

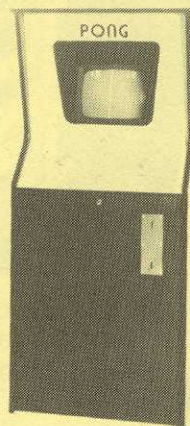
Once Upon a Time . . .

by Dan Van Elderen

ONCE UPON A TIME, a long, long, time ago, there were no such things as video games. And young boys and girls everywhere looked upon this and said, "*This is not good.*" Since some of these young boys and girls grew up to become university students with nothing better to do with the freon-cooled bubble-memory-driven computers in their science labs than calculate nth level extractions of polynomial equations, a new pasttime was born. It was called War In Space, or some such equally creative title.

About this time an enterprising young man by the name of Nolan Bushnell was wandering through the pinball arcades and computer labs of Utah. He saw the nickels going into pinball games and he saw the enthusiasm going into the underground versions of War In Space. And he said, "*Let there be coin-operated video games.*" And so the first coin-operated video game was born. It was a complex sophisticated "player's game" called Computer Space. And it was a **FLOP**. And Nolan said, "*This is not good.*"

While Nolan was trying to figure out how to fix his latest creation so that it could bring joy and mirth to the common man everywhere, he hired a young bearded hippie engineer by the name of Al Alcorn. To bring Al up to speed and occupy his time while they tried to resolve the problems of Computer Space, Nolan assigned him a "filler" job. It was creating a simple 2-player ball-and-paddle game call Video Ping Pong or Pong, for short. They put this simple oddity in a wooden box with a coin mech on it and then tested it in one of their favorite Los Gatos watering holes. It broke down after two days. When they wandered out to see what the problem



was, they discovered that an over-flowing cash box had jammed up the coin mechs as well as strewn quarters everywhere throughout the bottom of the cabinet. And Nolan said, "*This is good.*"

That was 15 years ago. Today the results of these combinations of people and circumstances are well known throughout the world. It's simply known as "Atari", and it's analogous with video games, with entertainment, with technology, and with fun. It's spawned everything from Atari Democrats to Army Battle Zone. It's redefined the meaning of "rise and fall" to Wall Street, as the \$2 million Atari of '73 soared to almost \$2 billion in 1982 and collapsed to a fraction of that in 1984. And through it all, a solid core of technical, creative, manufacturing, and administrative staff have kept the old, the best, and the REAL Atari alive. It's known today as Atari Games Corporation. A few years ago it was known as the "Coin-Op Division." And a few years before that—before it gave birth to "Consumer Divisions" and "Computer Divisions"—it was known merely as "Atari."

A lot of memorable things have happened over the last 15 years. Though none of the original guys and gals of '72 are here anymore, there are several whose roots go back as far as 1973. Included in these old timers was a freckle-faced 14-year-old girl (or so she claims) by the name of Elaine Thompson who began her illustrious career at Atari stuffing Pong PCBs. About this same time, Atari also hired its first Japanese employee, a young,

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handsome, hard-working man by the name of Hide Nakajima. (He's not all of these things anymore, but 2 out of 3 ain't bad.) I guess what goes around comes around. . . Others in the "oldies but goodies" Class of '73 & '74 included:

- | | |
|---------------------|----------|
| 1. Paul Shepperd | 1/12/73 |
| 2. Jeff Bell | 2/12/73 |
| 3. Karen Bjorkquist | 3/22/73 |
| 4. Peter Takaichi | 6/28/73 |
| 5. Gwen Tantillo | 10/15/73 |
| 6. Elaine Shirley | 10/29/73 |
| 7. Dan Van Elderen | 12/5/73 |
| 8. Dave Cook | 12/17/73 |
| 9. Lyle Rains | 1/21/74 |
| 10. Rick McDowell | 1/28/74 |
| 11. Rod Petersen | 8/23/74 |
| 12. Al Vernon | 8/29/74 |

As these and others can attest, the early days of Atari were often touch 'n go. There were often weeks in those first couple of years when employees waited anxiously to see if they were going to get paychecks, and once they got them, most didn't waste time cashing them at the closest bank. This began to change, though, in early '75. A major reason for Atari's financial improvement at this time was the unexpectedly huge success of a new product called "Tank." Introduced at the November 1974 MOA Show, this was the first major development effort of a budding, young, clever engineer by the name of Lyle Rains. (He's not all of these things anymore, but 1 out of 3 ain't bad.)

Shortly after this, Atari was sold to Warner Communications, Inc. Atari was on the verge of launching into the consumer business, and an effort like that takes big bucks. Realizing that his only two alternatives were either to take the company public or sell out to a major corporate buyer with the necessary big bucks, Nolan chose the latter. So in late 1975, Nolan and company sold out to WCI for \$28 million. Not bad for a garage operation started with a couple thousand dollars only 3½ years earlier. And it wasn't too bad for WCI either, as they watched their \$28 million investment soar to almost a \$2 billion company over the next seven years.

Though most of the big bucks were being generated (and spent) by the Consumer division of Atari, the Coin-Op division (that's us) also did extremely well over this period. In 1978, with the able assistance of a short, innocent, quiet Irishman by the name of Kevin Hayes, Atari opened its Irish factory which has been a major competitive factor for Atari in the European market ever since. (Kevin's not there today, of course, and I hear he isn't any of these things anymore either—with the possible exception of short.)

