

Value Service - Schenectady
January 24, 1964

CIRCULATE:

WW Kuyper
RL Bartlett
SP Brickett
SW Cole
HC Franszen
S Hvamb
LM Young

4000 m sales
1/4 m emp

As I saw in Bill Beardslee's quarterly report the number of employees used in various companies per million dollars of sales, it struck me that perhaps this information will occasionally help us to bring understanding to our customers (operating departments) while endeavoring to interest them in our value technologies.

The average of all companies listed would run something more than 100 employees per million dollars of sales. This means only \$10,000 of out-put--or perhaps \$1500 of earnings before taxes per person!

General Electric produces \$20,000 of output per person which, taking again the rank measurement of averages, would indicate that each person on the average may affect the profit by an addition of \$3000 before taxes. Into this "organism", which is achieving competitive success, we would like to introduce individuals whose work should make direct contributions to earnings before taxes of in excess of \$50,000 per man.

L. D. Miles/H
Att.

V. Additional Items of Interest

The data below were compiled in an appraisal of the ability of U.S. firms to compete with foreign companies. They are included here, due to the high interest in this subject.

Employees per Million Dollars of Sales

*Assume
10% profit*

Company	Headquarters	1962		Ratio Empl./\$000,000	Emp. at \$1000 profit	Earm per Emp
		Sales Millions	Employees 000			
Philips	Netherlands	1,529	233	152/M	1.5	670
Siemens	Germany	1,350	240	178/M	1.8	560
Hitachi	Japan	955	112	117/M	1.2	850
Toyko Shibaura	Japan	796	106	133/M	1.3	750
A E G	Germany	780	127	163/M	1.6	625
Matsushita	Japan	602	60	100/M	1	1000
Assoc. Electric	Britain	589	99	168/M	1.7	600
Brown Boveri	Switzerland	587	76	129/M	1.3	770
English Electric	Britain	559	78	139/M	1.4	720
General Electric		4,793	258	54/M	1.54	1850
Westinghouse		1,954	110	56/M	1.56	1800
General Motors		14,640	605	41/M	1.4	2500

Recognition is being given to Manufacturing Engineering Service employees as their Accent-on-Value projects are completed. Three (3) employees have received W. W. Beardslee Awards during the third quarter; and one has qualified for recognition that will be given early in October.