

agreements are common with large manufacturing companies that make significant contributions to the tax base and have large work forces.

"They provide the necessary incentive to encourage expansion and relocation," said Bill Evans, vice president of the Fresno County Economic Development Corp.

Any program that generates new jobs is welcome in a county where the labor pool is expanding at twice the pace of job creation.

Zacky Farms began business in Los Angeles in 1928 and expanded its operations to Central California and the Fresno area in 1971.

TRIBUTE TO PICATINNY ARSENAL

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. FRELINGHUYSEN. Mr. Speaker, when "Braveheart" won the Oscar for best motion picture this year, everyone knew about it, because an Oscar is the top award for the motion picture industry. The Emmys, the Tonys, the Pulitzers, the Nobels, and others are just like it. We recognize these awards and immediately equate them with excellence and unparalleled achievement in a certain field of endeavor. They represent the "creme de la creme," the best of the best. And when people win them, they receive well-deserved recognition.

But 2 weeks ago, a group of neighbors, friends, relatives, and peers in our community who work at Picatinny Arsenal won the top military awards for installation excellence, and no one seemed to notice. In fact, they won the top three awards, including the highly coveted President's award—an extremely rare feat in the military and one which is referred to as the Triple Crown in the hallowed halls of the Pentagon. At the ceremony, I sat next to Senator STROM THURMOND—who's served in the Senate longer than anyone else—and even he was shaking his head in amazement that one base won all the awards.

I was fortunate to have been with base commander Brig. Gen. James W. Boddie, Rockaway Mayor John Inglesino, and a group of Picatinny employees when they received the Army's top award, and I must admit it was an awesome explosion of pride. Military brass up to and including Secretary of Defense William Perry clapped long and loud, saluted time and again, and sat up and took notice of the success of Picatinny Arsenal.

The Defense Department created these awards to recognize excellence and to reward improvement in quality, performance, and productivity. The criteria that is used is exactly the same that private businesses are rated on when being judged for the prestigious Malcolm Baldrige Awards for Quality.

But what makes this achievement much more amazing is that all of this took place during what Secretary Perry called in his remarks "the toughest times in the U.S. military." Indeed, several top officers told stories of the pain and reality of working in the times of base closures and defense downsizing, when both civilian and military employment rolls are being reduced.

"You can't cut excellence," said Lt. Col. Carl Smith, in reference to the shrinking military. Smith is a staff officer who works for the as-

sistant chief of staff for installation management. I asked him how rare it was that Picatinny hit the grand slam of military awards. "It is a milestone, because most of the time the larger installations—the Fort Benning—are the top-dog winners. To have a smaller installation like Picatinny come in and win all three really is precedent-setting."

I couldn't say it any better myself.

On Memorial Day, we'll salute and remember the men and women who gave the ultimate sacrifice for this Nation. And when we do, we often think of veterans and those who currently serve our Nation in the armed services.

The men and women at Picatinny Arsenal are these people. They build the munitions and armaments that our soldiers in Bosnia and throughout the world are using. They assure that we have the best technology and arms to keep the peace.

When I traveled to Bosnia in December and met with our troops on the eve of their deployment, I saw determination, professionalism, and a willingness to do the job. When Secretary Perry led the thundering and raucous applause to congratulate Picatinny employees for being the best of the best, I saw joy and pride of a job well done.

Congratulations, Picatinny. I salute you, and salute those who gave their lives and those who have defended our country on this Memorial Day.

ACTING TO SHAPE THE FUTURE: MACHASKEE ADDRESSES WORLD NEWSPAPER CONGRESS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. STOKES. Mr. Speaker, just recently, the 49th World Newspaper Congress gathered in Washington, DC. Using the theme, "Vision for the Future," the group addressed the challenges which must be met if newspapers are to retain their vital place in the world.