In 1979, Atari Coin-Op hit the big time. A young, clean-cut computer programmer in sneakers and T-shirt by the name of Ed Logg programmed a black-and-white "X-Y" game called Asteroids. (Ed's still all of these things today—I guess some things never change.)

Beginning with Asteroids, the Coin-Op division entered a new era—it was called the "automated factory." We rapidly progressed from 25 games a day (built up and assembled while lined up in rows on the factory floor) to a peak of 800 games a day in December of 1981 (built with automated conveyors, overhead monitor feeds, and computer-controlled trains running back and forth between buildings carrying cabinets, silk-screened side-panels, and vice presidents galore).

And then came the crash of '83. With the Consumer and Computer divisions of Atari bleeding from losses in the hundreds of millions of dollars, Coin-Op managed to squeak out of '83 with a small profit. But things went from bad to worse in 1984. The Consumer and Computer divisions again ran up staggering losses, and for the first and only time in its 15-year history, Coin-Op ended the year in the red. By this time, Warner had "Seen The Future", and they didn't like it at all. In mid-'84, they sold all of Atari except Coin-Op (that's us) to a fellow by the name of Jack Tramiel.

Fortunately, the "Real Atari" was meant to meet a better fate. In February of 1985, controlling interest in the Coin-Op Division of Atari was purchased by Namco. Thus formally began the company that today is known as Atari Games Corporation.



Through all of this, the heart and soul and spirit of what began in 1972 has carried on. We "Survivors" of 1987 still "take our fun seriously" and still consider ourselves the "Real Atari", no matter what the lawyers and Wall Street may say. While we're only some 250 strong,

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we're probably the strongest 250-person corporation in the world. Perhaps not in dollars of revenue, perhaps not in the jargon of accounting terms like gross margin and net operating income, perhaps not on Wall Street . . . But in the minds of the young at heart around the world we're the Atari that symbolizes yesterday's and today's paradox of creativity, high technology entertainment, and good ole'-fashioned fun. The product we create, build, and sell is seen and enjoyed by millions around the world. And each of us can proudly look at that and say, "This is good."



STORK'S CORNER

Making an early debut at Good Samaritan Hospital is Jessica Lee Benzler. Jessica was born on July 27, 1987. She weighed 6 lbs. 3 oz., and was 19" from head to toe. Linda and Jeff are very pleased with the new member of their family. "She's cute as a button, I'd do it again!", Linda said just 8 hours after Jessica was born. Sounds like a good idea. Congratulations, Linda and Jeff!

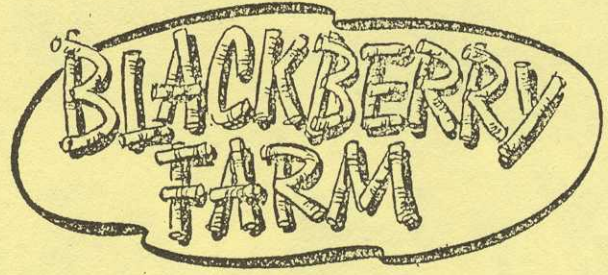
Not to be "outdone" by others in her department and just in time for the newsletter, Mary Fujihara gave birth to a baby boy on Friday, August 7th, 1987. Adam Tsuneo Fujihara weighed 7 lbs. 6 oz. and is 19½ inches long. Though this will not go down as the laziest labor in history, we are happy that Mary and baby are healthy and doing fine.

After 12 hours labor (and she thought overtime at Atari was rough), Karen Majusiak gave birth to a baby girl on June 23, 1987. Kayla Marie weighed in at 8 lbs. and was 20 inches long. Kayla is the first child for Karen and her husband Courtland, and word has it that all three are doing "great."

PROMOTION

I would like everyone to join me in congratulating Sharon Johnson on her promotion from Inspector C to Inspector B. Sharon's job responsibilities on the PCB area are visual inspection on all assembled printed circuit boards for domestic games, Ireland's requirements, and international kits. Sharon has worked for the Quality Assurance Department since December 1980. Sharon shares her hours away from Atari with her husband Pine and two sons Willie (age 9) and Alfred (age 8), enjoying all outdoor sports.

Atari Celebrates 15 Years at Blackberry Farm with Birthday Bash



1987

June 27th marked Atari Games' 15th year in the business of making leisure fun. In keeping with that spirit, employees were were treated to a birthday celebration at Blackberry Farms in Cupertino.

The celebration began with the championship volleyball playoffs, where Engineering defeated Manufacturing to become this year's champs. CONGRATULATIONS!!

