CHRISTMAS 1965

ITOT Pourt





To My Fellow Employees:

Though it is hard to believe another year is about to end, I always welcome this opportunity to share a thought or two about our progress and prospects.

A year ago on this same page, I observed that we could all look forward with confidence to 1965. This year-old prediction could well be news to the more than 700 people all over the world who have joined Hamilton during the last twelve months—and this in itself is a great sign of our progress. In all of our various businesses, 1965 will probably be the most successful year ever—and this, too, is the mark of healthy progress.

As to our prospects, they were never brighter than at this moment. The same hard work, determination, imagination and efficiency which bore fruit in 1965 will work again in 1966. Our confidence in the year ahead can continue as bright as ever.

We are a large and growing business family now with affiliates in six nations of the world. On behalf of our directors and officers to every member of the Hamilton organization go my best wishes for

Joyeux Noel et Bonne Annee

Felices Pascuas Feliz Año Nuevo

Froliche Weinachten und Glückliches Neujahr

ナリー・クリスマス 明けまして御目出産う

Merry Christmas and a Happy New Year!

athen & Sinkler

President



## timely

# **TOPICS**

Christmas 1965

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Our Cover: 1965 ends with employment at Hamilton's Lancaster plant one-third higher than a year ago. How demand for personnel and increased training was successfully met is told in "The Battle of the Personnel Bulge" beginning page 4.

New employee Carol Weeks is instructed on inspection

methods by engineer Thomas Carney.

timely TOPICS is published quarterly for employees of the Hamilton Watch Company, its divisions and subsidiaries by the Public Relations Department.

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Your timely TOPICS staff wishes each and every reader a grand old fashioned Holiday Season

1965
was the year
that Hamilton
won the

## Battle of

How does a manufacturing plant increase employment by one-third in a year's time without developing "corporate indigestion?"

This situation was posed for the Hamilton Watch Company's Lancaster, Pennsylvania plant during 1965. Employment in Lancaster now stands at 2100, the highest in a decade, and higher by one-third than a year ago.

Historically, the Hamilton Watch Company has maintained a well-rounded training program for both production personnel and management. These programs are necessary to meet the company's normal replacement needs because of deaths, retirements, and the various types of personnel separations such as job changes, marriages, and leaving the community.

Because of the unique skills involved in many of Hamilton's manufacturing and assembly operations, applicants with these skills have always been scarce in both the local and national labor market. To provide these skills and related ones, it has been necessary to establish training programs of all types.

A four year registered machinist apprentice

# the Personnel Bulge



1 Henry Rittenhouse, now a member of the dial department, gets an assist from personnel secretary Jacqueline Dixon in filling out his application for employment.



2 The next step in becoming a Hamilton employee is the interview. Elwood Brice, employment supervisor, checks over Nancy McMinn's application. Nancy recently began working in the train department.

Photography by Harry R. Gehlert



- 3 For many new employees, Hamilton's battery of tests makes it seem like they are back in school. Noreda Potts, psychometrist, administers a clerical aptitude test to Wanda Chappelle, new precision metals division secretary, while Ruth E. Herman works on a manual dexterity problem prior to her placement in the plate department.
- 4 A review of employee benefits and company regulations by Betty J. Hamblin, personnel interviewer, completes the hiring process. From here on, the accent is on training and production.





5 Measurement and inspection, important in any manufacturing operation, are critical functions of Hamilton's particular brand of precision. Carol Weeks receives instructions on micrometer reading from engineer Thomas Carney. Carol is now working in the train department.

To accelerate the normal training period, classes were held in such subjects as measurement, assembly techniques, blueprint reading, machine operations, and related fields. The first step after classroom instruction is on-the-job training. With the help of supervisors, new employees are brought into production operations as early as possible. As skills increase, employees are given more complex assignments until they reach the end of their training period which can be as short as three months or as long as four years.

6 The increase in employment also was felt at Hamilton by employees who, while not new, were advanced to more responsible jobs. Rose Hamlin, formerly of the industrial products department, checks a critical measurement of hairspring wire with a highly sensitive microkator. Supervisor Art Westman offers a word of assistance. Employed by Hamilton for 18 years, Rose has been a member of the escape department for only a few months.



