A Message from the President

1981 has proven to be a particularly challenging year for Sprague Electric. Following relatively strong growth in the first half of the year, the U.S. economy slipped into a recession which is expected to last at least into the second quarter of 1982. We are all aware of the many ramifications of the recession which include a disastrous year for the U.S. automobile industry, a severe slump in housing starts, and rising unemployment. In addition, the economies of Western Europe, a major marketplace for our Company, have been depressed all year.

Despite the above, on an overall basis 1981 has been a good year for Sprague Electric, with record sales and solid profits. And a number of very specific good things have happened including, to mention just a few, the following. The Solid Tantalum operations continued their excellent growth, gaining market share and undertaking a new plant expansion to be opened in San Antonio, Texas in 1982. Excellent progress was made in Aluminum Foil technology with new production machines planned for 1982-1983. The Stacked Film Capacitor program in Barre, Vermont, began full production. Running counter to the rest of the semiconductor industry, our Integrated Circuit operation in Worcester enjoyed record sales. We opened our first sales office in Japan and, in Europe, we consolidated our Aluminum Capacitor operations in a single plant in Galashiels, Scotland. We all have much to be proud of for the accomplishments of 1981.

As we face the challenges of the future, an uncertain world economy, high interest rates, and increasingly competitive world-wide competition, we should also take pride in knowing our Company is well positioned to meet these challenges and that the electronic components market will continue to be one of dramatic growth in the 1980s and beyond. I look forward to working and sharing with you the opportunities this growth represents for all of us.

John T. Sprague

ANNUAL MARKETING AND SALES FORECAST MEETING

More than 170 Sales and Marketing personnel were in attendance at the company's Annual Marketing and Sales Forecast Meeting at Marriott's Lincolnshire Resort in Lincolnshire, Illinois, 45 minutes from O'Hare Airport. In attendance was substantially the entire U.S. sales force from Sprague Electric's 21 district sales offices and 13 O.E.M. sales representatives in the United States, as well as key sales personnel from Sprague World Trade Corporation headquarters in Geneva, Switzerland; France; and England. In addition, there were representatives from Sprague World Trade Far Eastern headquarters in Hong Kong and from Sprague Japan K.K. Key personnel from Sprague Products Company Distributors' Division were also in attendance at the 4 1/2-day conclave.

"Once a year we get together to learn about new products being introduced and overall marketing plans and review our business forecasts," according to Carroll G. Killen, Senior Vice President, Marketing and Sales. "Another important accomplishment of the meeting is to exchange information on multi-plant national customers and transnational customers." "Small mini-meetings concerning key customers have proven very helpful each evening following the main daytime sessions," Mr. Killen said.

Herbert Van Hassel, heading the Burroughs team, listens to Didier Franc of Sprague World Trade discussing product forecast during an evening mini-meeting. Looking on is Alan Warshower of Argentina, Field Sales Manager of Sprague International, Ltd.; Edward A. Brogden, Southern New Jersey Sales Office; Peter A. Lawson, Connecticut Sales Office; and Paul S. Beattie of the solid tantalum capacitor plant at Sanford, Maine. Continued on page 2
WORCESTER EMPLOYEE RECOGNITION PROGRAM

Last year, the Worcester Plant instituted an Employe Recognition Program to recognize outstanding employes for their contributions to the plant operations and their communities. In this way, we are able to recognize those employes who make it happen, who contribute to the success of the plant and make a special effort to be a good neighbor and help make our plant a pleasant place to work.

Each month representatives submit names of their employes or fellow employes to the Recognition Committee, stating reasons for their selection, and the committee selects one hourly and one salary employe to be honored. A photograph of the employe and an article written by the committee is then displayed on the cafeteria bulletin board for all employes to see.

The program provides the plant the opportunity to express its appreciation to those employes selected and to make them aware that they truly "make a difference."

We congratulate our 1981 recipients. They were:

- Harriet Michaels
- Charles Fullam
- Gunnar Robertson
- William Hakkila
- Mary Trainor
- Paul Bergquist
- Dorothy Dean
- Thomas Skonieczny
- Cathleen Makowski
- Ronald Stewart
- Donald Corkum
- Georgia Putnam
- Oliver Richards
- Edward Skowronske
- Thelma Denio
- James Mayrand
- Henry Charest

SPRAGUE ELECTRIC LOG

ISSUE 1, 1982

Norma M. Hays, Editor

Associate Editors:
Robert M. Arena, Sanford
David C. Cates, Visalia, Los Angeles
Robert J. Diodati, North Adams
Michael Gagne, Nashua
McDaniel Harless, Hillsville
Stephen D. Holland, Concord
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Thomas D. Vangel, Worcester, Micro Tech
Hugh H. van Zelm, Jr., Annapolis Junction
Clayton D. Weaver, Lansing
W. E. Williams III, Clinton
Albert L. Zigler, Jr., Wichita Falls, Brownsville

Paul F. Sprague—Photographer

FORECAST MEETING (continued)

Numbers Crunch—Reviewing sales forecast figures are Edward C. Geissler, left; National Marketing Manager; Dr. John L. Sprague, center, President; and Carroll G. Kellen, right, Senior Vice President, Marketing and Sales.

