

**N E W i r e A s s o c i a t i o n
I n t e r n a t i o n a l**

presents

Totally Wired for 2010
My Beliefs, Our Future

with Alden Davis

Premise:

A vibrant and exciting industry future is driven by exciting personal visions driven by individual beliefs.

The sum of our individual, daily decisions *IS* our industry vision.

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062496 026291
PRATT & WHITNEY
PAUL PERCH
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THE WALL STREET JOURNAL

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The Party's Over

Dutch Show Neighbors
Some Ways to Attack
Their Economic Woes

They Hold Down Pay Raises,
Reduce Social Spending,
Foster Entrepreneurship
Labor Market Remains Rigid

By LAWRENCE INGRAMMA
Staff Reporter of THE WALL STREET JOURNAL
AMSTERDAM — For Wim Langerdorff, a Dutch artist whose works include surrealist paintings, life is imitating art. Faced with losing welfare benefits, the 32-year-old got his first job last year — on a steel-mill loading dock. After that ended, he soon began working part time at the post office, sorting international mail. “You get a big box of letters and take a handful,” he explains, demonstrating his technique. “England, Germany, the United States, Greece, Portugal, Russia.” It isn’t the career he wanted, but his new status as a gainfully employed member of society paints a portrait of a new Netherlands that, surprisingly, appears to be working. “It’s the new world order,” he says, shrugging. “I may not like what they did, but I understand why they did it.”

An Array of Old Problems

As in much of Western Europe, economic policies in Holland were long — and, many contend, justifiably — maligned. High wages, tight labor market, and

What's New

Business and Finance

FEW RETAILERS ARE POSTING better-than-expected sales for the holiday shopping season, and most expect only modest single-digit percentage gains. Sales, which seemed so strong just after Thanksgiving, didn't keep that momentum in the days before Christmas. That means stores are likely to offer postholiday discounts to help lift year-end profits.

(Article on Page 9)

CalEnergy claimed control of Britain's Northern Electric after Northern's effort to derail the hostile \$1.3 billion buyout bid fell short. CalEnergy said it acquired a 50.3% stake in Northern and extended its \$10.91 a share offer for the remaining shares.

(Article on Page 3)

Ford doubled the rebate on its 1997 Taurus to \$1,000 as the race to be the year's top-selling car nears its close. Through November, Taurus sales were 9,700 ahead of Honda's Accord.

(Article on Page 3)

Texaco agreed to sell its last petrochemicals plant to Huntsman for about \$600 million, completing its exit from the chemicals business.

(Article on Page 2)

PERU REBELS freed two hours after the Japanese embassy freed of Japanese demand of Tug many hostages day, the rebel leader secretary Cross, revealing hostages remain.

Separately, rebels killed a Wednesday, and the rebel leader secretary Cross, revealing hostages remain.

Serbia's opposition marches through beatings some p frontlines with p Tuesday. Opponent, seeking to end recent violence as a pretext. Croatian Serb born based in to Eastern Slavonia, Croatia's agreed to return in the recent Ball.

Israel and the an accord on at Hebron following between Netanyahu

Dodging Doom

How a Creaky Factory
Got Off the Hit List,
Won Respect at Last

Pratt & Whitney's Maine Site
Ties Pay to Skills, Offers
'Results-Sharing' Bonuses

Survival of a Plant Manager

By JOSEPH B. WHITE
STAFF REPORTER OF THE WALL STREET JOURNAL
NORTH BERWICK, Maine — The old Maine factory is a dinosaur that ought to be shut down, some Pratt & Whitney executives were saying back in 1993. Today the same plant is adding jobs, and the aerospace giant holds it up as a model. What happened?

Maine's largest factory was hauled back from the brink with the help of plant manager Robert Ponchak, a 51-year Pratt veteran who won over his dubious bosses at parent United Technologies Corp. in Hartford, Conn., and saved his own job in the bargain.

The renaissance of this marked-for-death nonunion factory, at a time when Pratt was shedding 10,000 jobs, holds lessons for other aging plants. It also illustrates two broader management trends now rippling through the aerospace business and beyond.