### The Battle of the Personnel Bulge

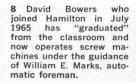
program has been operated to train promising young people in the intricate skills of building tools and machines for the manufacture of watches and related instrument products. This program is a prerequisite for insuring the company of an adequate supply of highly skilled tool and die makers.

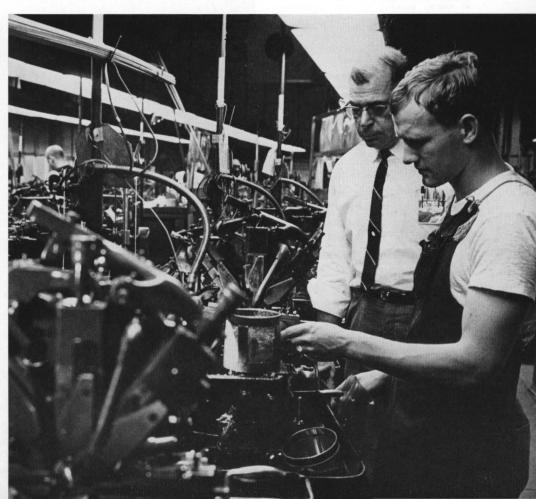
A "vestibule" training school has also been in operation since the late thirties to train qualified persons in the various skilled watchmaking operations. On the job training is conducted for automatic turning lathes, screw machines, and in parts manufacturing departments.

An analysis of Hamilton's anticipated military work in early '65 revealed that crash training programs would be required in two specific areas: automatic screw machine operators and parts manufacturing personnel. "Vestibule" training (classroom adjacent to the department) was the immediate answer, with background in (continued)



7 To fill the critical need for automatic machine operators, Maurice Shearer (right) was placed in charge of the automatic department's vestibule classroom facility. Above, he reviews important points of machine operation with Craig Neiss.



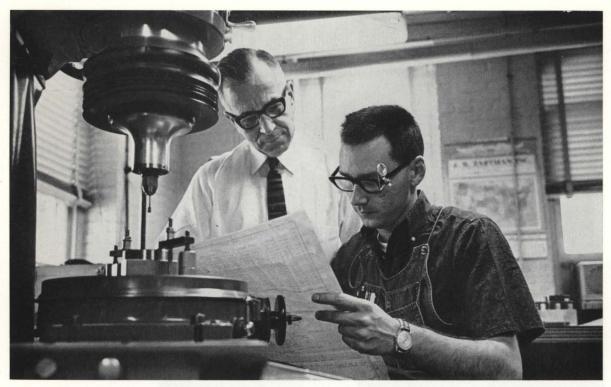




9 Beverly Bowers receives pointers from instructor Ralph Wallick during a class designed to familiarize new employees with tweezer handling. Other class members at nearby benches are also practicing parts assembly.

10 With her instruction period out of the way, Joanne Ulmer works on the assembly of ladies' watch movements.





11 Nearing the end of his 8,000-hour apprentice program, Gordon Sloat checks specifications with John Adams, foreman and apprentice supervisor. Gordon began his training with Hamilton in 1963 and was well into his apprenticeship before the current "employment bulge."

### The Battle of the Personnel Bulge

formation on gages, blueprint reading, shop mathematics, and related subjects. Employees taking vestibule training would then be equipped to receive the less formal on-the-job training preparing them to perform the operations they had been assigned.

Results to date have exceeded Hamilton's expectations of the programs. Employees entered their operating departments knowing the basic elements of the job. It was not necessary to take valuable production time from experienced operators and set-up men to teach such things as gaging, tool sharpening, and eye glass use. No attempt was made to reduce overall training times, but rather stress was put on getting an operator into production in the quickest possible time on the simplest part and then progressing to the more complex, with a minimum of attention from experienced operators or supervision.

