

10 JUL 1964

11th Anniversary  
Celebrations  
of the  
Mitcheldean  
Long Service Association

Speech by  
Mr. John Davis

16th June 1964



**T**HERE is always special pleasure in celebrating the anniversary of a pioneering achievement. This is certainly the purpose which brings us together tonight.

I am happy to be among your guests, for I well remember the satisfaction I felt eleven years ago, in March, 1953, when you took the initiative in forming the Mitcheldean Long Service Association. Your lead was later followed by other divisions in The Rank Organisation, but you, as the pioneers of a worthwhile enterprise, deserve special congratulations.

The concept of a long service association is for me a particularly appealing one, not purely for reasons of sentiment but because it focuses our attention on some of the important fundamentals which govern our business lives.

Service cannot be measured in terms of statistics alone. These may be a useful guide for assessing some of the material benefits of employment, such as superannuation, but in isolation they tell only a small part of the story. In its full sense, service embraces all the qualities which go to make a successful and satisfying business life—loyalty, energy, initiative and leadership, to mention only a few.

Service is a simple word, yet I sometimes wonder if it is properly understood. Perhaps the truth is that service means different things to different people. To some it means nothing more than survival. The man who has hung on to his job by the skin of his teeth for twenty-five years, contributing nothing and making himself miserable in the process, congratulates himself on a quarter of a century's service. It is a travesty of the true meaning of the word. It may be a commendable feat of tightrope walking, but it is not service.

### **Not for Survivors**

Those who are survivors pure and simple, in business, do not form themselves into long service associations. For there is nothing stronger to bind them together than dates on a calendar. Members of the Mitcheldean Long Service Association have, I know, a very different approach. You meet together not to glory in the fact that you are still here, but with a sense of pride in what you have already achieved and what you know you are capable of achieving together in the future.

You are supported by a spirit of comradeship evolved down the years as colleagues in a worthwhile enterprise which you believe to be serving your fellow men in a useful way. Your Association would not be the

success that it is had it come into existence only for reasons of self-interest and self-congratulation. Service is serving others, not serving yourself. Selfish people forget this, and lose much of the joy of life in the process.

We in the Rank Organisation have always laid great emphasis on service. We do not sell goods—we *sell service*. I believe this is one of the most important factors contributing to our continued development. Our customers know that in dealings with us, however large or small the transaction, they will encounter the willingness and determination of The Rank Organisation as a whole to serve them. We must develop this spirit of service still further. It is our surest guarantee of success in the future.

### **Revolution in Habits**

In the span of years since the Mitcheldean Long Service Association was formed, a revolution has taken place in the social habits of men and women of all age groups. The pattern of leisure, to mention only one aspect of this change, has altered almost beyond recognition.

I shall have more to say in a moment about the effect that this transformation has had on the activities of The Rank Organisation, for it is in accepting the challenge of changing tastes and requirements that we have made our greatest progress and ventured into new, fascinating and rewarding fields. First let me say how delighted I am that you, Mr. Camp, are in the chair this evening, just as you were at that meeting in Mitcheldean Town Hall eleven years ago when the Association was formed.

Mr. Law has been president of the Association since its inception. I know how well he has served you.

In this company of young veterans, it would be impracticable to name all those who deserve special mention. I must say that I am very conscious of the great contribution that all of the members present, not least the older ones, have made to our development.

No division of The Rank Organisation has a more fascinating history than Mitcheldean. The site began its life as a brewery. I am afraid that we took it over for different purposes in 1940.

Its war record is an honourable one. From manufacturing 16 mm and 35 mm projectors, it switched to the production of vital equipment for the services, searchlights, plotting tables for submarines, fire detection tables and so on. The nation benefited then, as The Rank Organisation has benefited since, from the skills which have enabled Mitcheldean to

tackle new tasks and master new techniques with speed, competence and efficiency.

After the war, there was a smooth transition back to the manufacture of studio and projection equipment. We were soon in full production with the Bell and Howell range of cine equipment. The next great step in the story of change and progress came in 1960, when the first Rank Xerox 914 office copier came off the production line.

How strange it is now to recall that only four brief years ago the output of Xerox machines at Mitcheldean was running at the rate of two a week. Today we have reached 275 a week. Greater challenges still lie ahead.

### **Newcomer to the Family**

Rank Xerox is, in terms of years, a comparative newcomer to the family of The Rank Organisation.

