

timely TOPICS

 HAMILTON

swatch®
watch



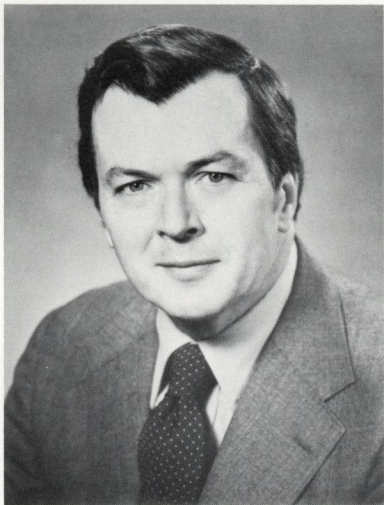

CERTINA
Swiss Quartz


OMEGA



Picture of the West Tower (Main Entrance) as it looked around 1950.

President's Corner



John F. Gelson
President

All signs point to the fact that we are in for a very **challenging** year in 1987.

Some signs are good. Oil prices, unemployment, taxes and interest rates are down. Hopefully, these factors make for a more spending minded consumer and we'll get some of those dollars for our products. We have several very exciting lines of new products coming out in 1987.

The cloudy part of the horizon can be traced to the fact that the dollar is weak and we must pay more dollars for those parts and supplies we buy from Switzerland, Germany and other countries. (This too has a sunny side, because as the cost of foreign goods to Americans rises, our good customers such as General Motors, RCA and Kodak to name just a few, will find more Americans favoring their products over imports.) The problem becomes tougher because even though our costs go up, our prices are held down by the intense competitive pressure in the watch and clock market.

I think it would be most appropriate for each of us working at Hamilton, Omega, Swatch, Certina USA and the Swiss Watch Technical Center to set a goal of improving our skills and increasing our dedication so that the task of making this a bigger and better company is accomplished in 1987.

Hamilton Kudo's

Dear Mr. Gelson:

I recently returned my 31-year old Hamilton watch for repair - new face, new crystal and overhaul. Your service was fabulous. The lady on the switchboard answering your 800 number was very polite and very helpful.

In fact, I received a swatch watch as a gift due to the delay in repairing mine even though there was no rush on my part. To me, this was a touch of class.

I felt you should know about the fine service and courtesy extended by your operator.

Sincerely,
B. F. Johnson
Dallas, TX 75244

Dear Sir:

Sorry I don't have your name, however it will not prevent one from writing to thank you and your people for the wonderful service given me on a watch I sent to have repaired.

Hope you will excuse my penmanship and my paper, I am 83 and have very poor eyes but I still try to do!

Around the first of September I wrote your Company about my watch etc. and received a splendid letter from Gloria Cunningham of your Customer Service Department telling me what to do. I followed her instructions and now have my prized Hamilton Watch back and it is wonderful.

Will you please get word to Ms. Cunningham how much I appreciated her great help, as well as thank the people who did such a great job on my watch.

Our daughter quite a while back attended Linden Hall (then a junior college) in Lititz, PA. We were there several times, in beautiful Lancaster. My Mehane forefathers came down through Maryland and settled in N.C. back in the early 1700's. As I have a good feeling about Lancaster as they started from there. Thanking you again.

Giles Mehane Robertson
Richmond, VA 23220

Customer Service Department

by: A. Graybill

We all realize that in today's competitive business world, services to the customer must be a top priority. The customer service representative is the critical link between the company and the customer. The representative is, in many instances, the only contact that the customer has with the company in order to have his service needs fulfilled.

Our customer service department consists of 6 correspondents, a senior correspondent, and one department manager. The manager of the department is **Kathy Breen**, who is responsible for managing and coordinating the activities of customer service for Hamilton, Omega and S.W.T.C. The senior correspondent is **Gloria Cunningham**, who fills in for Kathy in her absence. The customer service correspondents are **Ann Graybill, Janis Higinbotham, Cindy Holton, Judy McFarland, Martha Thomas and Rebecca Wilcox**. Although their primary responsibility is to answer customer questions and concerns over the phone and through correspondence, other duties need to be performed regularly in order to keep S.W.T.C. running smoothly.