Pratt's first smart move was to use financial carrots rather than just sticks to persuade employees to adopt cost-saving new work techniques at the jet-engine parts plant. The second was to borrow from another industry, using lean production methods born in Japan's auto plants and adopted by Detroit.

For Mr. Ponchak, 54 years old, survival meant learning to take risks. He also had to work with a young gun sent from the headquarters to be his No. 2 man. Against long odds, amid dispiriting waves of layoffs, his 17-year-old plant slashed the time it takes to set up metal-printing machines. It broadened job descriptions, so today 15



Robert Ponchak

Business Bulletin

A Special Background Report
On Trends in Industry
And Finance

RINGING IN 1997 with room service, revelers cap off a strong year for hotels.

The Four Seasons Hotel in Boston charges \$340 to \$360 for New Year's Eve packages, up 10% from last year, and says it is fully booked. The Plaza Hotel in New York, where rooms go for \$325 to \$1,750, has been sold out for New Year's Eve since Dec. 8. And in Beverly Hills, Calif., the Regent Beverly Wilshire Hotel says its New Year's packages, starting at \$850, booked up even faster than last year. Analysts say repeat guests are a big factor, and so are cheap air fares that encourage travel.

The Ritz Carlton in McLean, Va., says 250 of its 350 rooms are booked by a company that has a New Year's Eve bash instead of a Christmas party. But manager John Russell adds that the Tuesday holiday cuts into bookings the previous weekend. Still, 1996 has been "so good, hotels can concentrate sales efforts" on weaker times and holidays, says Robert Mandelbaum of PKF Consulting, San Francisco.

Charmers about drinking and driving also helps hotels since passengers "can take the elevator home," he adds.

RISKS come with every new year; a few economic ones are discussed.

In its final commentary for 1996, Merrill Lynch & Co.'s "Weekly Economic & Financial Commentary" lists risks to its prediction that 1997 will be another year of moderate growth and low inflation. Possibilities that could raise inflation include: excessive U.S. growth; higher labor mobility; the

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Pratt & Whitney's
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Survival of a Plan

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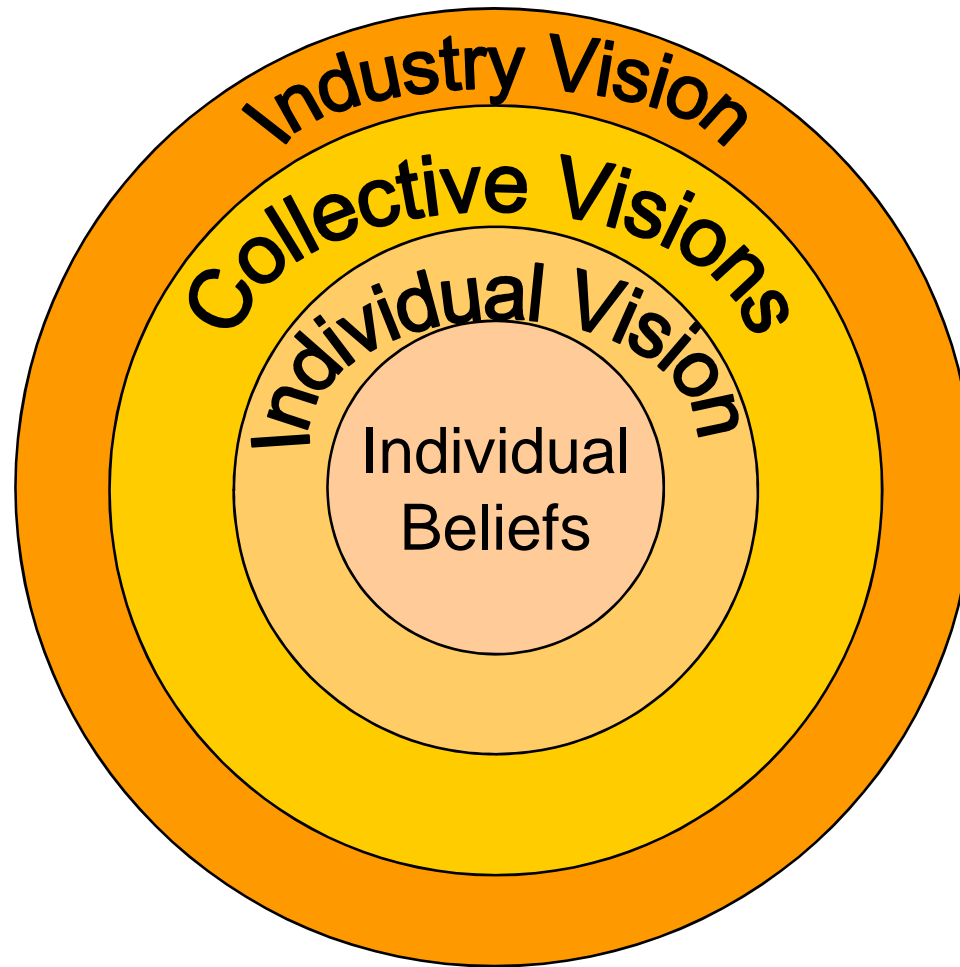
Maine's largest factory was hauled back from the brink with the help of plant manager Robert Ponchak, a 51-year Pratt veteran who won over his dubious bosses at parent United Technologies Corp. in Hartford, Conn., and saved his own job in the bargain.