One of the highlights of the World Newspaper Congress was a keynote address delivered by Alex Machaskee, the president and publisher of the Plain Dealer newspaper which serves my congressional district. Mr. Machaskee has enjoyed a distinguished career at the Plain Dealer, which spans approximately 36 years, serving at the helm as president and publisher since 1990. The newspaper has maintained a daily circulation level of approximately 400,000 and a Sunday circulation of 550,000. Among major metropolitan newspapers in the United States, the Plain Dealer ranks first in circulation penetration in the home county.

In his remarks at the World Newspaper Congress, Mr. Machaskee outlined how the Plain Dealer is meeting the current global competition. He said, in part,

We are exploring and entering new areas to meet changing needs and a changing world. Indeed, in all that we do, we are acting to shape our future so it does not become necessary to react to save our existence.

Mr. Speaker, I am pleased to share the entire text of Mr. Machaskee's remarks with my colleagues and others throughout the Nation. It represents worthwhile and insightful reading.

ACTING TO SHAPE THE FUTURE

(By Alex Machaskee)

I want to express my thanks to Donald Newhouse, who addressed this Congress in Berlin in 1993 and "nominated" me to provide an update on the message he shared at that time. As you certainly know by now, this year's theme is "Vision for the Future," and those of you who were in Berlin three years ago may recall that Donald conveyed his own "vision for the future" at that time. Donald expressed the hope that his young grandson, Andrew, and his peers will still receive their news from newspapers when they are adults. Grandfather Donald expressed another hope for the future as well—that Andrew wouldn't be his only grandchild! Well, I am pleased to report to you that Donald's vision is already coming true. First, as an industry, we are beginning to successfully address the challenges we must meet if newspapers are to retain their vital place in our world and in the world of our children and grandchildren. Second—and of equal importance to Donald—young Andrew now has a little brother, Alexander, giving Donald two grandsons!

Back in 1993, Donald talked about the need for newspapers to "constantly reinvent ourselves," and he suggested five "seismic changes" that all of us in the industry must address. He mentioned (1) competition from mass marketers; (2) database marketing; (3) consolidation among retailers; (4) magazines and cable television focusing on narrower demographic groups; and (5) the multi-year recession which, fortunately, is now behind us. Donald cited *The Plain Dealer* as a case study in dealing with these seismic changes. Much of what he talked about was still in process at the time—most significantly the construction of our \$200 million, state-of-the-art production and distribution center. So, Donald suggested that an update of our vision of the future might be in order.

Before I bring you up to date, I believe we all could agree that since 1993, two additional factors have had a crucial impact on our industry: the dramatic increase in newsprint prices, which have skyrocketed 55% in the United States since Donald addressed the Congress; and the intensifying competition for people's time and attention, especially from the Internet. Nearly 30 years ago, when I was promotion manager at *The Plain Dealer*, I told a marketing group: "Intelligent and foresighted planning permits the marketing-oriented newspaper to act to shape its future rather than react to save its very existence." That message is really at the heart of the philosophy that drives us at *The Plain Dealer*. Throughout our organization, we are acting to shape our future—to protect our news-on-paper franchise and to ensure our role as a primary provider of information for my own grandchildren, as well as Andrew and Alexander.

When we set out several years ago to "reinvent" *The Plain Dealer*, we determined that we needed to produce a more relevant newspaper for current and potential subscribers and that we had to create the capability to provide quality color reproduction for advertisers, better sectionalizing and more zoning availabilities for target marketing. Key to the strategy we developed was the "reallocation of resources" from redundant manufacturing and distribution activities to areas that would improve the content of the newspaper. We knew that enhancing our core product was the most essential component of our strategy. After all, the finest facilities and technologies in the world mean nothing unless the quality of the content is there.

So we adopted the phrase "Leadership in editorial excellence"—not only as a promotional tagline emblazoned on our trucks

but as an attitude. We invested in people, adding 75 reporters and editors at a time when other newspapers were cutting back on staff. We added or enhanced a number of editorial features and sections aimed at specific demographic targets, including minorities, women and teen-agers. We also opened three bureaus in outlying counties as part of our commitment to in-depth coverage of the 125 communities in our primary circulation area. We began to provide more local news and features, including increased coverage of scholastic sports at 176 high schools. "News from around the world and around the corner" became our hallmark as well as a promotional slogan.