The customer service department processes approximately 200 pieces of mail on an average day. This includes inquiries from customers, instructions to proceed with a repair or return without repair, and an occasional complaint. Also done on a daily basis are separation and filing of shipping tickets, follow-up estimates, revised estimates, correspondence, proceeds (the written or verbal authorization from a customer to begin the repair of the watch), RWR's (return without repair), and other administrative duties. Many of these duties require the entering of information into the computer so that the customer's request is processed. The Recognition Product Group, formerly known as the Awards & Incentives after sales service, is also a part of the customer service department. This includes telephone and written correspondence to customers who require servicing of a watch or clock recently received as a service award. Occasionally, special mass mailings due to changes in accounts and delays in the return of a part from a vendor require the use of the word processor in order to inform the customer of a change in the status of a watch repair.

At any given time, there are between 5,000 and 7,000 watches in our repair system. Our service center repairs over 70,000 watches in one year. You can see why there would be a large volume of work

to be done in order to give customers the status of their watch in addition to administrative duties to process customer's requests. The number of watches is also why we have established a system to locate a watch in the workshop in order to give more information than the computer provides. In order to equally distribute the 250 calls received on an average day from these customers, a new telephone system, called the Automatic Call Distribution system, was installed. The system enables Kathy Breen to monitor more efficiently the calls that come into the department.

The entire department has recently undergone special training which included discussions on "What should and should not be said over the telephone," in addition to "How to handle the irate customer". The seminar has proven to be very effective in helping the correspondents give more consistent answers as well as expediting calls more efficiently. A technical training session, headed by Dan Fenwick, has also been completed for the correspondents.

Recent improvements in the system have made a significant difference in the overall efficiency of the department. This efficiency is essential in maintaining the reputable service that has been the hallmark of the company for over 95 years.

Healthy Lifestyles

We have recently completed our sixth edition of the Healthy Lifestyles Program. It's hard to believe we initiated this program three years ago. We've had many people permanently change their lifestyles because of this program. Employees who never wore seatbelts before can no longer get into a car without buckling up. Many employees quit smoking during the programs and still have the habit kicked.

Most recently, and in conjunction with the Great American Smoke Out sponsored by the American Cancer Society, and facilitated by Geoff Eastman, seven employees participated in the Fresh Start Program to quit smoking. As of this writing, four of those seven have quit and the other three are well on their way to saying, "I kicked the habit, too." We'd like to congratulate these seven people and wish them luck in keeping up the good work. These employees are: **John Ackerman, Sharon Delp, Ann Graybill, Joe Horn, Sue Horn, Betsy Kane and Dottie Riggs**. We will attempt more Fresh Start Programs in the upcoming Healthy Lifestyles Programs.

Seventy-nine employees earned a half day vacation for either maintaining a 22 point average or increased by 2 points overall.

What Is Woodcase Manufacturing?

Team Work and Quality

The Grandfather Case Manufacturing Department is made up of seven distinct but interdependent areas of operation: rough mill, machine room, sub assembly, final assembly, hand sanding, finishing and up-fit. **Bob Vogel** as manager has a dedicated group of professionals who work in teams and take great pride in the quality of their workmanship. Because of the large area occupied by this diverse group of teams Bob counts on and receives support from **George Way** as team leader for sub assembly. **Doug Miller** lends his leadership abilities in the rough mill and final assembly while **Greg Myers** acts as machinist and set-up person in the machine room.

The making of fine quality "tall case" (grandfather clocks) starts in the rough mill. It is here that large pieces of rough lumber are carefully hand selected and then cut to rough pieces (approximate sizes and shapes) that go into making up the many components that are the beginning of an excellent piece of quality furniture. **Bill Denison** and **Todd Felpel** use special woodworking equipment like a planer, jointer and panel saw which are designed to do each operation efficiently and safely.