I used the word "family" deliberately, not because I wish to be sentimental but because it is vital that we work together with a common sense of purpose.

This is the age of the big unit in commerce and industry. We may regret the disappearance of the smaller independent companies. Certainly fine standards were established and maintained over the years by family businesses. However, we have to deal with the facts of modern economics as they are, not as we might wish them to be.

Today, capital is needed on a scale which no small company could provide in isolation. Take the obvious example of Xerox—the capital investment involved in the production and marketing of its machines throughout the world is formidable by any standards. Without the powerful groups which have emerged from a natural fusion of firms with similar interests, such developments would not be possible. We would be hopelessly weak in the face of aggressive competition from foreign countries.

I expect some of you find, as I do, a certain amusement in the references occasionally made to The Rank Organisation's "lucky" investment in Xerox. Luck hardly seems an appropriate word to me to describe this situation, even allowing for the disappointment of competitors who failed to seize their opportunity.

I can only say—my recollections of this are very clear—that there was no rush to share the good fortune in the early days of development, when money was needed for a then unknown product.

It is easy now to watch a 914 in operation and say, "That machine was



an obvious winner from the start." Hind-sight of this kind is of little practical use in business. People should remember that less than ten years ago, many experts in the document-copying field believed that Xerography would be a total failure. It was looked on as an interesting novelty, but one with no serious applications—just as initially electricity was lightly dismissed.

Those who chose to follow safer paths in familiar fields of research left the whole revolutionary field of Xerography severely alone. They have paid the penalty of timidity.

### **Concentrating on Character**

Some of you may wonder why I, a non-scientist, was prepared to back Xerography at such an early stage, with a considerable capital investment. I will tell you. Looking back, I think the very fact that I had no specialised scientific training helped me. It made the technical problems seem less terrifying than perhaps they should have seemed, and enabled me to concentrate on the character of the two men who were seeking support.

The men concerned were Joe Wilson and Sol Linowitz. Need I say more? From our very first meeting I liked these two men—not only liked them, but respected them. Their determination to succeed was all the more impressive because it was not accompanied by bluster or any attempt to minimise the problems which had to be overcome. Their quiet confidence, coupled with their obvious personal qualities, was most convincing. When they said they were going to make Xerography work, I knew they were going to make it work—and that nothing would stop them.

Our investment in Xerox was nothing if not an act of faith—faith in men. It remains one of my happiest memories—not merely because Xerox has since proved itself, but because it has enabled me to develop a deep friendship with Mr. Wilson and Mr. Linowitz. I am sure you are as proud as I to be linked with them in this great venture.

### **Balanced Programme of Expansion**

I am told that you would like me tonight to give you a brief progress report on The Rank Organisation as a whole, but perhaps I have spoken too long already. As you all appreciate, the subject is a large one. There is not time to cover all the ground, but I will mention a few of the developments which I believe will interest you.

Our change of direction has been rapid, following the contraction of the

film industry. It has been carried out after careful thought and as a balanced programme. It is designed to make us strong in those fields where our experience and specialised knowledge can be used to the best advantage. Each new venture is a logical extension of an existing activity. Thus we start with the benefit of firm foundations.

I mentioned earlier that change has been a major factor in influencing our development. We have not been frightened of change in the past. We shall never be frightened of it in the future. Some may treat it as an enemy; I believe it to be an ally, **if the opportunities it offers are recognised and acted upon with vigour and determination.**

We have the good fortune to live at a time when ordinary men and women have more time for leisure, and more money to enjoy it than ever before. Today's teenagers have no conception of the circumstances in which their parents grew up. There is no virtue in reproaching them for this. It is an accepted fact. Instead, we must ensure that the goods and services we offer are of a kind which meet the need of the nation as it is now, not as it was 20 or more years ago.

Technologically progress has brought great benefits to mankind by removing much of the drudgery and wasted effort from people's daily lives, at home and at work. The copper stick and the quill pen have given way to the washing machine and the typewriter—who regrets the change?

The acceptance of change lies behind all our present activities. All our plans for the future. I hope you find the prospect as exciting as I do.

Now let me be a little more specific.

### **Films—the Facts**

We began in films and we are still the biggest single unit in the British film industry. For this we are sometimes attacked. This is not the occasion for me to answer in detail the ill-founded criticism which is directed against us. I will only say that The Rank Organisation has done more for the survival of the British film industry than any other organisation, a fact which is recognised by many.