The renaissance of this marked-for-death nonunion fac-

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Action

Vision

Group

NO MORE AVERAGE



Action

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New Year Affirmations

1. I am influenced only by positive thoughts and positive people.
2. I am very clear about what I want in life.
3. I am continually discovering new strengths inside myself.
4. I am attracting more financial opportunities-easily and effortlessly.
5. I am living my life by choice and creating my future.
6. My unlimited thinking is opening new doors to abundance and prosperity.

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Getting Started

Are you able to make these affirmations?

1. I am influenced only by positive thoughts and positive people.
2. I am very clear about what I want in life.
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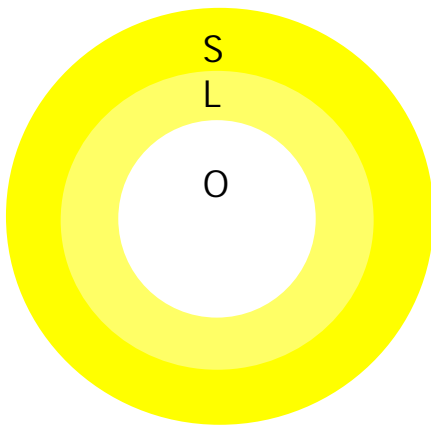
Motivate

Mobilize

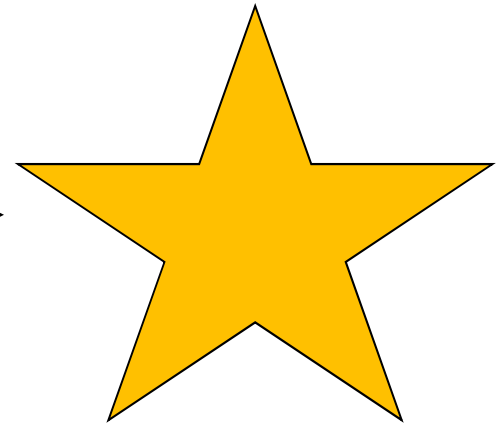
Move-out



**Metric-based,
End-state visions**

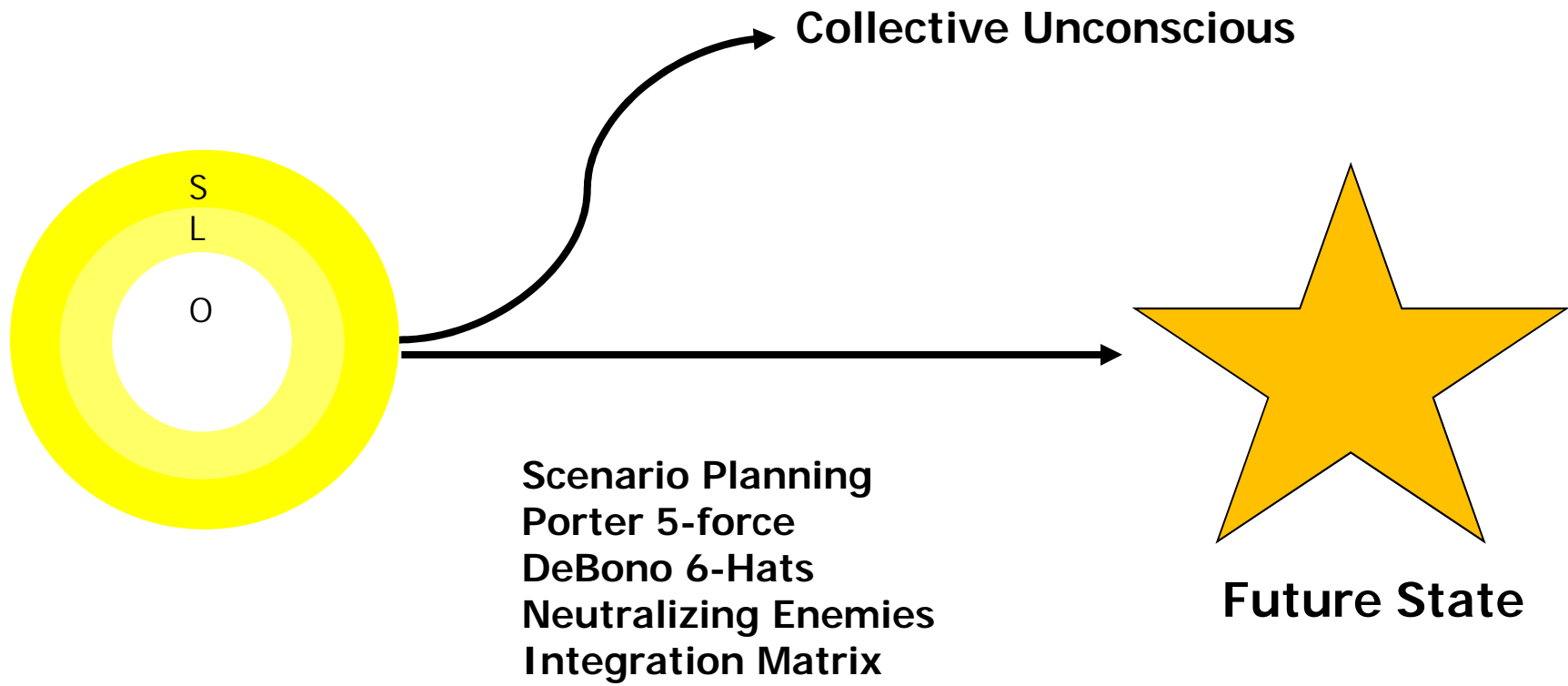


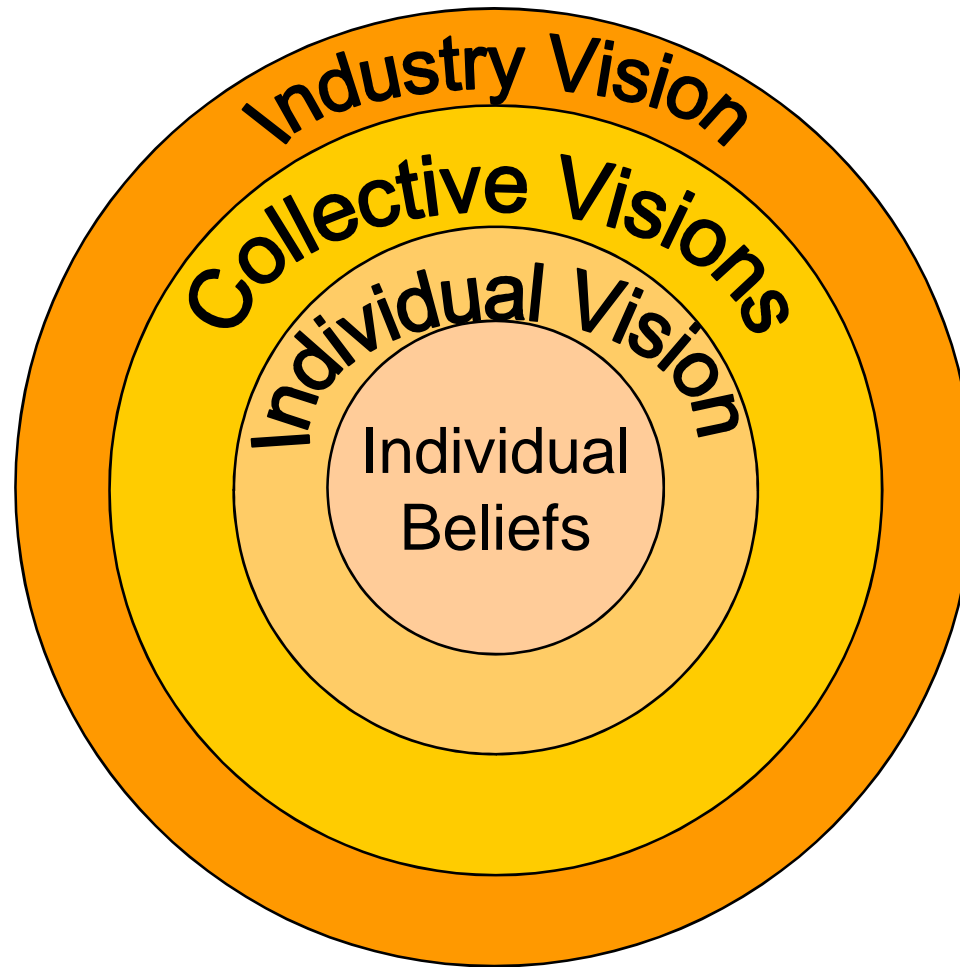
"As – Is"



"To – Be"

- Pulls us into a place we have not been
- Helps us see our place
- Provides us with insight into our values
- Big enough to encompass a total picture
- Serves to unite





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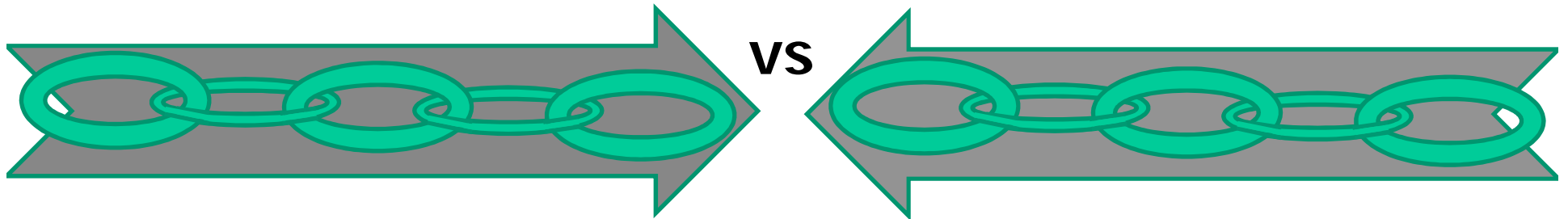
The sum of our individual, daily decisions *IS* our industry vision.

I believe...

- The good ol' days of 2008 are not returning as we knew them. It is a new world requiring new thinking.
 - What made us successful in the past is not sufficient for the future
 - Consolidation and globalization are real forces
- The recession is a gift to re-baseline our businesses.
 - It is a time to improve our processes before re-hiring
 - Come out of the recession with a new way of operating
- In the power of competitive intelligence
 - Winning means out-maneuvering and gaining the inside track
- In the power of a federation
- In regionalism for global competitiveness
 - Competitors become partners for technology development

I believe...