Next, these rough pieces pass into the machine room where they are expertly sawed, shaped, routed and drilled, etc. into precision parts that go into the make up of the various sub assemblies that eventually become a finished clock. **Tony Rampulla** and **Rick Tshudy** keep the numerous, sophisticated pieces of equipment in the machine room running.

Tom Burger, **Jim Turner** and **John Himmelburger** utilize the many finished parts and special "jigs" (assembly fixtures) to make up major components of clocks such as doors, crowns (tops), bases, etc.

From the various sub assemblies and individual case parts, **Pat Shomo**, **Bill Kline** and **Jan Miller** put together a clockcase that now starts to take on its final shape familiar to all, known as a grandfather clock.

Once the basic case components have been assembled into a complete clockcase, **Eugene Gebicki** and **Phil Vafias** painstakingly hand sand each case to prepare it for the finishing area.

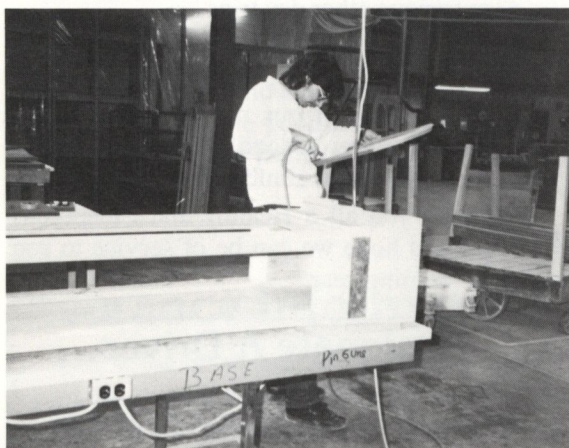
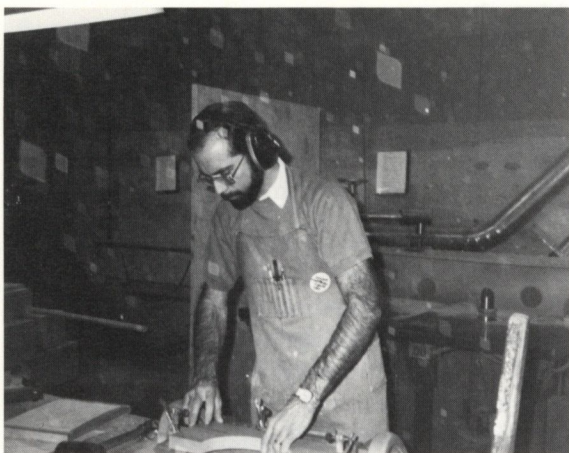
Hamilton uses a 13 step finishing process of various sealers, stains and lacquers. Between the coats of sealer, stain and lacquer the cases are again hand sanded by **Tim Neuroh**, **Sandi Baker** and **George Stoltzfus**. Consuming and painstaking attention to detail is why our grandfather clocks have

that warm, rich finish so prized in a fine piece of furniture.

In the final step, "up-fit", **Regina Stickler** puts glass into the case and attaches any hardware necessary. She also gives the finish a final hand rubbing to bring out the last detail of the fine quality woods used in each and every clockcase.

With the skillful labor of the various individual contributors working as teams and the use of standardized parts, the production goal for 1987 is 1000 clockcases. In standardizing some clockcase parts, we do not sacrifice quality but reduce production related costs in order to manufacture a competitively priced quality product. We know that Bob, along with his team of workers, are making a real difference in the production of Hamilton grandfather clockcases.





Outlet News

by Cheryl Eckman and Linda Muller

Did you ever think you would like to spend a day working in the Outlet Store? If you now work in the Clock Division, you could tell the customers all you know about our fine clocks. You could inform the customers about our quality watches if you are an employee of the Watch Division, and if you work in Swatch you would be sure to sell a Swatch to any potential customer. But, could you sell all three different types of products and know what you are saying is fact?

To be a trained Hamilton Sales Professional, one must go through weeks of formalized training. This training encompasses a broad range of information from product knowledge to salesmanship. Hands on experience is a must when learning all the different movements, cases, dials, and styling that make Hamilton products better than the competitor's.