Joseph P. Coughlin, National Sales Manager, left, and Bernard (Barney) J. Shine, President, Sprague Products Company Distributors Division, check out the details of an announcement which Mr. Shine was about to make at the meeting.

NORTH ADAMS QUALITY CIRCLE LEADER TRAINING

The second training session for Quality Circle leaders was held at the Marshall Street Building 9 conference room on November 30, December 1, 2 and 3, for seven Sprague Electric employes along with two Hoosac Valley High School teachers. The four day Quality Circle Basic training seminar was instructed by Facilitator Bob McDonough.

Three employes, Gene Lambert, Cliff Seddon and Gene Harreck from Sprague Electric Concord division participated along with Sandy Haley, Dave Dorwin, Bob Sunn, Russ Yarter and Rick Robinson from Brown Street. Representing Hoosac Valley High School were Vincent Melito and Frank McLaren.

Leaders were taught the basic fundamentals of Quality Circles such as Introduction to Q Circles, Brainstorming, Cause and Effect Diagrams, Pareto Diagrams, Histograms, Graphs, Group Simulations and Management Presentations. On the completion of the course, all of the new leaders were presented diplomas.
QUALITY CIRCLE LEADER TRAINING GROUP

Back Row, left to right: Frank McLaren, Robert Sunn, Eugene Harreck, Eugene Lambert, Richard Robinson. Front Row, left to right: Clifford Seddon, Vincent Melito, Sandra Haley, Robert McDonough. Missing when picture was taken were David Dorwin and Russell Yarter.

ELECTRICAL VENDOR OF THE YEAR

The Sanford, Maine plant of Sprague Electric Company has been honored as "Electrical Vendor of the Year" by E-Systems Communications Manufacturing Division of St. Petersburg.

Sprague Electric provides solid tantalum capacitors utilized by CMD in the production of AN/WSC-3 shipboard communications terminals for the U.S. Navy and allied nations.

An award presented to Sprague Electric at a luncheon in St. Petersburg, Fla. cited the company's "outstanding performance in delivering solid tantalum capacitors...in an extremely shortened leadtime while maintaining a 100 percent quality rating."

The citation added that "critical manufacturing startup operations were maintained at CMD due to the special efforts and support by Sprague Electric Company."

GREAT AMERICAN SMOKEOUT

150 Sprague-Sanford employees participated in the November 19th, "Great American Smokeout," a nation-wide quit-smoking campaign sponsored by the American Cancer Society.

Sprague-Sanford smokers who pledged to kick the habit for 24 hours and non-smokers who pledged to support a smoker in keeping that pledge were eligible for a turkey raffle.

Pictured are two of 12 winners, Bok Cho of Axial testing and Ellen Woodsome of Deposition.

Pictured at award ceremony are from left, Robert K. Marlowe, Sprague Electric's general marketing manager for solid tantalum products; Thomas P. Giles, Florida sales representative; Arthur J. Christopher, Eastern Regional sales manager; Peter W. Maden, general manager for solid tantalum products; Thomas F. Kevin, senior buyer for the Communications Manufacturing Division; and Gordon R. Anderson, general manager, Communications Manufacturing Division.

Annapolis Junction employes enjoy the annual Christmas party.

D. Miller, D. Brouillard, A. Snodgrass and C. McAdams serenade the audience with carols at the Annapolis Junction Christmas party.

JUNIOR ACHIEVEMENT PROGRAM

Ask any businessman what he thinks of those young people who are entering the job market and he'll probably tell you that most don't understand the face enterprise system, how capital is raised, or marketing and sales methods. But thanks to some Sprague Barre employes and the national Junior Achievement program that will not be the case in Central VI.

Junior Achievement (JA) is the nation's oldest youth economic education program. It teaches high school students the principles of the American face enterprise system by helping them run their own small businesses. These are actual businesses formed and run by the students who sell stock to raise capital, manufacture and sell the product, and pay dividends to stockholders (hopefully!).

Each JA company is guided by a team of advisors who meet with the students one evening a week. One of the JA companies formed in the Barre area is being advised by Sprague employes John Greskamp, Engineering Manager; Carlyle Pierce, Production Foreman; and Dave Sutton, QAR Department Leader. As JA advisors they are being exposed to all the elements (Accounting, Personnel, Production, Sales) that make up a successful business. Thus they will be benefiting from the same management training they're giving the Junior Achievers.