It may be encouraging to you to know that when I addressed the annual conference of the largest union in the entertainment industry recently, I encountered in the subsequent questioning more honesty, realism and appreciation of the fundamental problems than in many of the debates and articles you may have read. The facts are on our side. Those who are prepared to face them must arrive at the truth, and will survive and

prosper. We shall continue to play our full part, so long as we are allowed to do so.

Now, from films to motoring. Today there is a motorist in most families. Our Top Rank Motor Inns and Motorway Services Division is not only young, but vigorous. It is fast expanding and setting new standards in catering for the traveller. No less important, it is making a positive contribution to road safety by relieving the motorist—and that means you and I—of some of the strain of modern travel. We do this by providing attentive service for both the motorist and his car at our motor inns and motorway service areas. This same concept of service will be carried with us as we develop our activities on the Continent of Europe.

We entered bowling four years ago in response to the public demand for new kinds of leisure activities. It has rapidly established itself as a relaxing pastime for the whole family. By the end of 1965 there will be 250 active bowls in operation in this country.

Today we in Rank operate 18 bowls. The capital costs are high and can only be justified by a vigorous and sustained promotion of the sport to encourage off-peak play. We have to be most selective in our choice of sites. Excessive competition is a danger as the results of over-building could be disastrous.

I believe that, with the enterprising management we have, we can look to the future with confidence.

## **Dancing**

Dancing plays an important part in the leisure activities of the younger age group and consequently is subject more than most to swift changes in public taste. We shall continue to do well only if we are flexible and constantly abreast of the new trends.

To ensure this we are putting young, imaginative managers into our ballrooms, dance studios and clubs—good quality management with a liking for, and an interest in, the new styles of popular music.

They are men who are also able to negotiate with executives for private functions, for we offer first-class facilities for conferences, banquets, etc., at many of our establishments.

Entertainment is important in the home as well as outside. It is no less important that the housewife should have the benefit of appliances that make her home easy to run and give her more leisure to enjoy. Our Top Rank Home & Leisure Service is designed to do just this.



It is offering first-class service in the high-street in both sales and rental activities.

On the relay side, the superiority of "piped" radio and television has led to rapid expansion, and more and more people are coming to appreciate the quality of the sound and pictures the system provides.

Mitcheldean has always had close links with the audio-visual field. You no doubt share my own pleasure at the considerable part The Rank Organisation is playing in the development of these techniques. The Audio Visual Division offers great scope for enterprise of an imaginative kind. We are currently developing some interesting new projects. Our language laboratories which have much to offer to students in the linguistic field are already in demand for adults and children alike. We have commissioned experts to produce lessons of the most useful kind.

### **Something to Shout About**

I do not think we have shouted loudly enough about the great part the Rank Film Library is playing in the education of our people, both in schools and on the factory floor. It is, after all, the largest distributor of 16 mm. films in Europe for entertainment and education.

It is good to see that projectors made at Mitcheldean are now being more fully employed in primary schools, which are no longer regarded as the Cinderellas of the educational system. The cine and still camera both play an important part in people's pleasure. The high standard of craftsmanship for which The Rank Organisation has become known down the years will continue to bring us great benefits in this field.

The names of our industrial divisions have become synonymous with the setting of standards. Rank-Bush Murphy, Rank Taylor Hobson, Wharfedale Wireless . . . all are without equal in their fields of activity.

In the new technology, margins for error are reduced from thousandths of an inch to millionths of an inch.

This creates a demand for precision measuring instruments of an accuracy which a decade ago it would have seemed impossible to achieve. In meeting this demand, we are acquiring an expertise which is a tremendous asset.

The second industrial revolution which we have been experiencing for the past 40 years or so has not yet run its full course. The future will challenge our skills to the full. We must be ready to assimilate new ideas and develop our existing activities as new opportunities arise.



Rank-Bush Murphy is playing a major part in the development of colourvision.

In fact, a major proportion of colourvision receiving equipment in use or on order by the B.B.C. and G.P.O. for Britain's forthcoming colour television programmes has been made by them.

Rank-Bush Murphy colour monitors were used in the first transatlantic colour transmissions via Telstar from Goonhilly, Cornwall, to Washington, U.S.A. Little wonder that Rank-Bush Murphy sets for the new 625-lines standard should have been in such demand. The 100,000 square foot new factory now under construction at South Shields will make a big contribution to production, particularly for export.