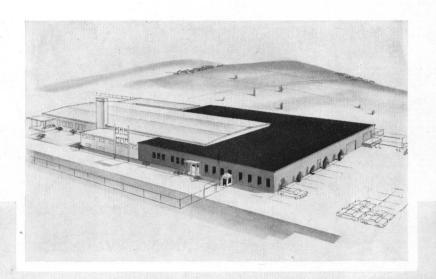
The solution to training and assimilating more than 600 people is also of great interest to the (continued)



12 Having completed her "basic training" Patricia Smith is now assigned to military products and performs a fuse staking operation with the guidance of supervisor Robert C. Markley.

### The Battle of the Personnel Bulge

United States Department of Labor. In response to a request for information from the Assistant Secretary of Labor, a report on Hamilton's training methods was recently completed by the Industrial Services Division. *timely* TOPICS takes a pictorial look at how Hamilton won the battle of the personnel bulge in 1965. Many of the photographs were suggested by the contents of the report to Department of Labor.





### EAST PETERSBURG CONSTRUCTION

Ready for roofing over, Hamilton's addition to the East Petersburg Plant—more than doubling present floor space—nears the half-way mark. The inset shows architect's sketch of how the completed structure will appear. New section is under dark roof area. Occupation of the new wing is scheduled for March.

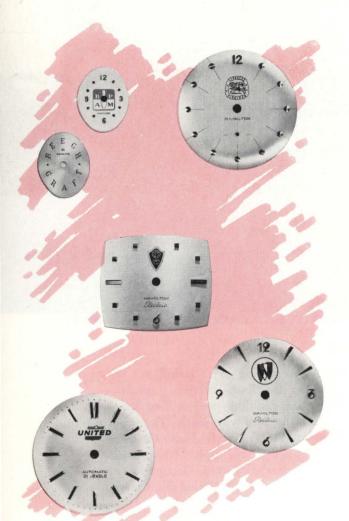


From service awards to airplanes

to beer, Hamilton, Wallace and Vantage

products are proving to be

## Solid Super Salesmen



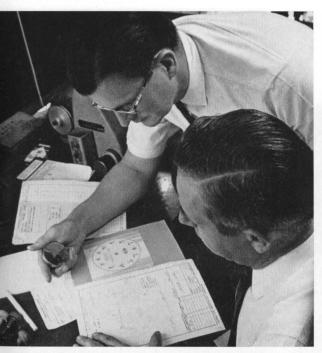
66 ONE MILLION YEARS of service by employees to American industry are recognized each year with Hamilton Watches."

"American business spends three billion dollars yearly for premium and incentive merchandise to sell everything from manure spreaders to embalming fluid."

These two statements key the growing importance of Hamilton's presentation and incentive business, a business accounting for sales of the company's watches and silver to the tune of several million dollars in 1965.

Initially a one man operation in the early 1950's, the department now has a staff of twelve handling sales of watches and silver to over one thousand industrial customers from Abbotts Laboratories to Zenith Radio. The customer list includes 40% of the famous "Fortune 500" largest corporations in the United States. "And," adds William G. Gassman, sales director, "we are shooting for the other 60%."

In the early 1940's, when companies began to realize the importance of employee recognition, Hamilton entered the award business. Research disclosed that employees have a universal need second only to food, shelter, pension and insurance: a desire to feel important, valued, recognized and appreciated. Employee awards help fill this need. In fact, thousands of progressive



Kenneth Derr (top), dial designer, renders a trademark or name into a sketch for approval of the customer. Edward Ganse, engraver, discusses a football team dial with the designer. The engraver works by hand, using a microscope, to engrave dial tools such as the one held by Derr. Sometimes as many as six or seven tools are required for a single dial—one tool for each color in the design and all tools must be in perfect alignment.

Colored ink is placed on the dial tool, then scraped clean with a razor edge. The color remaining in the engraving (the name "Falk" at right) is picked up by the rubber tip at top of photo and transferred to the dial in the fixture. Each color on the dial is applied in this manner.

Photography by Harry R. Gehlert

companies have found them a significant factor in improving employee relations and fostering greater organizational pride. Few other programs operate in such an aura of pleasant contact between company and employee.

Edgar A. Guest, America's noted grass roots poet, has captured in four short lines the basic sentiment underlying all employee service awards:

No rich man with his wallet fat, However much he spends, Can buy a gold watch such as that Presented by his friends.