Not only did we change our product, but we fundamentally changed the way we produce and distribute it. In the late 1980's we began a planning process to identify and eliminate contract language that was an impediment to effectively managing the work force and implementing changes in technology. Considerable time and effort were put into developing an operational change plan based on how we would operate if we had no contractual limitations and restrictions to deal with. This exercise was particularly important as we planned our new production facility. The end result of that exercise was a 33-page document that served as our guide for setting bargaining goals and objectives and for implementing and managing change over the next several years.

In two very successful rounds of negotiations, we won more favorable contract terms and phased in a program of voluntary buyouts in the manufacturing and distribution areas of our operation. The first major component of the "reinvention" of The Plain Dealer was the phased-in opening of 19 strategically located circulation depots, where newspapers could be trucked in bulk by our drivers for pickup by independent distributors. The distribution of newspapers to depots would allow the use of a two-part run system when the new plant opened, with classified and feature sections being printed early in the evening and main news and sports printed several hours later. The depots were all fully operational a year before the plant opened, giving us ample time to work out bugs in the system.

This transition, which included a \$3.5 million conversion of our fleet, meant we had fewer trucks, going to fewer places—so we were able to reduce our driver work force by about 80 positions. Surely the capstone of our "reinvention," however, was the 1994 opening of our Tiedeman Production and Distribution Center. With this plant, we now have the very latest newspaper technologies and capabilities, including electronic prepress pagination, high-speed printing and color capability throughout the newspaper.

The plant brought a high level of automation to our operation, and it resulted in a number of innovations of our own—including the only automated, cart-based loading, storage and delivery system operational in the world today. We are very proud of our facility, and grateful to our very supportive owners. We are also very proud of our people for helping to ensure a virtually problem-free startup. This was a result of the fact that, as I mentioned, we had already converted to the depot system a year earlier. It was also a result of the tremendous effort that went into planning and training.

To train our pressmen, for example, we erected two Goss press units and a folder next door to our downtown facility. Long before the new plant opened, we conducted test runs and produced live product on the new presses, easing the transition not only for the pressmen but for graphic designers and pre-press personnel as well. We went fully operational at the new plant in early April of

1994—and things went so smoothly that it was almost a "non-event." The changeover happened to coincide with the similarly exciting and successful opening of a new ballpark for our red-hot Cleveland Indians in downtown Cleveland. To most of our readers, our front-page headline the next morning seemed to refer to the opening of the ballpark and Cleveland's opening-day victory: "Just perfect," it said. But for us at The Plain Dealer, the headline had a second, more personal meaning.

As proud as we are of the Tiedeman facility, we know that shaping the future requires doing much more than building a new plant. That is why we are constantly "re-inventing" and fine-tuning our primary product and the way we produce and distribute it. In the editorial area, we introduced a major graphic redesign in 1994, including not only easier-to-read body type, but a completely new headline face designed for us specifically for offset reproduction. We also continually develop additional features that target specific demographic groups. Over the past 18 months, for example, these have included weekly sections devoted to Family, Personal Finance/Personal Technology, On Campus, Driving and others, as well as Community pages twice a week.

Our teen section, which we call "NEXT," was redesigned and expanded by editors who involved teen-agers extensively in the process. We also have undertaken a number of major special sections for such events as the Major League Baseball playoffs, the opening of the Rock and Roll Hall of Fame and Cleveland's bicentennial celebration.

One project we are especially proud of is "What Makes Cleveland, Cleveland!"—48 pages of color photography featuring our metropolitan area through the eyes of our photographers. This was a very special section for several reasons. For one, it was a great device for showcasing our color capabilities and the talents of our photo staff. Even more importantly, it was great testimony to Editorial and Advertising working together. At the time, a major national retailer, Target stores, was entering the Cleveland market and was looking for a way to top off its marketing plan. Target became the only sponsor of the section, which later earned a major local advertising award as well as the National Printing Industries of America award for best four-color printing on newsprint. All in all, while color is very important, our primary focus is on creating an excellent product, day in and day out.