### **Mitcheldean and the Future**

I said that this survey would be brief and there is little more I can tell you in the time available, but it would be incomplete—particularly on this occasion—without a reference to the work you are doing here at Mitcheldean.

You do not need me to tell you how great the rate of expansion has been—it is part of your daily lives and the result of your own efforts. But the greatest tests lie ahead. All around you is evidence of our preparations to meet them.

We are slightly changing the face of Mitcheldean, just as Xerography is changing the face of the office copying world. It is an impressive thought that the products from the work benches here are at the moment being used across the globe, excluding the Americas.

Last year we bulldozed 15,000 tons of earth. Next year we shall be bulldozing 110,000 tons on the new 23-acre site we have acquired. The Mitcheldean plant already covers 400,000 square feet: over the next three years it will be extended by 132,500 square feet.

In 1960, the number of people working on Xerox at this factory was 52. Today the figure is approximately 1,200.

Over 4,100 914 machines were placed by Rank Xerox during the 1963 fiscal year, bringing the total number of machines in operation to almost 15,000. In that same period we doubled the number of our marketing subsidiaries abroad, and several more are being established in the current year.

I said earlier that we are only at the beginning of the story. I meant it. Later this year we shall be introducing the 813. This will be yet another

challenge—but what an opportunity! If you share my own faith in this machine, which I am sure you do, you will know that it can mark the second phase of the Xerox revolution.

When production of Xerox machines first started at Mitcheldean it was a modest operation to meet an uncertain demand. Very soon output had to jump to a level only the most far-sighted had dreamed of. New methods had to be rapidly introduced. I am glad to say that people adapted themselves quickly to the new techniques and got on with the job. **Once again, having found an opportunity, we took it.**

What I would particularly stress is that you have maintained the strict quality control which is so vital to our world reputation. A machine working well on a customer's premises is the best of all possible advertisements. Continuous efforts are being made to improve quality even further. This is a wise investment of our energies and resources. Some of your sub-assembly methods are now unique in the world.

Our overseas sales representatives have been much impressed by the attention you have given them when they have come to Mitcheldean for technical training—*I know, because they have told me.*

### **Craftsmanship and Effort**

Never forget that it is here, at the Mitcheldean factory, that the reputation of Rank Xerox is made and must be maintained. Your craftsmanship and your efforts are the key to success; if you fail, no sales team in the world can bridge the gap. I know there is no danger of that, but I want to make clear how great your responsibility is. Every one of you, whatever your role, has a vital part to play.

If we in the Rank Organisation can maintain and develop our reputation for service and quality, I am sure we have a great future. And—no less important to all our standards of living in the long run—we can make a contribution of real value to the economy of the country as a whole. My assessment is—and you know that I am not given to extravagant claims or over-optimism—that we have good grounds for feeling encouraged. The fatal trap, into which more than one major company has fallen in the past with disastrous results, is to become complacent.

**Let us always be self-critical, so that it is we, not our customers, who make the constant adjustments to higher levels of achievement which are necessary on today's conditions.**

I have more than once tonight described a particular effort as an

investment for the future. Let me make it clear that I am not using the word "investment" in the financial sense. We, as a great public company, have in my view duties to two groups of people—those who invest their money in our management and those who invest their lives: the stockholders and the employees.

If I were faced with making a choice I would opt for people. People are the only indispensable ingredient in the successful running of a business. Even if a company were stripped of its buildings and its cash, it could fight its way back to the top—so long as the right people were working for it.

More and more attention is being paid today to labour relations. This is merely a convenient term to describe what we know to be an essential of successful business life—confidence between management and staff, in every field of their relationship.

However humble an individual's role, he will not give of his best unless he shares, fully and consciously, in the overall sense of achievement.

### **Morale and Enthusiasm**

I believe a relationship of this kind has been developed at Mitcheldean.

I am always impressed on my visits by the obvious high morale and enthusiasm of those who work here. Your spirit is apparent in all that you do, and your Long Service Association is further evidence of the pride you take in working together in a field where the demands are great but the results rewarding in the fullest sense of the word.

What a wonderful record you have! Of your 154 members 23 can look back on more than a quarter of a century each of service. Another 31 have been with us for more than 20 years. All of the remaining 100 have between 12 and 19 years' service.

May I offer you all my warmest congratulations on what you have achieved so far. I wish you and your Association all success in the years which lie ahead.

Thank you for inviting me to speak to you tonight. I hope it will not be too long before you let me join you once again in similarly happy circumstances.



