

Production and distribution have thus far had the bulk of attention and have reached such high standards in this country that they are the marvel of the world. By comparison maintenance has been sadly neglected. While very creditable advances have been made in the past five or six years, perfection is still so far ahead that we must admit that we have not passed the kindergarten stage.

Charles P. Staubach.³ Mr. Preble's paper is certainly complete, exhaustive and enlightening.

The suggestion that I comment upon it was no doubt made in view of the fact that manufacturers of engines of accuracy for use in the office have, to an extent, the same service to render from the standpoint of necessity of prompt response and effective work at reasonable cost.

In the office machinery field, "Station" repairs are confined to machines considerably damaged by accident or rebuilding operations on machines of some age to prolong their normal lives. Perhaps as high as 95 per cent of all sales and mechanical service is rendered in the user's office.

This fact makes necessary a very careful selection of personnel in the manning of an office equipment service organization. The service man must not only be qualified from a mechanical standpoint, but must also have the tact and diplomacy necessary to form a mutually advantageous contact with the customer. Today, one of the requirements in an applicant, for instance, is at least a high school education.

The wide distribution of our machines creates a problem that is not found to the same extent in automotive service. Nearly 30 per cent of the working hours of our service men is spent in traveling—reaching the equipment. This accounts for constant effort to find methods of reducing traveling time. One is the use of automobiles by our inspectors; another, the creation of resident points in cities other than those in which service stations are located, as fast as an area in and about the smaller cities can be set aside, based on a certain average machine population.

Referring to Mr. Preble's mention of the two-fold object of automotive service—to enhance the value of the product to the owner by the reduction of operating and maintenance cost and to stabilize

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the industry by maintaining a self-supporting service—we feel that we have attained both objectives.

We feel also that our service arm is fulfilling the five specific functions set up by Mr. Preble: parts manufacture and distribution; mechanical repairs; sales cooperation; owner and prospect cooperation; and finally, cooperation with the factory to improve the product and assist in suiting the product to the requirements of the user.

Our service department orders to the factory are based on quantities used over the most recent six months period. We use the caliper or tendency plan, in which each month we pick up an additional month and drop one at the other end of our experience record. Distribution takes into consideration the stocking of repair parts in our field service station through a controlling high and low system, the high mark being usually a three months' supply.

Time hardly permits any extended description of the many methods in use in connection with repair work, and direct cooperation with the sales departments, owners and prospects, beyond stating that we have experimented with sales and service departments separated from each other on account of the cost of rental space, with the result that we are willing to have our sales offices away from congested business locations, if necessary, rather than to lose the many advantages of close service and sales contact for the benefit both of ourselves and our users.

As to improvements in the product, our service organization includes a mechanical research department at the factory which analyzes every inspector's report covering his daily service calls from a copy which is forwarded to the factory for scrutiny; this has resulted in many refinements and improvements.

As to "organization of service," Mr. Preble's ideas are most comprehensive. With us, our Home Office Service Department is fully manned by individuals having had actual field service experience as inspectors and as service chiefs in charge of field stations. Their work is so divided as to insure specialization on each phase of the work by one or more individuals.

The Home Office force is supported by a staff of ten traveling mechanical instructors, who spend two-thirds of their time in the field, teaching service men the newer phases of construction and reviewing fundamentals with them and the other third

in the different factory departments, gleaned information to be used on the next trip.

In addition to this contact field force, the division heads of the department are in the field fully 20 per cent of their time in order to remain familiar with field activities and problems and to know changing conditions.

It may not be amiss to explain at this point, that unlike the automotive plan in extensive use, as I understand it, our service is fully financed by the company and not at any point in the field by the local agent or manager. General control of policies is also in the hands of the company, the stations operating along well established and understood policies, under the general supervision but not the dictation of the local manager.

Our service operation is highly standardized in its entirety, including such items, for instance, as shop layouts, territorial working conditions, selection of men, training methods, equipment and working methods. Everything is furnished to all field units and they are operated identically.

Mr. Preble's reference, as a problem, to constant and violent fluctuations of business, making a complete production basis difficult, can be characterized as the problem of "peaks" and "valleys" in available work to be done. This we have solved by offering our users what we call the maintenance agreement plan, which provides for regular inspections of the equipment at certain intervals, aside from special calls for emergency service.

Through this plan, which a large proportion of our owners utilize at a flat annual rate, payable semi-annually, based on the style and equipment of machines and on proximity to or distance from service stations only to the extent of a provincial and city classification, we are able to keep larger service forces in our different field units to take care of peak load, emergency activity, dovetailing this with regular inspections. So the men are always busy and yet always available for emergencies. The plan is immensely advantageous to the company, and especially to the user, to whom "Burroughs Service" is an emblem of efficiency and satisfaction.

As to personality, courtesy and ability to handle owners' maintenance and operating problems—as a requirement to be made of service men—we are of the opinion that all our service men must be service salesmen, and this involves all these attributes.

We have a service sales quota, established by the department at the Home Office for each service unit. This quota is based on the approximate operating cost of the station, established through past experience. The quota plan produces an effort and a result on the part of the field men that is impressive. Quotas are fairly high but for the past four years our service operation, country wide, has averaged 102 per cent of the quota.

Coming, finally, to what Mr. Preble terms the third major function of service, direct cooperation with the sales department, this hits me where I live, as I have no direct financial interest in the operation of my service station, but depend on sales results as to financial benefits.

I have no salesman, sales specialist, or office assistant with whom my conferences are more frequent or contact more close than with my Chief Inspector. Moreover, the information that I receive from the rank and file of the service force is valuable and often more accurate, than that received from assistant or junior salesmen.

The contact of the service man with the user and the user's office force is often closer than that of the average salesman and in many cases, regarding the condition of machines actually in use in the establishment and the desirability of replacement, the user values the opinion of the inspector above that of the salesman.

I agree absolutely with the points of advantage to the selling force obtainable through the many kinds of service contact with the user and the user's establishment which Mr. Preble has named. Sales cooperation is, truly, in the hands of properly trained service men. Nor need this be all one-sided. The salesmen should be trained to appreciate the high quality of service rendered, to refer to the service force in the highest terms in conversation with the owner and prospect, and to further the sale of the maintenance contract idea, which directly benefits the service force.

I do not know that I have covered the ground expected of me, but at least I believe that I have been able to convince you of my personal interest, as a manager of sales and supervisor of all branch activities, in that most important adjunct, the service department; and what it can be made to mean to the company, the agent, the salesman and above all, to the user of the product, in an organization which takes pride in its customers' satisfaction.