In "reinventing ourselves," to use Donald's phrase again, The Plain Dealer is rediscovering something that the best community-oriented newspapers of the past knew and practiced—that it is possible to be an aggressive watchdog while simultaneously recognizing pride and achievement in a community. Such undertakings as "What Makes Cleveland Cleveland" and the extensive coverage of the Rock Hall opening and the baseball playoffs come from a newspaper that has also been recognized as a civic watchdog. Our coverage of government investment practices, for example, was credited by banking experts with forestalling an Orange County-style bankruptcy in our home county. And editorially we have been aggressive in demanding reform of the Cleveland public schools.

Our goal is to create an information resource that competitors cannot match in terms of breadth and depth. At times, we can even hold our own against television in terms of timeliness. One of the best examples of that came last fall, when the Cleveland Indians brought our city its first post-season baseball game in 41 years. Things seemed to be working against us all night—the game was delayed several hours by rain, and on top

of that it went into extra innings, ending after 2 o'clock in the morning. Many Clevelanders didn't get to bed until 3 o'clock or later. But thanks to the flexibility of our plant, some latitude in our deadlines and a lot of hustle on the part of our staff and our independent distributors, most of our readers woke up just a couple of hours later to the complete game story and color action shots in *The Plain Dealer*.

The power of color is the big story in Advertising. Major retailers tell us that, without question, color ads move more product. One of the most dramatic results, in fact, came from a department store that directly linked a color ad to a 45 percent increase in sales of a particular fragrance. Timeliness of advertising, too, can be dramatically effective. One Friday night last September when the Indians clinched the division championship, The Plain Dealer had special advertising pages ready to put on the presses—*IF* the Indians won. This required reconfiguring the presses on deadline, but planning and teamwork by Production, Advertising and Editorial and the capabilities of the new plant combined to make it possible. As a result, advertisers found crowds of baseball fans waiting for their doors to open on Saturday morning. And within hours, those customers snatched up millions of dollars' worth of championship jackets, T-shirts and caps.

Advertisers are very pleased with results like these, and so are we. In fact, in retail display alone, our color ad revenues were up 17 percent from 1994 to 1995. Color revenues from national advertising, while starting from a smaller base, were up 90 percent. And classified advertisers—particularly auto dealers—are seeing the benefits of using spot and full color. But color isn't the only story, as we continually work to identify appropriate new products and services in an effort to provide marketing solutions for our advertisers. Our Marketing Database now has well over one million names and addresses, appended with a broad array of demographic and lifestyle information from quality sources. In a joint effort between Advertising and Circulation, we are working rapidly toward the day when we can actually deliver an address-specific product. In the meantime, we are constantly exploring opportunities to utilize this wealth of information to help our advertisers achieve their marketing objectives.

Over the winter, for example, we put it to use for a heating and air conditioning distributor. This advertiser was running a print and broadcast campaign focusing on the theme of cold-weather pet care, and he wanted to supplement the campaign with a direct mail piece. His target consisted of dog and cat owners with specific income and demographic criteria. Using our data base, we were able to identify more than 10,000 readers who met these requirements. In our effort to be full-service providers and to develop marketing solutions for our advertisers, we are offering new options that go beyond traditional newspaper advertising. One such option is PDQuickline, our audio-based system that puts an array of information—including information about advertisers' products and services—at callers' fingertips.

Another new product is Star Watch, a non-proprietary, entertainment-oriented publication that carries single-sheet and other inserts to non-subscribers and enhances the effectiveness of advertising in the Plain Dealer. Being a full-service provider also requires the capability to compete successfully for advertisers' commercial printing business. This is a relatively small but growing part of our business, primarily involving supermarket preprints. Speaking of supermarkets, while many newspapers have all but lost food advertising, the leading supermarket chains

in our market rank as our number-three and number-four advertisers. Our success in retaining these important advertisers is clearly a result of our ability to provide more than "traditional" newspaper advertising services. Circulation is an area that poses a special challenge for us, because we are in a shrinking marketplace—with a trend of outmigration of people from our core market. Even so, among major metropolitan newspapers in the United States, we rank first in circulation penetration in our home county—with 54% penetration daily and 72% on Sunday. And despite three suggested retail price increases in three years, we have maintained circulation levels of about 400,000 daily and 550,000 Sunday. This is largely a result of gearing the Circulation Division's efforts toward establishing a productive and efficient distribution system that provides both outstanding service and professionalism. Going forward, it requires building our ability to distribute an evermore narrowly targeted product.

