

MASTER

X2-7

24 September, 1982

Good Morning Herbert;

Our greatest sadness was for you. We know how much of yourself you put into this. We love you as a great man for it.

We know that you took a position before your friends and associates. We know you made commitments of intent to them and took commitments of intent from them.

We know it is very embarrassing to a great and dependable person to be "let down" in the middle of a project. We are sorry, sorry, sorry.

Nevertheless, it happened. So, we'll go on from there.

I expect that by April you will have built a solid base of supporters and we will bring to Brazil Industry another series of steps forward in achievement.

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Meanwhile, when you and Hannah are in the States, our home is your home. We'd love to have you come. Baltimore airport's closest, then Washington National, then Washington Dulles.

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With Great Affection and Understanding,

Larry and Eleanor Miles

Our schedule and plans tell us that the last half of April would be a superior time for us to visit Brazil. We'll avoid putting anything into it, so that if Brazil plans develop, we'll come.

...ldm...

L. D. MILES
SEDFIELD R. 5. B. 840
EASTON, MD. 21601

24 September 1982

Mr Herbert Lowe Stukart, Dir.
K Industries, Kiabin Do Parana de Celulose, SA
Rue Formosa 367 18 Andar
01049 Sao Paulo SP

Dear Herbert,

The changed circumstances concerning my planned trip to Brazil in Nov. were very surprising to me. We will try to understand them.

1. GE has a new CEO. I'll include a Wall Street Jrnl. tear sheet. He is John Welsh. He started GE about 1960. I retired GE 1964. I never met him, nor, apparently did he have opportunity to learn Value Analysis and Engineering methodology.

2. GE Management papers which I still receive no longer carry the names of management I knew.

3. June 2 1982 a GE General Manager asked assistance. I gave him some. He followed it. Someone in GE top management "pulled the plug" on him. I'll include the copies. Probably they indicate the story of a present GE "Top Management Drive".

4. Altho we basically pushed VA/E training for Engineering, Manufacturing, Purchasing and Marketing personell - the doers - One manager of Macturing for a company segment registered. I will enclose a cop of the letter he wrote to his General Manager about it (Gen.Mgr. of a GE Dep't is equivalent to Pres. of most Companys).

5. Now the world has taught us that the quickest large benefits come when the high management learns and uses this thinking system also.

It would seem that our November plans got caught in the back-wash of the situation related in No. 3 above. General Electric is a great company. GE is my Alma Mater. Let us hope that when they take steps which are ill-advised, they will reverse them before lethal injury results. I have received no communications of criticism or of lack of confidence from the present management of General Electric Co.

For your interest, Herbert, I enclose 3 assorted sheets

X. Some important conclusions regarding use of mental resources by management people, which I provided to a VA seminar for management people in South Africa.

Y. A sheet I pulled from one of my instruction programs to buying people a few years ago. Just as vital today.

Z. Occasionally I am asked to put on the evening program for some local groups. I try to give them something they can "hang on to" if they choose, something they can try, something they can use.

Just "for fun" I'm sending this little sheet I gave the Coast Guard Auxilliary meeting in July.

With Highest Regards, Larry Miles

L. D. MILES
SEDFIELD R. 5, B. 840
EASTON, MD. 21601

MORE KNOWLEDGE WHICH RELATES TO ITEM 3, MY LETTER 24 Sept. 1982

3.1 June 2 1982 letter from C Bedford to me asking for VA/E help.

3.2 My answer to him providing knowledge and suggestions.

Enclosures 3.2.a Information about good Consultants

3.2.b Memorandum of German Award

What Results?

Mr Bedford acted. With Value Analysis Inc. he scheduled a seminar. The time and location were established. VAInc. started the preparatory work, assigned personell and probably took other steps with personell at the plant location. As I recall it the date was set in Sept.

Next - in July or August - Someone from GE headquarters called the manager of the plant on location at Burlington Iowa and aparently said "cancel it".

I am advised that he said GE wanted to build up and use in-house expertise, that the use of outside consultants was not allowed. I am told that the plans for the training were scrapped.