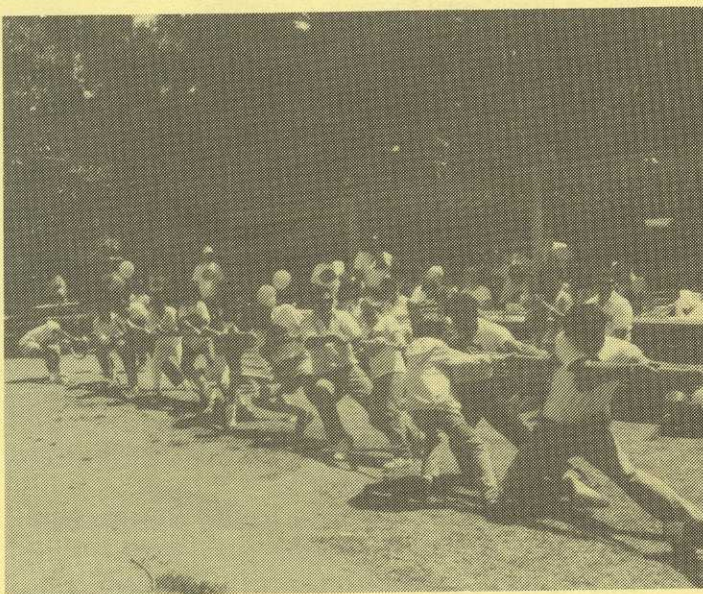
After all of us worked up an appetite, either playing volleyball or rooting for our favorite team, we were served a feast of BBQ chicken and ribs. After dinner, Mr. Nakajima gathered the old timers—Gwen Tantillo, Paul Shepard, Karen Bjorkquist, Jeff Bell, and Pete Takaichi (all 14-year employees)—around a giant "Atari Games" birthday cake and honored them for their many years of service. Rebecca Depew, representing the newest Atari Games employee, was also on hand to help cut the cake as hundreds of blue and gold balloons were released.

This was not the end of the fun. All of us got into the spirit of things as we watched and waited to see who would be pulled to his knees in the tug-of-war contest. After many challenges, Manufacturing won the war on the "downhill" side of the field.

All in all, the weather was great, the company good, and the food delicious. In appreciation of the event, we owe a special thanks to Bob Frye, who worked extremely hard to put the entire party together with the help of the other members of the Recreation Committee, Sue Bornn, Sandi Brown, Linda Benzler, Elena Jamero, Bob Stewart, Judy Tolonen, and Gwen Tantillo. A special thanks also goes to Rusty Dawe for video-taping the whole event and to Gary Popkin and Jim Freitas for organizing the volleyball championships.

THANKS! It was great fun!

PHOTOGRAPHS OF THE 15-YEAR BIRTHDAY BASH





FOCUS ON THE PCB ASSEMBLY DEPARTMENT

The Printed Circuit Board Assembly Department currently has 14 permanent and 32 temporary employees. The main function of our department is to assemble and test printed circuit board assemblies which are passed on to Line Assembly, Customer Service, and Stores. The department is made up of seven areas.

The first area is Auto Insertion. Grandy Laxamana is lead, and Ramon Navarro is his right-hand man taking care of the universal sequencer machine. Usually we have seven temporary employees assigned to this area.

The Auto Insertion area is where most of the I.C. and discrete parts get auto-inserted into the bare boards. The workmanship failure rate for this area is only .009%. This is outstanding when you consider we auto-insert over 12 million parts a year.

The second area is Hand Insertion, where Maria T. Lopez is in charge. Maria usually has about nine temporary employees helping her. Here they stuff by hand all parts which can't be auto-inserted, due to part size, shape, or part type. Before stuffing, these parts must be prepped. This is done using a variety of component prep machines and fixtures to cut, bend, and shape leads.

The third area is Wave Solder, where Yolanda (Sam) Records and three temporary employees wave-solder the printed circuit board assemblies using an Elec-

trovert 18" wave solder machine and a Hollis in-line cleaner.

The fourth area is ROM/PROM. Here Gwen Tantillo along with usually nine temporary employees complete the boards, by first checking the boards on the Zehntel 810. The Zehntel 810 checks the boards for open and short circuits, which are then touched-up. Next they add any required modification to the board and install all socketed parts.

The fifth area is Pre-Test. Paul Shepard and two temporary employees load the completed boards into the ovens for a burn-in cycle. The boards are then re-tested. Those that pass are moved to the Pre-Audit area. The balance are repaired or moved to the Tech-Repair area.

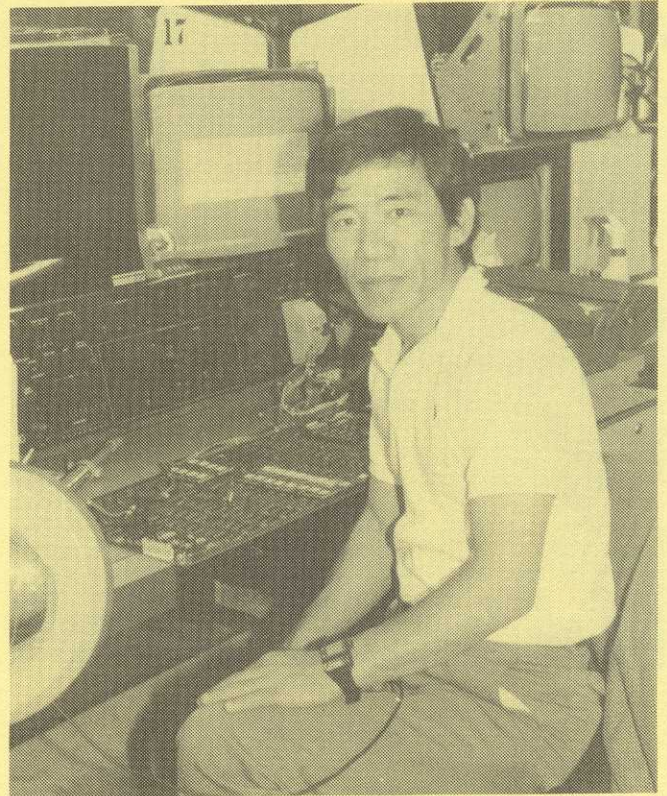
The sixth area is Tech-Repair. Technicians Sam Arthur, Jim Buchanan, Sang Cho, Emmette Craver, and Tom Greenfield use their skills as technicians to troubleshoot and repair the various printed circuit board assemblies and equipment manufactured in the department.