We are also working to create an environment that enables our independent distributors to succeed, by improving communications, offering incentives and sponsoring seminars to help them run their operations profitably. And, to reduce the handling of money, we worked with Diebold Incorporated, the nation's leading maker of automated teller machines, to develop an ATM-like machine in which independent distributors can deposit their receipts at the depots. Considerable attention is being focused on single-copy sales, as well. We have worked hard over the past several years to improve our relationships with vendors and to develop the capability to determine by computer just how many newspapers should be placed at each location each day to avoid sell-outs and reduce returns. Our continuing community outreach efforts are helping us learn the concerns of various ethnic and nationality groups as well as young people, our readers of tomorrow. And within The Plain Dealer, we are working hard to get every one of our more than 1,600 employees committed to our vision of being the finest newspaper in the United States. Over the past 18 months, I have met with virtually every one of our employees, usually in groups of no more than 25 over breakfast or lunch. I have found these sessions insightful and invaluable in truly keeping a finger on the pulse of our newspaper.

As I mentioned at the outset, two significant factors have emerged during the past couple of years—newsprint costs and the Internet. In addressing these factors, it is interesting that we find ourselves dealing with "webs" in both cases. At The Plain Dealer, part of our efforts to reduce our newsprint consumption was a reduction in or web width this past February. The conversion went without a hitch, and the change in widths is imperceptible. Nevertheless, we expect savings of upwards of \$1 million a year in our newsprint costs. The other "web," of course, is the burgeoning World Wide Web. As part of our vision for the future, we formed a wholly owned subsidiary this past year that specializes in developing Internet sites. In connection with this, we are actively working with advertisers and potential advertisers to identify opportunities for increased business. For example, recently we worked with the local Auto Dealers Association to provide a web site in connection with a major Auto Show.

Our first venture onto the Internet was rockhall.com, our very successful Web site for Cleveland's new Rock and Roll Hall of Fame and Museum. The site has recorded more than 20 million "page impressions" since its debut last August and has been named a "cool site" by many publications. In addition to features about the Hall of

Fame and its inductees, the site offers a link that features information on Cleveland restaurants, hotels and museums. At The Plain Dealer, our vision of the future is very clear—the newspaper will remain our core business for as long as we can foresee. In fact, with the support of the Newhouse organization we are betting more than \$200 million on this vision, represented by our new plant.

On June 5, 1994, at the formal dedication of The Plain Dealer's Tiedeman Production and Distribution Center, the symbolism was reassuring: it was young Andrew Newhouse who pushed the button to start the presses! Yet, like most of you, we are exploring and entering new areas to meet changing needs and a changing world. Indeed, in all that we do, we are acting to shape our future so it does not become necessary to react to save our existence. Most of us in this room have dedicated our lives to newspapers. For us, nothing beats the roar of the presses, and we believe nothing can ever replace the depth and breadth of information newspapers present. In the current environment, however, we need to work harder than ever to ensure that newspapers remain a vital part of our children's lives—and our grandchildren's lives—as well.

NORTH CAROLINA IS HOME TO A GREAT SOCCER TRADITION

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. COBLE. Mr. Speaker, the State of North Carolina is home to a great soccer tradition, particularly in women's soccer. This year, Mr. Speaker, the Sixth District of North Carolina is proud to add two more chapters to this outstanding tradition.

North Carolina has long divided its schools into classifications to determine sports champions. That way schools of equal size can compete fairly. This system also allows more schools the opportunity to compete for titles and trophies. We are proud to say, Mr. Speaker, that the Piedmont Triad is the home of the North Carolina 1A/2A/3A and the North Carolina 4A women's soccer champions for 1996.