A Hamilton Sales Professional has a good sense of salesmanship, which includes customer service, patience, the ability to listen, points of sale, and a sense of humor. All these things are necessary to work in a complex environment that is informative and projects Hamilton's good will for the future.

A professional appearance and attitude is essential to portray and meet Hamilton's standards which we have had since 1892.

Sales Professionals working in the Outlet Stores have to wear many hats. Their training and professional attitude is what makes Hamilton a success in an ever changing retail environment of factory operated outlets.

Milestones

We extend a sincere "thank you" to the following employees who have contributed to the success of S.M.H.-U.S. You are to be commended for your years of loyal and dedicated service.

40 YEARS
Bob Martin
Ell Stoll
Vi Ragan

35 YEARS
Bob Snodgrass

20 YEARS
John Bryan
Hans Scholl

15 YEARS
Verna Mueller

10 YEARS
Beth Spangler
Donna Faust
Peg Heine
Bernice Miller
Processo Wycoco

5 YEARS
Tom Deitzler
Jim Cargas
Luanne Campbell

Retirements

Over the past year, we had a number of employees retire. They have an accumulated total of 260 years. Congratulations all you lucky people who now have more time to enjoy some of the fruits of your labor.

	Retired	Years of Service
Eugene Sensenig	1/1/86	39
Leo Leddy	1/1/86	19
Dottie Boudier	4/1/86	27
John Ulmer	4/1/86	44
Charlie Shekart	5/1/86	40
Mary Kling	6/1/86	10
Ginny Ziegfeld	8/1/86	16
Ethel Snaveley	1/1/87	12
Grace Youtz	1/1/87	12
Russ Hoxworth	2/1/87	41
		<hr/> 260 years

The Common Cold

Adults contract two to four colds a year, and children even more. Medical Science can do little to make our environment cold free because virtually hundreds of viruses are involved.

There is little a doctor can do to ease your cold or flu. There are a few steps you can follow to help yourself:

Drink plenty of fluids to avoid dehydration. Scientists have concluded that chicken soup is one of the best things to feed a cold. It is often laced with cayenne pepper, onion and garlic. These ingredients have antibiotic properties. Alcohol will make you feel worse. It occasionally increases blood flow which tends to increase nasal congestion.

Getting plenty of rest is very important. A cold is a sign of infection in your upper respiratory tract and your body needs rest to fight them off.

Take aspirin or an aspirin substitute to reduce aches and pains.

Fluids, rest, and common aspirin or an aspirin substitute are your best friends for curing a cold.

WHEATLAND
FEDERAL
CREDIT
UNION



611 Centerville Road • Lancaster, PA 17601

It isn't too late to start your 1987 Christmas Club and it's simple to do. Just stop into Personnel or call the Wheatland Federal Credit Union at 898-7673 for details. Help to make next Christmas a little more merrier.

HAC

(Hamilton's Activities Club)

HAC had a good year leaving behind it many pleasant memories. A variety of trips were taken to places such as Three Little Bakers, Inner Harbor and Atlantic City. Hershey tickets were given at a discount to Hamilton employees and their families. Once again we had our Dutch Haven pie sale before Thanksgiving. Several times during the year the employees had the opportunity to buy subs. Wolfgang candy was sold during Christmas and Easter holidays.

Our officers for 1987 will be:

Janet Hampton, President
Peggy Hull, Vice President
Brenda Moore, Treasurer
Viola Mueller, Secretary
Linda Krow, Assistant Secretary

We are looking forward to some trips in the coming year:

3 day trip to Washington, DC
(over Easter vacation)

9 day trip to Canada
(over factory shutdown)

1 day trip to Flemington outlets and
Schwenksville (Otts Mum Farm)
(In October)

Also various other day trips.

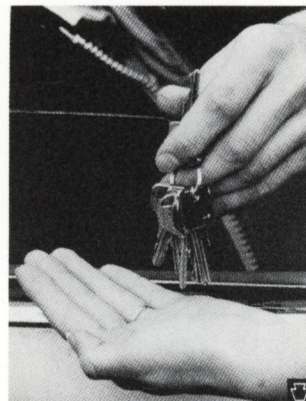
As a token of appreciation a travel mug was given to all employees over the holiday season.