The last area is Pre-Audit, where Judy Davis and Tram Vu with two temporary employees do a pre-audit inspection of all printed circuit board assemblies using Atari's Workmanship Standard Manual. After passing the pre-audit inspection, the board assemblies are moved to the Q.A. Audit Department.

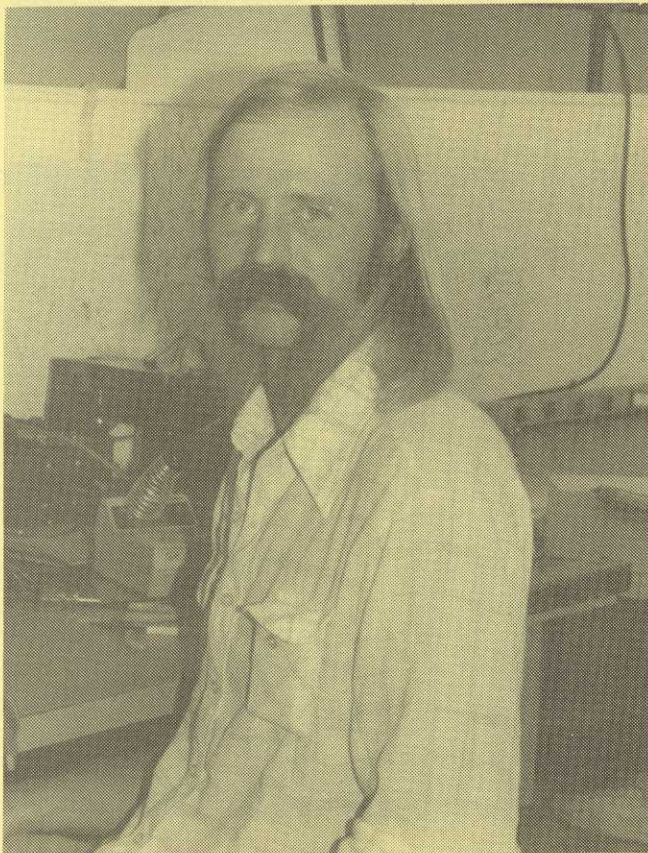




Norm Maeder (Fearless Leader)