Many jokes and cartoons make the rounds concerning the presentation of a watch at an important service anniversary. Despite the humor, in Hamilton's presentation sales department this bit of Edgar Guest's philosophy is tested and

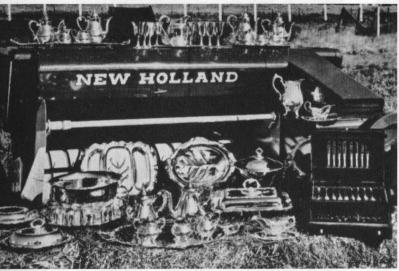


proved in actual use, both within our own company and in hundreds of businesses throughout the nation.

Bill Gassman explains: "Surveys show 84% of America's biggest and best known companies now present employee service awards. Watches are preferred by 58% of the recipients—more than all other major service awards combined—and of these 57% choose Hamilton watches.

"A Hamilton watch is the most meaningful of all service awards because it is the prestige watch, its value is known and appreciated, it features trend setting styling and Hamilton is the accepted standard of excellence and dependability in timekeeping."

But the increase of employee service awards is only a partial explanation for the growth of sales in this special market. In recent years, America's



One of the most successful incentive programs was carried out by the New Holland Machine Company, a division of the Sperry Rand Corporation, and featured Wallace silver. Wallace holloware was offered to salesmen, dealers and distributors and all reported increased sales during the program of several months duration. Many prize recipients and their wives wrote to commend New Holland on its excellent selection of awards.

companies have taken to selling their products through the use of premiums and incentives. As an example, a major flashbulb manufacturer is presently offering various items of Wallace silver to photographic equipment dealers when they purchase flashbulbs in quantity. In the parlance of the trade, this type incentive is known as a "dealer loader." Along similar lines, a large midwestern feed company offered Vantage watches with the purchase of certain quantities of feeds by farmers.

Trading stamps are the classic example of consumer premiums. As a matter of fact, each year consumers lick and paste more than 100 million trading stamps in order to own Hamilton watches.

Because the premium and incentive sales business has mushroomed in the past ten years, Hamilton decided four years ago that the company could not afford to pass up a share of it. Three new salesmen have been added to the staff and plans call for another man by January.

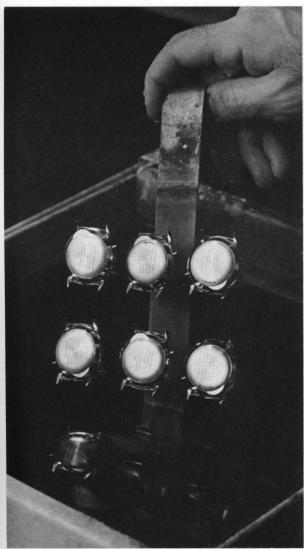
Mr. Gassman, Jay T. Miller, manager of premium and incentive sales, and Kenneth Hol-



Most presentation cases are engraved through a photo etching process. In the initial step (above) the name and trademark are projected onto the case which has been coated with a light sensitive material.

landsworth, all three working from Lancaster, Marshall Ludaway in the New York area and John Jack covering Chicago and the Mid-west carry on the daily award, premium, and incentive selling activities. They are assisted in the field by thirteen independent sales representative companies specializing in incentive and premium merchandise. Mr. Miller directs the activities of these independent representatives in the field, while Mr. Ludaway in New York, Mr. Jack in Chicago, and Mr. Hollandsworth in Lancaster along with the field sales force, sell products in both award and premium markets.

Mr. Miller describes the incentive and pre-



Cases are then submerged in an acid bath. The acid eats away a small surface of the case where the name was projected. The inscriptions on several cases are visible as they emerge from the chemical bath.



A beautiful Hamilton solid gold case is now ready to proceed through the final assembly of movement, dial and attachments.

mium business in this way, "It's one phase of our marketing that cuts across every avenue of distribution. We are interested in industrial sales, retailer sales, distributor sales, jobber sales. In fact, however merchandise is sold, Hamilton, Wallace and Vantage products can be used to motivate and increase those sales. We can create tailor-made programs for any type of company and any type of product.