Junior Achievement, where youth learns the business of business, is a reality in central Vermont. Thanks in part to support from the Barre plant, in a future issue we'll let you know just how successful the Barre supported program is.
CONCORD EMPLOYEE SAVES LIFE

Last October, David Ayoub was having dinner when a life and death situation developed near him. Pearl Stiwolowicz had a piece of meat lodged in her throat blocking the passage of air to her lungs. As soon as the seriousness of Pearl’s plight was realized, David took charge of the situation. He sent someone for assistance and immediately applied the Heimlich method to Pearl. This dislodged the trapped food and allowed Pearl to begin breathing again. By the time the Fire Department Paramedics arrived everything was nearly back to normal. The Paramedics complimented Dave on his professional way of handling the event and stated that his quick response probably saved Pearl’s life. Dave has never had any first aid training but said he learned of the Heimlich method from watching TV. David’s only response to the whole thing was that Pearl needed help.

While participating in the internship, the student is required to regularly submit papers or log entries relative to the learning experience. Also included in the program are research reports and meetings with the course instructor. Last year, Louise Herrick, of North Adams State, participated in a similar internship in Industrial Relations.

THE SANTA FUND — A 24-YEAR TRADITION

It was back in 1957 when some members of the Sprague Management group first decided to try to do something to make Christmas a happier time for some of the area’s needy children. Spearheading the drive were Robert E. Armitage and Philip Talarico who served as co-chairmen. The first year’s drive resulted in a collection of $550.38 and gifts were distributed to several hundred children. It was the start of a yearly tradition that would involve the whole community.

The proposed Santa Fund,James A. Hardman, Jr., former Editor and Publisher of the Transcript, contacted our group and suggested a combination of Sprague and the Transcript. It has proven to be a winning combination to make Christmas a happier occasion for the needy children of Northern Berkshire. The first drive included a request for used toys but this idea was phased out after a few years.

Many Sprague and Transcript employees have been involved with the Santa Fund since its inception, but no history would be complete without a word of praise for Rita Chenail who was ‘Mrs. Santa Claus’ for many years and is still active with the Fund even though she is retired.

This year’s campaign was a tremendous success and raised over $15,000. Toys and gift certificates were distributed to over 1100 children.

CONCERNED EMPLOYEE SAVES LIFE

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SANFORD EXPANSION

Construction of a two-story, 19,000 sq. ft. addition at Sprague-Sanford marks the 6th expansion to the facility since the Company located in Sanford in 1965. The addition gives Sanford approximately 150,000 sq. ft. where a team of 1300 employees manufacture Sprague Electric Company's solid tantalum capacitors.

NORTH ADAMS TRAINING SESSIONS

North Adams has been conducting training sessions for middle management and first line supervisors to assist them in dealing with job performance problems.

The program is designed to develop an awareness of the Company policies and procedures concerning employees with job performance problems resulting from alcoholism or other medical/behavioral conditions. Other objectives of the program seek to enhance the skills of management in executing the policies and procedures, educate management about alcoholism and the early warning signs in terms of employee relations, and increase referrals to the program by management personnel. Hopefully, the program will reach approximately 100 management personnel in the above categories and meetings in groups of 20 or less are held.

James L. Bishop of Enfield, CT is the Employee Assistance Program Coordinator and Consultant. Mr. Bishop has been consulting and counseling employees in North Adams since February 1973. Mr. Bishop and Robert J. Diodati, North Adams Industrial Relations Manager, set up the present alcoholism assistance program at that time. Approximately 75 people have gone through the program since 1973 and the recovery rate has been between 70-80%.

HOLMES JOINS SPRAGUE EUROPE G.I.E.

Robert D. Holmes will join the Sprague Europe G.I.E. staff as Manufacturing Operations Controller—Europe as of January 1, 1982.

Mr. Holmes is a graduate of North Adams State College with a B.S. degree in Business Administration. He has been employed by Sprague Electric since 1973 in various capacities. He has been a Corporate Cost Standards Coordinator and Division Accountant for Aluminum Electrolytic Operations and most recently Division Controller at Aluminum Electrolytic Operations headquarters in Clinton, Tenn.

Mr. Holmes’ duties in his new position will include assisting European manufacturing operations in the cost area, helping to control and track capital expenditures and general overall projects relating to cost control.

THOMAS A. YASEWICZ APPOINTED PRODUCT MANAGER

Thomas (Tom) A. Yasewicz has been appointed Product Manager for the Hall Effect Device (HED) integrated circuit family, one of the product segments of our Concord, N.H. semiconductor operations.