Sang Cho



Emmette Craver



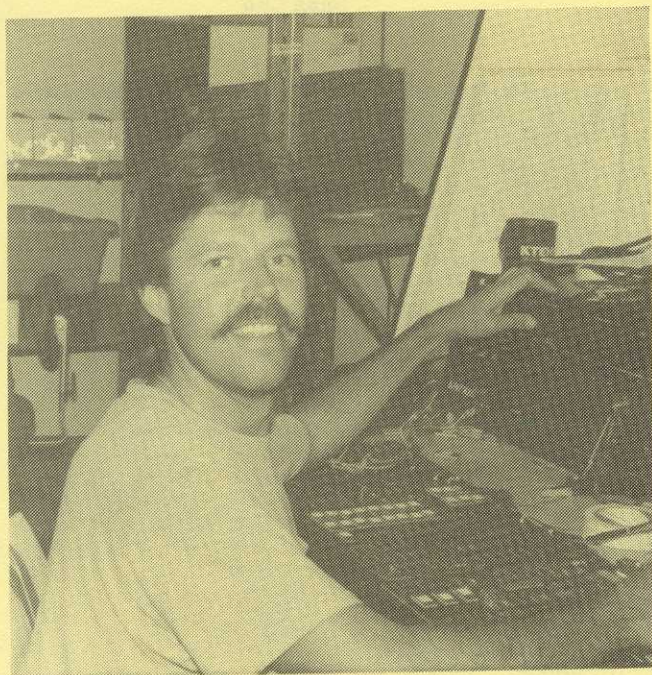
Gwen Tantillo



Sam Records



Tram Vu



Paul Shepard

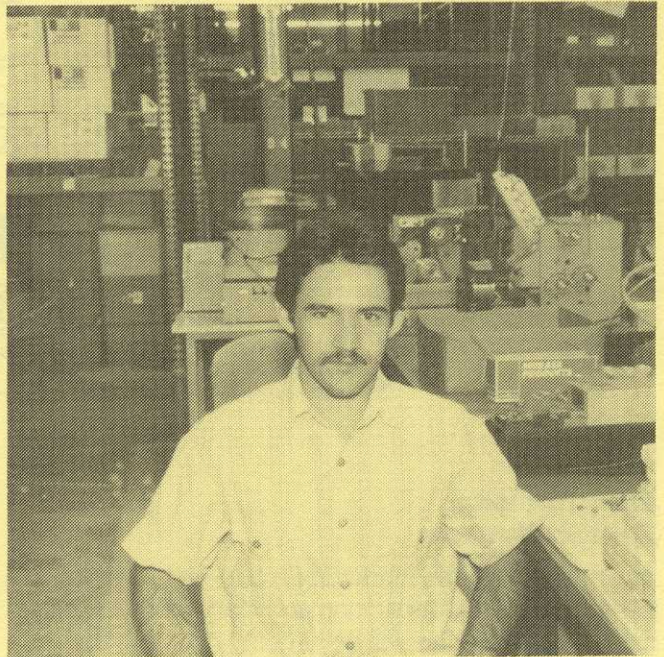


Tom Greenfield

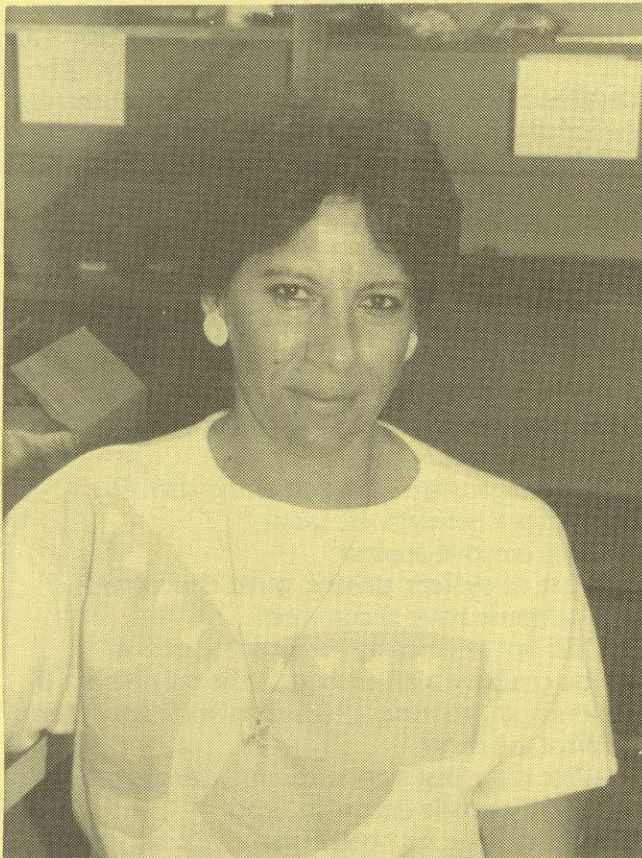
Sam Arthur and Judy Davis—pictures not available