"Take for instance a recently developed program where a salesman's progress against his quota was measured as he progressed through an imaginary round of golf. Each 'hole' in the golf course is won with a certain number of points based on the sales goal. A salesman achieves

these points—or 'strokes'—by selling the merchandise of his company. During his progress around the 'course' he receives a piece of Wallace silver for each level he attains. While this sounds like an elementary program, its very simplicity lends itself to the many types of sales situations for many companies."

Because of the importance of the award business, Hamilton has become affiliated with a number of retailers who are convinced that they, too, can share in the benefits. There are approximately 400 retail jewelry stores who specialize, as a part of their business, in soliciting employee award sales. To enhance the uniqueness of the service award, Hamilton has created a special Master-



Especially valuable in the premium and incentive sales field is the annual premium show, held this year in New York City. This year the Hamilton—Wallace—Vantage exhibit (above) was designed around a Pennsylvania Dutch theme.

piece line of award watches which is not in the regular line of retail merchandise. The Master-piece line gives both the retailer and the presentation salesman an opportunity to add even greater stature and importance to an award program when calling on a company.

By the very nature of service awards, there are certain requirements imposed on everyone involved in the manufacture and sale of these special watches. Mr. Gassman cites the superimportance of meeting delivery schedules: "When a corporation plans a presentation ceremony for a sales meeting in which watches are the high point of the program, you can understand why it is necessary that they are at the right place at

the right time. Two recent examples demonstrate the extra effort we make to insure their prompt arrival in time for meetings.

"Several months ago an airliner was forced to make a belly landing just after takeoff from the Lancaster airport. Aboard were Hamilton watches for delivery to a sales meeting in Cleveland the following day at twelve noon. As soon as we learned of the crash, we rushed to the airport, found that the watches—as well as the passengers—had not been damaged, put them on another flight and they arrived in Cleveland with one hour to spare.

"In another situation, we were to deliver watches to Beech Aircraft in Kansas. The week



The premium and incentive sales and marketing staff: (from left) John Jack—midwest, William G. Gassman—sales director, Marshall Ludaway—greater New York area, Jay T. Miller—premium and incentive sales manager, Bayard L. Renninger—advertising manager, and Kenneth P. Hollandsworth—mid Atlantic area.



This busy office staff expedites presentation sales orders through the Lancaster headquarters. The staff: (from left) Shirley Dabler, Phyllis Scarborough, Nona Gehman (on telephone), Carol Reidenbach, Robert Melsom, Merle Diffenderffer and Marie Lawrence.

prior to delivery the custom die used to make the dials was broken and we felt compelled to inform the customer that we were unable to meet the schedule. Thanks to the efforts of A. J. Kleiner and our dial department, we were able to rework another die and deliver on time."

Another product requirement that Mr. Gassman cited is performance. When a corporation gives a Hamilton watch or Wallace silver for a service award or sales incentive, the gift reflects the thought of the giver. A watch which doesn't perform properly or silver with a flaw reflects upon the corporation giving the award. Further, the satisfied recipient is a potential purchaser of a Hamilton product at another time. So it's im-

portant that the product reflect not only on the good judgment of the giver, but also the work-manship of Hamilton employees.

And what of the future of the presentation and incentive business? A prime bellwether according to Bill Gassman is the employment rate of 20 to 25 years ago.

"Up until now," he points out, "our service awards—the largest single portion of our business—have been purchased by companies for people employed during the 1930's. Using 20 to 25 year forecasting, we look to an even brighter future as Hamilton and Wallace service awards are made to the expanding number of people who were hired during the forties and fifties!"



DOWN THE CHIMNEY went this old-fashioned Santa after alighting from his reindeer in the fashion made famous in Clement C. Moore's "A Visit from St. Nicholas."

ALTHOUGH IT IS WRITTEN plainly enough in American history, the paradoxical story of the "birth" of Santa Claus in the heat of political strife and the tragedy of war is one of the least known of Christmas stories.