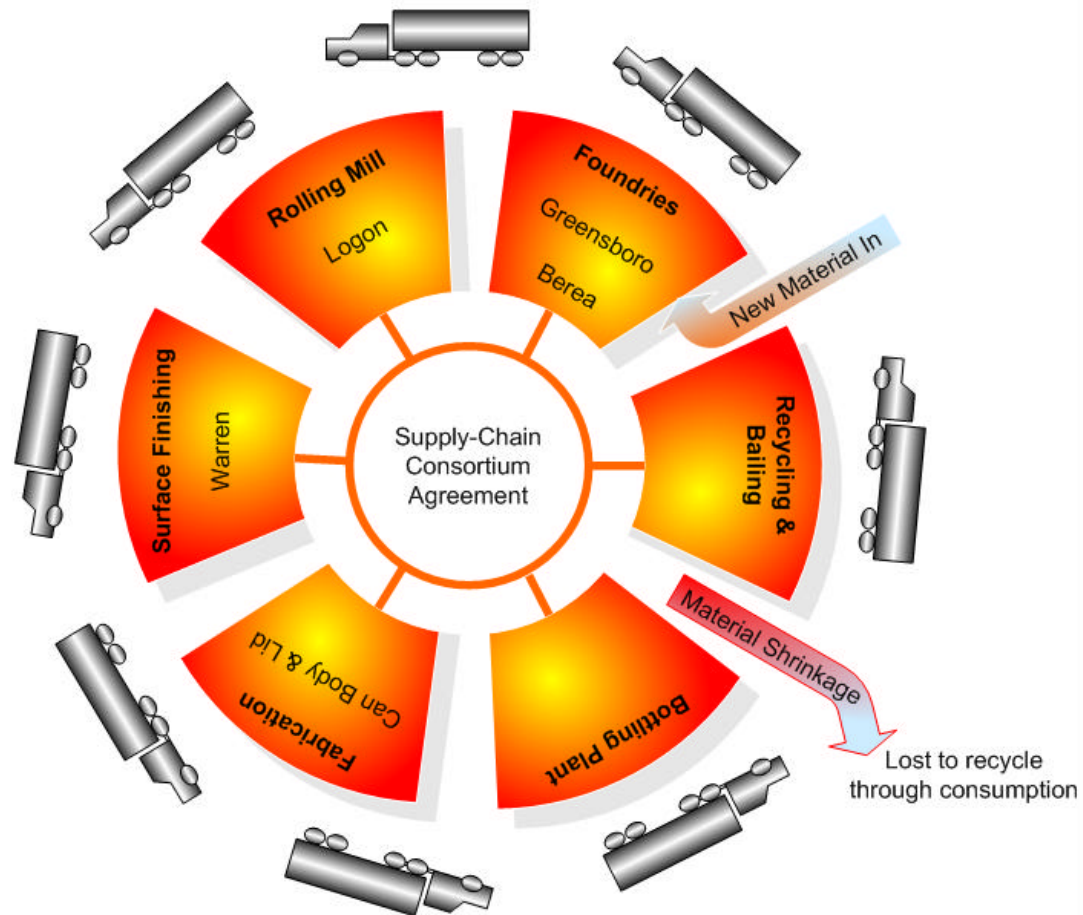
I believe what is being competed in the marketplace are supply chains,
not singular businesses.



Possible?

- Supply Chain Consortiums
 - The companies of a supply chain coming together as a closely linked team to behave in the marketplace as if they were one company...a virtual company.
- Picture a day
 - A group of companies become inter-dependant and view success as a team.
 - Where there is unity of purpose and cooperative bidding
 - Extensive communication
 - "One piece flow"
 - Build for JIT delivery
 - Passion for continuous improvement
 - LTA's are a norm
 - Cost is reduced through teamwork

One Module of Competitive Beverage Can Capacity



"Value grows as goods and services flow."
Perfect the flow and maximize the winnings for all. Our success is intertwined.

What do YOU believe
is possible for this
group to become
more competitive?



Every morning in Africa, a Gazelle wakes up. It knows it must run faster than the fastest lion or it will be killed. Every morning a Lion wakes up. It knows it must outrun the slowest Gazelle or it will starve to death.

It doesn't matter whether you are a Lion or a Gazelle...when the sun comes up, you'd better be running.

Thomas Friedman



VISION BIG

LIVE FULLY

BE ACCOUNTABLE