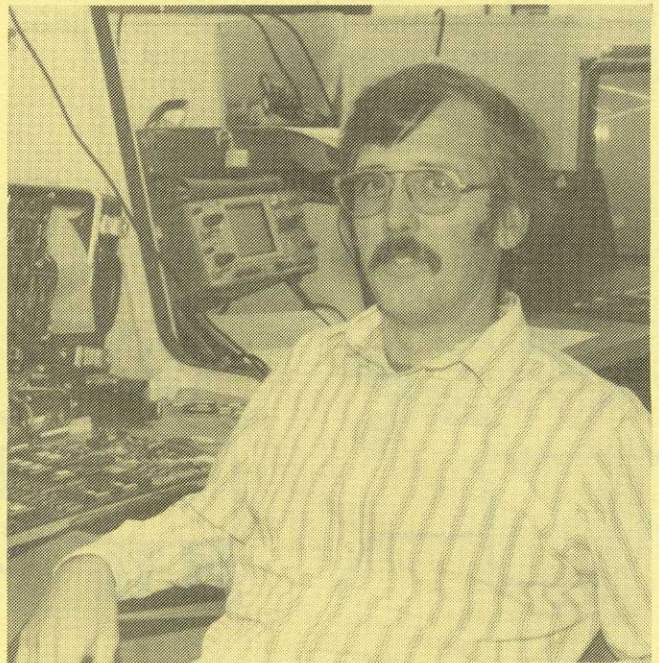
Grandy Laxamana



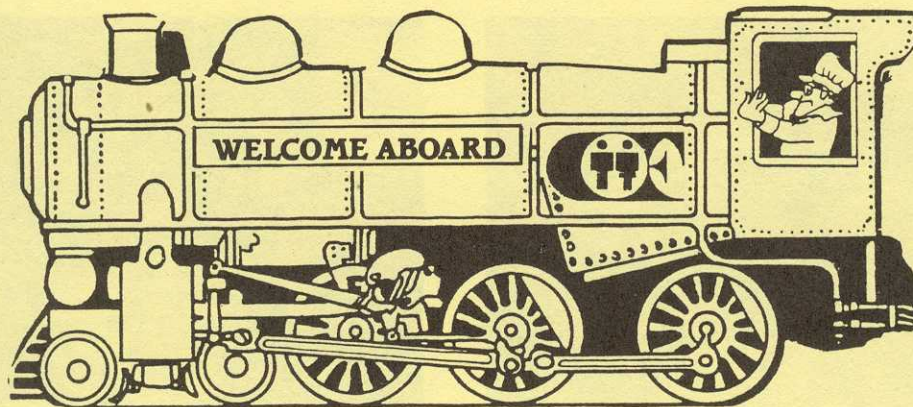
Ramon Navarro



Maria Lopez



James Buchanan



Jerry Momoda Product Manager

Jerry has joined the Marketing group—it looks like just in time. With Linda gone and Mary following close behind, looks like he will be jumping right into the frying pan. Jerry is a graduate of the University of Washington. His past product experience has been with Japanese-parent-company situations, including SNK, Sega, and Nintendo. Jerry is looking forward to becoming involved in the development process here at Atari Games. He will also be responsible for marketing licensed products. Jerry is single, and off-time activities include snow skiing, golf, bicycling, and traveling.

Mary Ohanessian Sumner Sr. Technical Illustrator

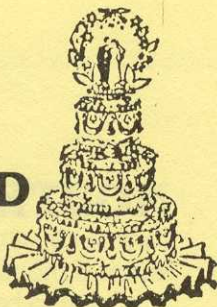
Welcome aboard to the newest member of the Publications staff. Mary's background in technical illustration, typesetting, word processing, and photography will help in the preparation of Atari's game manuals. Her past experience has been with NCR, NASA's Jet Propulsion Lab, as well as secretarial work for a Swedish company in Iran. When not working at Atari Games or attending Foothill College, Mary designs and paints on fabric and hopes to someday publish a book detailing this. Leisure activities include travel, tennis, swimming, and spending time with her family. Mary and Johnnie Sumner have one daughter Natalie (2½).



KITCHEN TRIVIA

1. H.J. Heinz became known for 57 varieties. But what was his first product?
2. In Pennsylvania, a soft pretzel isn't soft pretzel without it. What is it?
3. What is the oldest trademark in America?
4. For whom were Baby Ruth candy bars named?
5. What is an Adam & Eve on a raft?
6. A full dressed Burger King Whopper has how many calories?
7. Sweetbreads are what part of the animal?
8. What is a honeymoon salad?
9. What are love apples?
10. What do oysters, ginseng, garlic, chocolate and Chartreuse have in common?
11. Offal isn't necessarily awful. But what is it?
12. You can have a hill of them, or be full of them. If your going to make a cassoulet, you'll need them. What are they?
13. What is the first singing commercial sung on the radio by a male quartet in 1924?
14. In Nora Ephron's book *Heartburn*, what kind of pie did Rachel throw at her husband Mark?
15. What is bubble and squeak in England?

BELLS, BELLS, AND MORE BELLS



Two more of our employees have lost their bachelor status within the last few weeks.

The Little Brown Church of Sunol, complete with a brook running behind it, was the romantic setting for the marriage of *Mark Hoendervoogt*, a Production Tech, and Prudence Furber on June 6, 1987.

The bride, wearing a full-length wedding dress, was attended by her sister, Pam Garcia, as matron of honor. Pam wore a peach and sea foam (mint green) colored dress. The groom and best man, Dave Erickson, were not to be outdone; they both wore grey tails, Mark with white accessories and Dave with peach.

After the ceremony the newlyweds officially announced their marriage to the surrounding countryside by ringing the church bell. The reception was held at Mission Gardens in Fremont. Then the couple was off to Clear Lake for four days of sun, fun, and water skiing.

Up, Up and Away

After their five-year love affair, Bob and Michelle have said, "I do."

At 5:00 p.m. on July 12, *Bob Flanagan* floated to the altar at Congregation Beth Israel-Judea in San Francisco wearing a white tuxedo, in the presence of about 250 people. Bob's groomsmen preceded him down the aisle wearing gray tuxedos. The bridesmaids wore country rose tea-length dresses. Bob watched his bride, Michelle Nissim, glide down the aisle to meet him under the canopy wearing a white French-corded lace gown which was designed by Michelle and hand made by Dianne Dawe.

The bride and groom met the wedding party and their family and friends at the San Francisco Airport Marriott to eat, drink, and dance to the "Jim and Morning Nichols" band. The first song the couple waltzed to as Mr. and Mrs. Flanagan was "Fascination." Then the couple fed cake to each other. What a sight!

The groom's family flew to San Francisco from Maryland, Oklahoma, and Southern California. The bride's family traveled from New Jersey and Maryland for the celebration.

The honeymoon of Mr. and Mrs. Robert Flanagan was thoroughly enjoyed in Switzerland from July 13-24. The couple is presently organizing their new apartment in Sunnyvale.