It was something of a small Christmas miracle in itself that this personification of mirth, generosity and love of children was created in a time of bitterness and by the nation's greatest political cartoonist.

His name was Thomas Nast. Among the figures that spilled from his imaginative mind and gifted pen onto the pages of Harper's Illustrated Weekly were such now-famous symbols as the Republican elephant, the Democratic donkey, Prosperity's full dinner pail and Labor's square paper hat.

But Nast is rarely remembered today as the creator of the figure he called the favorite of all his inventions—Santa Claus.

The story of the creation of the figure of Santa Claus as we know him today, and the characteristics that have come to be associated with him, is a fascinating bit of history which researchers at Hallmark Cards have been piecing together now for several years.

The figure of Santa that Nast created in 1863,

An American Political Cartoonist Gave Santa Claus His Face and Character a Century Ago

### The Man Who Created Santa Claus

and perhaps even earlier, has proved to be the definitive one, lasting more than a hundred years and even today appearing occasionally on Christmas greetings, they say.

"Nast's image of Santa was extraordinary," says Mrs. Jeanette Lee, director of creative art at Hallmark. "He gave Santa many of the qualities that have endeared him to children ever since and we wouldn't dream of tampering very much with them today."

Nast followed in many particulars the description of Santa that Dr. Clement Clarke Moore wrote in 1823 in his "A Visit from Saint Nicholas." But many of his concepts were original. Nast gave Santa his red suit, broad girth, white beard, ruddy cheeks and nose, and furtrimmed hat and coat.

Even more important are the traditions with which Nast associated Santa, for these have had a greater influence than his appearance. It was Nast who first credited Santa with keeping books on the good and bad children, of having a workshop where he manufactured Christmas toys and of reading the letters sent to him by children.

There is a poignant note in the creation of Nast's first Santa because he made his appearance at a time when many American families were separated. Fathers, husbands and brothers were fighting in the war between the North and the South. That year, 1863, Nast visited the front and in an apparent effort to cheer both soldiers and those at home, drew his now-famous "Santa Claus in Camp" for Harper's Weekly.

Nast pictured him as he had probably long imagined the Pelze-Nicol—Saint Nicholas—of his childhood: fur-clad, fat, a jolly old elf. Nast had been born in 1840 in the tiny hamlet of Landau, Bayaria.

His earliest Santa was distinctly different from any artists' creations up to that time. He was shown wearing the stars and stripes of the Union and distributing gifts to soldiers. Actually, this Santa might have been meant as a representation of Uncle Sam also. A later, equally moving Nast illustration featured a soldier's Christmas homecoming.

Nast had come to New York with his mother in 1846, later studied art and was a successful commercial artist at age 15. An extremely patriotic young man, he believed strongly in the Northern cause during the war. Abraham Lincoln once called him "our greatest recruiter."

But even during the fiercest political battles and war itself, Nast observed Christmas with zest and originality in his home and in the illustrations he drew during the Christmas season for Harper's.

Albert Bigelow Paine, a friend and admirer of Nast, said the artist often revealed to him his love of the Santa illustrations. He later wrote in his biography of the cartoonist:

"His own childhood in far-off Bavaria had been measured by the yearly visits of Pelze-Nicol (St. Nicholas) and the Christkind (Christ Child) and the girlhood of the woman who was to become his wife (Sarah Edwards of New York) was intimately associated with brilliant and joyous holiday celebrations.

"Nast's children later recalled there was always a multitude of paper dolls—marvelously big and elaborate, a race long since become extinct. And these the artistic father—more than half a child



'HELLO, LITTLE ONE' was Thomas Nast's title for this famed drawing of Santa from his Harper's Weekly collection.

himself at the Christmas season—arranged in processions and cavalcades, gay pageants that marched in and about those larger presents that could not be crowded into the row of stockings that hung by the family fireplace.

"It was a time of splendor and rejoicing—the festive blossoming of the winter season—and it was a beautiful and sturdy family that made Merry Christmas riot in the spacious New York home."

Santa had come to this country along with some of our earliest settlers, the Dutch, and at that time his name was Sinterklass (Saint Nicholas). He made his annual visit, not on Christmas, but on the saint's feast day, December 6. He was thought to have been a fourth century bishop in Asia Minor famed for his kindness, particularly to children.