Join us at one of our monthly meetings if possible, held every second Wednesday of the month, in the 4th floor conference room.

We wish you all a Healthy and Prosperous New Year and hope we can be of service to you during the coming year.

Designate A Driver

Keep friendships alive.
When your get-together includes driving,
take turns not drinking.



National Safety Council

Are You Getting Sleepy?

Many people have great difficulty falling asleep. Researchers have determined that most sleepless nites are caused by stress or stress related instances as well as some bad habits we get into. Here are some guidelines we can follow in order to make falling asleep much easier.

1. Avoid caffeine in any form after 4:00 p.m.
2. Alcohol and nicotine are stimulants and should not be a part of our bedtime routine.
3. Awaken at the same time each morning to develop a sleep-wake cycle. Sleeping in longer than an hour or two on weekends will only hinder the cycle we're developing during the week.
4. Avoid strenuous exercise too close to bedtime.
5. A high-carbohydrate evening meal will foster sleepiness, however, keep midnite snacks on the lite side.
6. Don't nap during the day no matter how tired you are. Keep busy.
7. Don't go to bed unless you're sleepy. Wakeful activities should be carried out in other rooms. If you're not asleep within fifteen minutes, get up out of bed and go into another room. Read, listen to music or watch T.V. until you become drowsy.

If these hints don't help you fall asleep don't be discouraged. Most everyone has trouble falling asleep periodically. And long term insomnia affects only about 5% of the population. Some of these people must seek help from their physician for their problem.

Insurance Information

Due to the increased number of employees at Hamilton, we are asking everyone to follow the guidelines which are stated in your employee handbook on page I-9.

"Please wait until your deductible has been met before submitting bills which are subject to the deductible: \$200 per person, \$600 per family. (Combined medical and dental)

After the deductible is satisfied, we ask that additional bills be filed not more than every three months or at such time as the total of the bills reaches approximately \$150."

Thanks,
Personnel Department

Managing Stress

We all have pressure, demands and worries which make us feel tense BUT the key is to keep them within manageable limits.

Stress can interfere with our normal activities and affect our work and can contribute to many medical problems—some serious. Fatigue, headaches, prolonged depression, heart disease, ulcers and colitis can all be caused by stress.

Steps we can take to prevent stress:

BE REALISTIC:

Set practical goals - don't expect the impossible which means not taking on too much at one time.

LIMIT CHANGES:

Avoid too many major changes in your life. Allow adjustment period for each change.

TALK IT OVER:

Discuss problems with the people involved, or with a close friend, before tensions build up.

PLAN YOUR WORK:

Organize your work and ask for help if workload seems overwhelming.

LEARN TO RELAX:

Weekend getaways, vacations, can help. Do something to relax every day.

REGULAR EXERCISE:

Keeping physically fit by either walking or physical exercise. This is a great way to release tension.

YOUR ENVIRONMENT:

Rearrange your office, redecorate your home - little changes can make you feel in control and give you the lift you need.

SEEK PROFESSIONAL HELP:

Don't ignore symptoms of stress. Consult your physician for treatment, advice or referral.

Eyes Have It at New Defense School



This article was reprinted from "*Happy Days*," a publication of the Civilian Conservation Corps and the National Youth Administration. Forty men were specially chosen for this national defense training course. This particular issue of "*Happy Days*" was printed exactly one week before the bombing of Pearl Harbor, December 7, 1941. Along with **Bob Hamilton** who completed the course, two of our retirees, **Kenny Reynolds** and **Bill Soroko**, were also chosen for this course and decided to make watchmaking their careers.

No relation to the watch company by the same name, Enrollee Robert Hamilton of Co. 1327, Lancaster, Pa., one of 40 men taking a course in instrument and chronometer making at the Hamilton Watch Co. school, focuses his eye on the tiny inards of a timepiece. Like his classmates, Hamilton was submitted to a stiff examination before being selected for the school.

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Lancaster, PA 17604