ATARI ANNIVERSARIES

(Years of Service)

JUNE		JULY	
Pete Takaichi	14	Pat McCarthy	9
Mark Sherman	12	Rich Moore	9
Carole Cameron	9	Erik Durfey	7
Sam Ly	7	Peter Lipson	6
Jack Akin	5	Jackie Sherman	6
Sandi Brown	5	Stephanie Mott	4
Rusty Dawe	5	Allison Jung	2
Richie Khodadadi	3	Michelle Vella	2
Phil Fleenor	3	Paul Kwinn	2
John Klein	2		
Kris Moser	2		
Mark West	2		



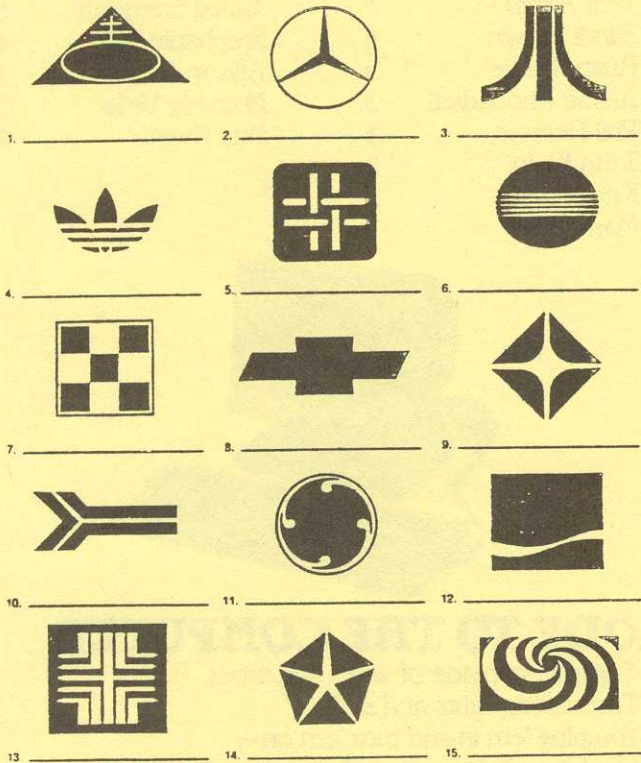
ODE TO THE COMPUTER

Computers made of wires and tapes,
Transistors, lights and stuff;
You plug 'em in and turn 'em on—
You haven't done enough.
They'll sit and blink or click or hum
And burn up electricity.
But won't do anymore unless
You tell them, most explicitly,
Just what it is you want to do,
Or know, or calculate.
You don't know where the data's stored?
The thing won't operate.

Computers do not make mistakes,
No more than ball-point pens do.
But tell them "two plus two is six,"
They'll faithfully defend you.
Computer people have a word,
"GIGO," they love to shout.
It means if you put garbage in
You'll just get garbage out.
Electric, fancy robot slaves,
They serve the human master.
Do nothing that we wouldn't do
But do it a whole lot faster.

Whose Signs?

Identifying a company by its logo is easy when it's a familiar object, like a bunny (Playboy) or a bell (Bell Telephone). But some companies use abstract symbols as trademarks, hoping that they'll convey a feeling about the company or its products. The successful ones—like the 15 on this page—stick in the mind. Or do they? How many of these well-known logos can you identify?



LUNCHROOM ETIQUETTE:

When purchasing your food at the cafeteria, please remember to have cash with you. Credit should be used sparingly—or better yet, not at all.

PERSONNEL REQUEST:

When you change your address or phone number, please remember to notify Human Resources.

When you get married or add a dependent, be sure to visit Human Resources to update insurances, beneficiaries, etc.

The Recreation Committee is looking for new talent to reinforce our already talented (but small) team.

MOUTH MANGLERS . . .

Tongue twisting is making a comeback. If you can handle a mouth-mangler like this just once you are on your way to becoming a champion.

Theophilus Thistle, the thistle-sifter, sifted a sieve of unsifted thistles. If Theophilus Thistle, the thistle-sifter, sifted a sieve of unsifted thistles, where is the sieve of unsifted thistles Theophilus Thistle, the thistle-sifter, sifted?

Here's an old favorite:

Sinful Caesar sipped his snifter, seized his knees and sneezed.

Three gray geese in the green grass grazing; gray were the geese, and green was the grazing.

Betty Botter bought a bit of butter, But, she said, "This butter's bitter. If I put it in my batter, it will make my batter bitter. But a bit of better butter will make my batter better. So, Betty Botter bought a bit of better butter and it made her batter better."

Here are some to practice on:

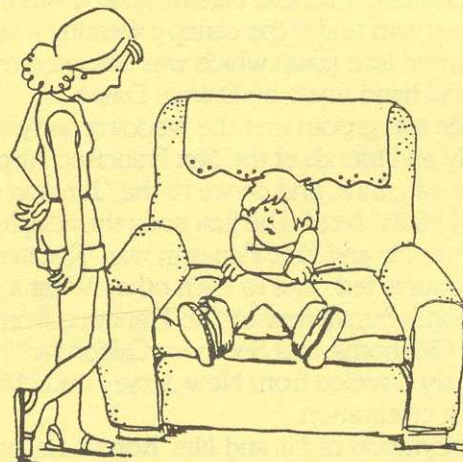
Double bubble gum bubbles double.

Does this shop stock short socks with spots?

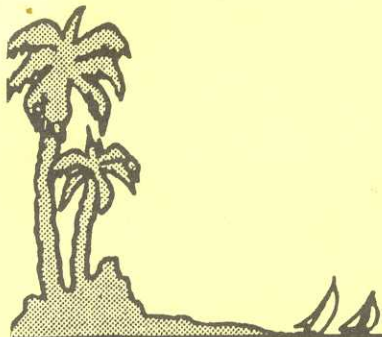
Shy Sarah saw six Swiss wristwatches.