The Ragsdale High School Tigers of Jamestown, NC, captured the 1996 1A/2A/3A State women's soccer championship, and the Whirlies of Grimsley High School in Greensboro, NC, claimed the 4A women's soccer championship. Both teams were crowned champions on June 1 in Raleigh, NC.

In the 1A/2A/3A class, the Ragsdale Tigers captured the State title with a 3 to 0 shutout of the Asheville Roberson Rams, limiting the Rams to just four shots on goal all game. The championship win capped off a brilliant 23–3 season for coach Brien Braswell's squad. The Ragsdale Tigers have been outstanding in the championships, claiming two State titles in the last 3 years.

Congratulations go to Sarah Judy, who won the championship game's Most Valuable Player Award. Mr. Speaker, congratulations on a great season are in order for Coach Braswell, manager Joey Menendez, Trainer Julie Hutchens, and team members Cindy Mullinix, Kyleen Hudson, Kelly Martin, Kristin Wittenborn, Anna Dellosa, Jordan Allison, Erin Beeson, Paige Waggoner, Vickie Cortes, Nicole Brannan, Ashline Green, Christie Dixon,

Lindsey Moorefield, Laura Pendergrass, Ryan Andres, Danielle Gain, Emily McCoy, Cari Hammond, Michelle Pizzuro, Becky Garmon, Amanda Holtzman, Meg Herndon, and Kellie Dixon.

To athletic director Mike Raybon, principal Dr. Kathryn Rogers, the faculty, staff, students, parents, and friends of Ragsdale High School, we offer our congratulations for winning the North Carolina 1A/2A/3A State women's soccer championship.

Raleigh also was the site of another Sixth District high school State championship. The women's soccer team of Grimsley High School in Greensboro, NC, captured the 1996 State 4A women's soccer championship, defeating the Raleigh Broughton High School Caps 2 to 1. The victory moved the Grimsley Whirlies to a stellar record of 21–1–1 for the 1996 season.

The State championship was the third in 5 years for the Whirlies, and the win was truly a team effort. As Coach Herk DeGraw put it, "This one is sweet. Everybody stepped up and did their jobs extremely well."

Congratulations go to Laurie Benson, who won the championship game's Most Valuable Player Award. Congratulations are also in order for team members Meagan Renn, Cori Stevens, Lacy Ross, Sarah Ann Davis, Mollie Lynch, Meredith Seawell, Sarah Atkinson, Mikel Casey, Kristy Shumate, Kelly Clark, Jennifer Marsh, Carrie Anderson, Jamie Bombart, Kristen Moody, Courtney Black, Jessica Overby, and Ashley Andringa.

Mr. Speaker, on behalf of the citizens of the Sixth District of North Carolina, let me congratulate the 1996 Grimsley Whirlies on their State championship. Congratulations to head coach Herk DeGraw, assistant coach Susie Williams, announcer Dick Forrester, faculty trainer Joe Franks, student trainer Pablo Torrente, and statisticians Lisa Evans, Zach Wineberg, Tyler Spence, and Mike Cleaver.

To athletic director Bob Sawyer, principal Tom Penlend, the faculty, staff, students, parents, and friends of Grimsley High School, we offer our congratulations on winning the North Carolina 4A State women's soccer championship.

Once again, North Carolina remains a soccer hotbed and the Sixth District is proud to claim two more champions.

NORTH PONTOTOC STUDENT, ABIGAIL HAMILTON, IS DISTRICT WINNER IN RESPECTEEN SPEAK FOR YOURSELF PROGRAM

HON. ROGER F. WICKER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

Mr. WICKER. Mr. Speaker, more than 15,000 seventh- and eighthgrade students around the country participated in this year's RespecTeen Speak for Yourself social studies curriculum program, which teaches young people about the political process. The program is part of the Lutheran Brotherhood's philanthropic initiative in support of our Nation's youth.

One of the final lessons in the program included having students write their Members of Congress to express their views or offer solutions to issues of interest. The letters were