Six successive years of Hall Effect sales growth warrant Tom’s resource management skills and quality and reliability experience.

In his new, full-time capacity, Tom’s responsibilities will include marketing, engineering, and production planning for these magnetically actuated integrated circuits.

Until a replacement is appointed, Tom will also continue as Acting QAR Manager for all Concord, N.H. Semiconductor components.

OSCAR N. MICHAUD NAMED DIVISION QAR MANAGER

Oscar N. Michaud has been named Division QAR Manager for Solid Tantalums and Nashua. He comes to Sprague Electric from Analog Devices, Inc. in Norwood, Massachusetts where he held the position of Manager Quality Assurance-System Components Division and, most recently, Manager Quality Assurance, Measurement and Control Products Division. Previous positions included Manager Inspections Operations, Senior Quality Control Engineer, QA Project Representative and Senior Quality Specialist with Analog Devices, RCA, Sylvania and Raytheon.

After serving in the Air Force during 1952-1956, Mr. Michaud began his extensive QAR career as a Test Technician for the Laboratory for Electronics in Boston. In 1966 he earned a B.S. in Industrial Technology from Northeastern University, Mr. Michaud has been active in the Boston Section of the American Society for Quality Control for many years. He and his family will be establishing their residence in the Sanford, Maine area.

DONALD B. MESICK PROMOTED TO NEW POSITION

Donald B. Mesick has been promoted to the new position of Manager Corporate Quality Systems. He will continue his previous Corporate Reliability Engineering function and responsibility for overseeing operation of Northern Berkshire Manufacturing Company. Additionally, he will now assume new responsibility for managing the Corporate Packaging and Corporate Specification Control and Distribution groups. Mr. Mesick’s new position also recognizes his recent appointment as Program Manager Statistical Quality Control Programs for the Company.

After a stint at General Electric, Hudson Falls, N.Y., Mr. Mesick joined Sprague at Brown Street in 1961. Following several engineering assignments he became Manager of Product Engineering for all North Adams operations in 1966. In 1978 he was appointed Corporate Reliability Engineer, the position he has held until the present. Mr. Mesick holds a B.A. in Mathematics from Amherst College.
SAFETY INVOLVES EVERYONE

The Corporate Safety Committee consists of representatives from Operations, Industrial Relations, Research and Development, and other corporate services. The group was formed originally in October of 1977, and its objective is to ensure that all Sprague Electric locations provide a safe and healthy working environment for all employees. The group meets on a periodic basis to monitor the progress of safety efforts throughout the corporation, to consider new means of achieving safe work environments and to generally maintain standards of excellence in the safety area.

One topic which continually appears on the CSC's meeting agenda is employee awareness. Employee awareness involves training in safe work practices and recognition that safety requires cooperation of all employees. Ultimately the committee wants each and every employee to realize a safe working environment exists when all employees THINK SAFETY. To work safely is not only smart but profitable for all of us.

Marlowe Named General Manager

Robert K. Marlowe has been named general manager of the Sprague Electric Co.'s ceramic capacitor operations. It was announced by William M. Milton, vice president, passive components. Mr. Marlowe's responsibilities include the company's ceramic capacitor plants here and in North Adams, Mass.

Mr. Marlowe has been with Sprague Electric since 1963, when he joined the company from Texas Instruments, Inc., Dallas, where he had been manager, capacitor products marketing. Prior to joining Texas Instruments, he was associated with Fairbanks, Morse & Co. of Chicago and the Hills-McCanna Co. of Chicago in various engineering and sales posts.

Since joining Sprague, Mr. Marlowe has served the company in various marketing posts in both the aluminum electrolytic and solid tantalum capacitor fields and was most recently general marketing manager for the latter product line. He made his headquarters at the company's facility in Sanford, Maine.

New Corporate Traffic Manager

John M. Breen has been named corporate traffic manager of the Sprague Electric Company, it was announced by Robert D. Smith, vice president, corporate materials and manpower. He succeeds Philip B. Talarico, who recently retired.

Mr. Breen joined Sprague Electric as assistant corporate traffic manager in 1980. He had previously been traffic manager of Shaeffer Eaton Div. of Textron, Pittsfield, Mass., for four years and prior to that was traffic manager of Laser Graphics, Inc. of Sudbury, Mass.

He is also a member of the Berkshire County Traffic Assoc. and the Shippers National Freight Claims Council. He also holds memberships in the National Traffic Fraternity of Delta Nu Alpha, the Eastern Industrial Traffic League, and the Society of Packaging & Handling Engineers.

Mr. Breen is a native of Pittsfield and is a graduate of the TMI School of Transportation. He resides in Dalton with his wife, Denise, and their two children, Lynne and Mike.