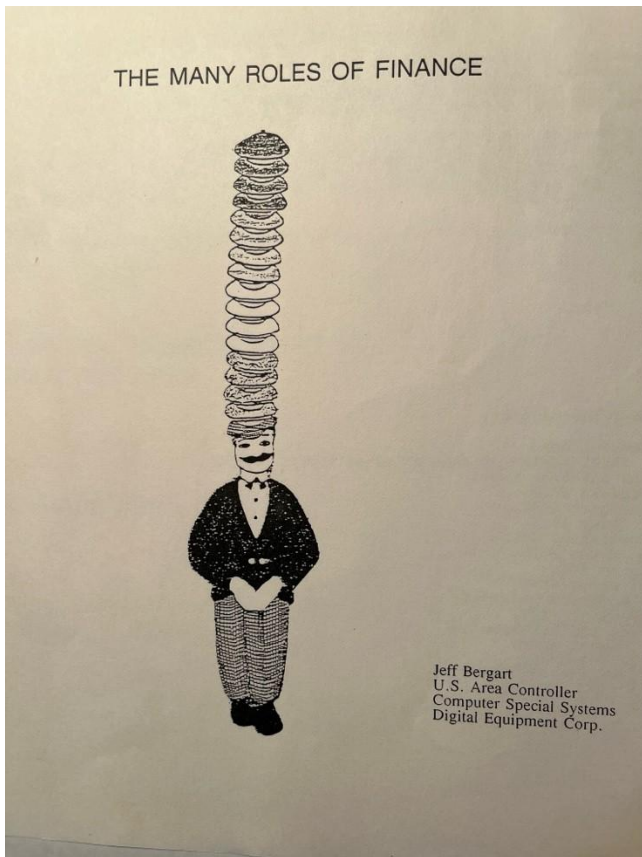
Less seriously, I could say all that stuff about enjoying working with you, and that you've been a great colleague, and I've learned a lot working together, and so forth. But, then the bull would be flowing in the opposite direction! So, instead I'll just say "thanks" - for your support of me and the SEIC. Best of luck in your new job.

Your friend and colleague,

Dave Rasmussen

**3) Present at a World-wide DEC Finance meeting - The Many Roles of Finance.**

Being free to “wander” in and amongst all of US CSS’s functions, I got to wear so many of these hats. I am forever grateful to US CSS for everyone’s willingness to let me “explore” these roles.



#### 4) Challenger to the Sales Force.

We were well on our way to meeting our FY90 Sales Budget. Putting on my "Mischievous Finance Hat" I decided to send out the following Poem.

So far you've exceeded,  
Your budget so dear;  
But I'm not impressed,  
Says this PooBah with a sneer.

You've got miles to go,  
Until you can sleep;  
There's still Q3 and Q4,  
Before joyously you can leap.

You've got 83 million,  
According to Rich;  
Yet getting to 200  
Could be quite a \_\_\_\_.

But the frontlog is big  
And the business is booming;  
New Platforms are here  
And new products are looming.

Just get 117 million more,  
And lots of fun you will see;  
Cause making 200 gets you  
Another crack at Jeff B.!!!

Happy Holidays

Of course, they made AND EXCEEDED the challenge, and I had to stand on a dining room table at the next sales force meeting and sing my college Alma Mater while the sale folks threw dinner rolls at me! Funnier still, we had a new Corporate VP, Eileen Jacobs, visiting us and she wondered what the heck was going on as she had to duck many a mis-directed roll.