By 1809, Washington Irving was describing Santa as a diminutive Dutch citizen who looked much like Father Knickerbocker; the novelist wondered how the poor old man could get to all the homes in a growing America on his horse. So he invented the familiar reindeer-drawn sleigh which Santa, from that time, has raced through the skies from chimney top to chimney top.

Perhaps it was the now-famous poem by Dr. Moore, first published in 1823, that was the inspiration for Nast's illustration of Saint Nick. In the children's classic, the right jolly old elf who looked like a peddler with a pack on his back, was first described in print.

The nation's first Christmas cards were published in the 1870's and Santa appeared on dozens of cards within the next few years, the Hallmark files reveal. From the very first, the cards depicted Santa as a hearty, chubby old gent, much like the first Nast illustrations that had appeared in Harper's Weekly.

Chirstmas cards illustrated with Santa Claus during the later 19th Century were largely popular with children. But in recent years, Santa illustrations have been popular with people of all ages. . . . a nostalgic longing, perhaps, for those happy days when Santa's long-awaited visit was the glorious climax to the annual Christmas celebration.

Although Santa's depiction by today's artists is not stereotyped by any means, and every artist lends some individuality to his creation, he is essentially still the figure Thomas Nast drew for the Christmas of 1863.

### HONOR ROLL AND



### 45 YEARS

Leah E. Dietz, Train Gustave Simon, Sterling Flatware Buff

### 40 YEARS

Julio L. Conti, Sterling Flatware Buff M. Louise Good, Train Gladys R. Marks, Plate J. Edward Miller, Production Planning

### 35 YEARS

Mary Ann Edwards, Service Robert A. Preston, Industrial Services Florence T. Royer, Watch Assembly

#### 30 YEARS

Wallace R. Bork, Personnel Feryn E. Ely, Military Products Mary E. Frey, Train John H. Fry, Purchasing Helen K. Gaines, Wallace Purchasing Mattie S. Hillard, Parts Manufacturing Charles A. Kenney, Maintenance Millington N. Rivenburg, Marketing Research

### 25 YEARS

Kenneth D. Bitzer, Machine Shop

Linwood H. Buchanan, Plate John F. Fox, Plate Mary S. Gladfelter, Movement Assembly George E. Glouner, Machine & Small Tool Jay M. Good, Machine Shop Edward H. Humpf, Manufacturing Stocks Ruth E. Irwin, Payroll Alexander Juhase, Wallace Maintenance Kenneth M. Kuntz, Chemistry L. William McCarthy, Flat Steel Charles E. Montgomery, Plate Irene C. Murry, Military Products Mary T. Saba, Sterling Flatware Make Henry C. Schaller, M.P.Q.C. Charles M. Sharpe, Production Costs Carroll Shearer, Machine & Small Tool Carl C. Stauffer, Machine Shop Robert E. Ursprung, Dial William A. Weller, Automatic Grace M. Yeager, Flat Steel Walter J. Zwible, Wallace Machine

### 20 YEARS

and Inspect George H. Courtney, Sterling Flatware Make Rose Falbo, Holloware Finish and Inspect Bertha B. Murry, Escape Casimer C. Tatara, Holloware Spin Walter J. Varhue, Holloware Soldering

Angelina Augeri, Holloware Finish

15 YEARS Richard J. Blakinger, Executive Vice President William J. Brennan, Maintenance Irene M. Brown, Plate Michael I. Carosielli, Vantage **Products** Edward C. Crowl, Jr., Manufacturing Stocks Dale A. Ferguson, Traffic Sara A. Glackin, Military Products David W. Graham, Accounting Ernest Grava, Display Shop Verna I. Mehaffey, Military Products Catherine B. Minnich, Material Sales Adrian F. Moore, Wallace Watch Case Margaret C. Reese, Plate Lovis K. Stoltzfus, Traffic Leroy E. Wallace, Hamilton Sales Florence H. Wiseman, Service Office Edna M. Young, Watch Assembly

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