## **5) Judge of the Sales Force.**

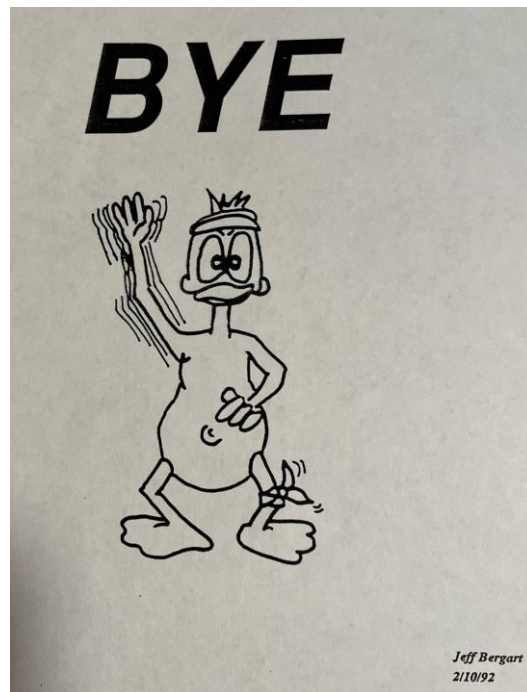
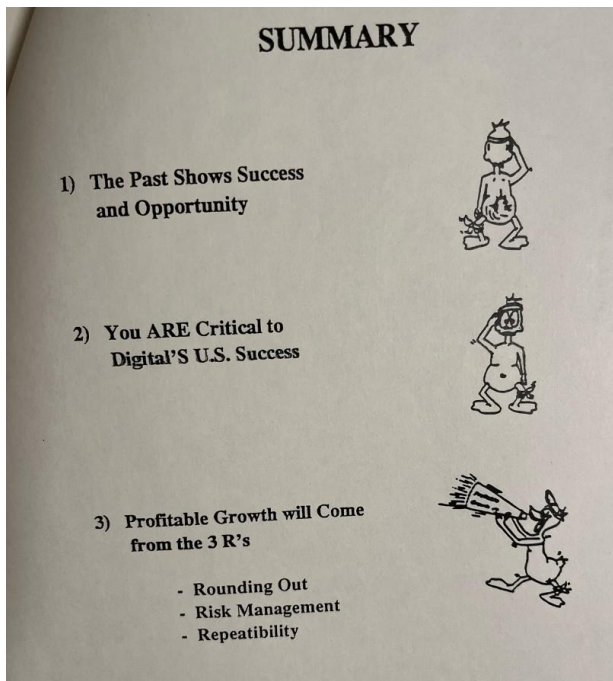
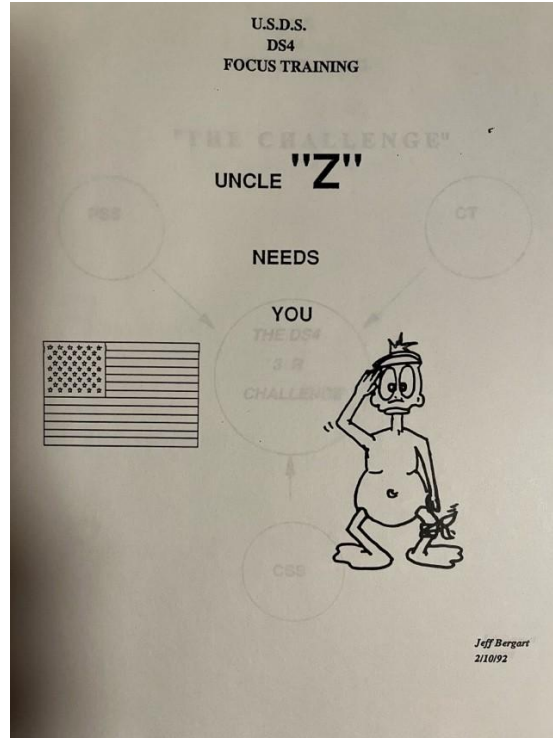
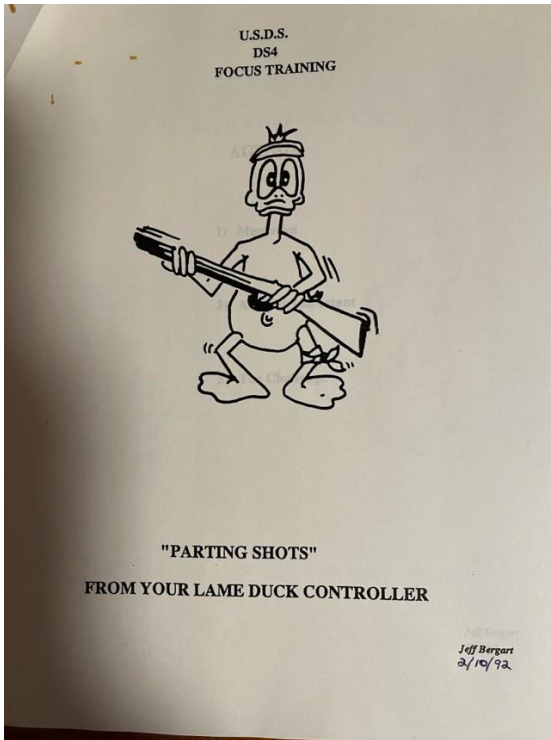
At some of their annual meetings, the US CSS Sales Force would break up into competing teams to see which team could give the best “pitch” of a custom CSS solution. I got to wear my English Magistrate wig...



**6) Saying Goodbye to US CSS**

Except for CSS, in 1992 DEC was doing poorly. So, what do you do - you merge and reorganize! The PSS, CT and CSS groups were merged. Thus ended a wonderful string of years for me. I went off to the Printing Business Unit. It was eventually sold off and I left DEC in 1998.

I gave the Sales Force one last presentation - urging them to carry on their successful tradition.



**US CSS - Questions?**

## Post Script - DECTalk

I leave you with this extra thought. I doubt that my name will ever be remembered for my accomplishments at DEC. However, I am pleased to share with you the fact that **my face will forever be a part of DEC history!**

**ME !**



This is a demonstration of DECTalk Software text-to-speech technology.

DECTalk Software comes with an easy to use Force Computers Application Programming Interface, as well as Microsoft's Speech API, so you can make your applications speak.

The standard voices are Paul, [;nb] Betty, [;nh] Harry, [;nd] Dennis, [;nf] Frank, [;nu] Ursula, [;nr] Rita, [;nw] Wendy, [;nk] and I'm kit.

[;np] DECTalk Software can play sound files, [;play demo.wav] dial telephone numbers, [;dial 1-800-297-4863] or generate tones. [;tone 440,1000][;tone 880,1000]

DECTalk software has over 1,400 letter to sound rules, as well as extensive text preprocessing, so it can properly

Open full sized image : \$1.25.

DECTalk voices by SpeechFX are precise and easy to understand. They can also be manipulated for tone and speed within NuVoice to aid in optimal intelligibility, and many users love their customizable nature. This package includes nine different voices, representing a diverse set of options for users to assign for speech, prompts or both.

Included Voices:

- Betty
- Dennis
- Frank
- Harry
- Kit
- Paul
- Rita
- Ursula
- Wendy