Six log slim slick slender saplings.

Strange strategic statistics.



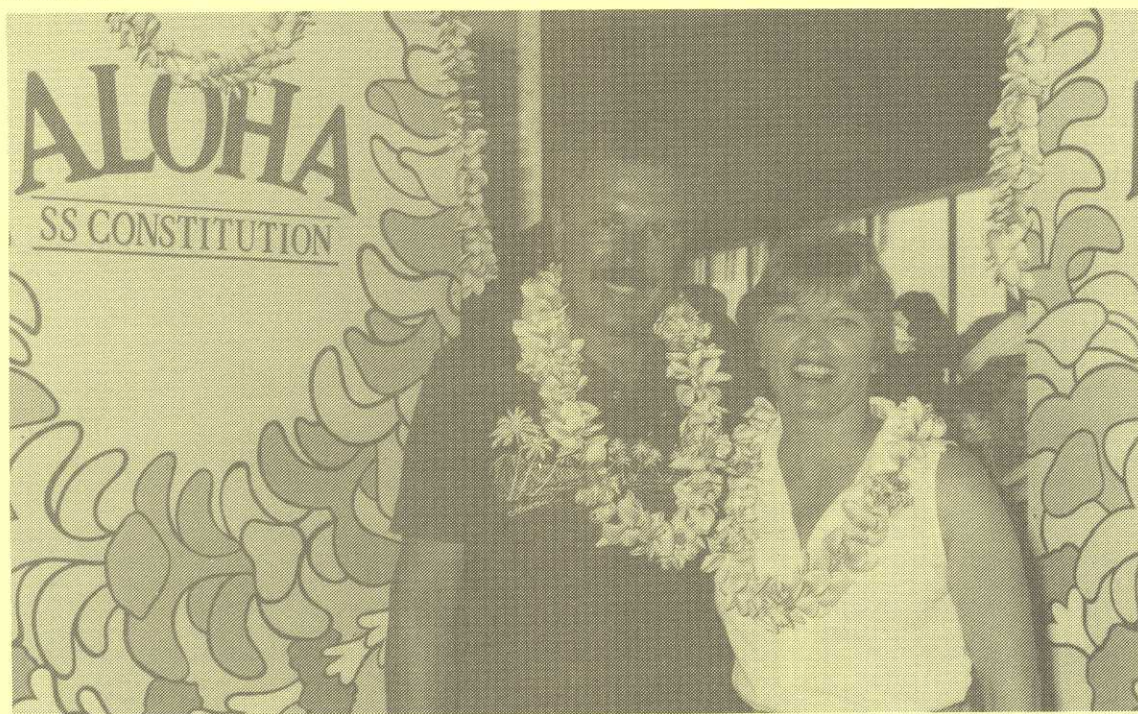
"Benjamin's summer camp has 64K micros and Margaret's summer camp has a shared-logic system! Why do I have to go to a summer camp that has only swimming, horseback riding, and hiking?"



VACATION FUN



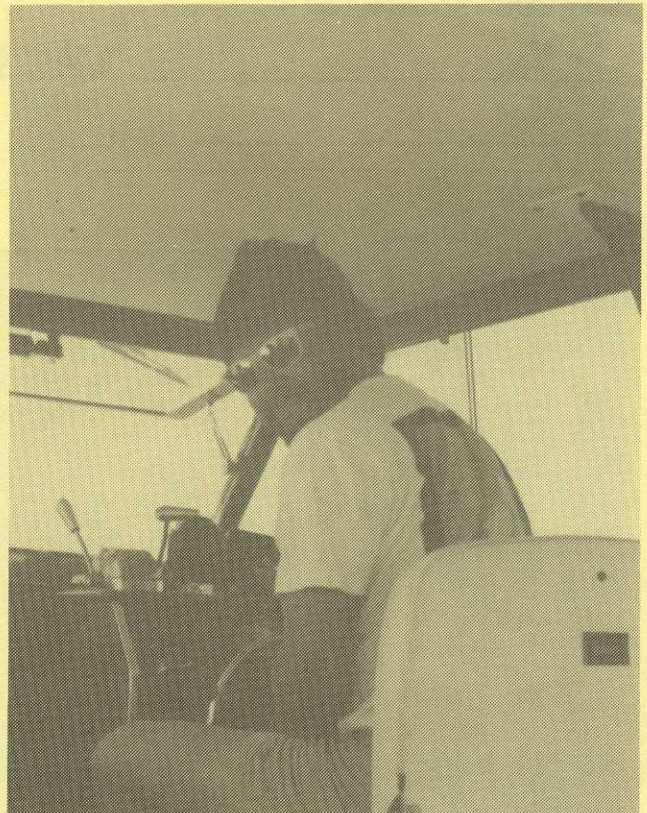
This is what Mike Jang does for a challenge at Atari's home-away-from-home, Hawaii.



When the work gets to be too much, where else do you take your wife? Aloha, Norm and Cheryl Maeder.



Andrea Dencker says, "Auch in Dezember hat Rothenburg viele amerikanische Touristen. Ich ware eine davon." (Germany)



In the wheelhouse manning the boat is Jim Wallin in the Delta.



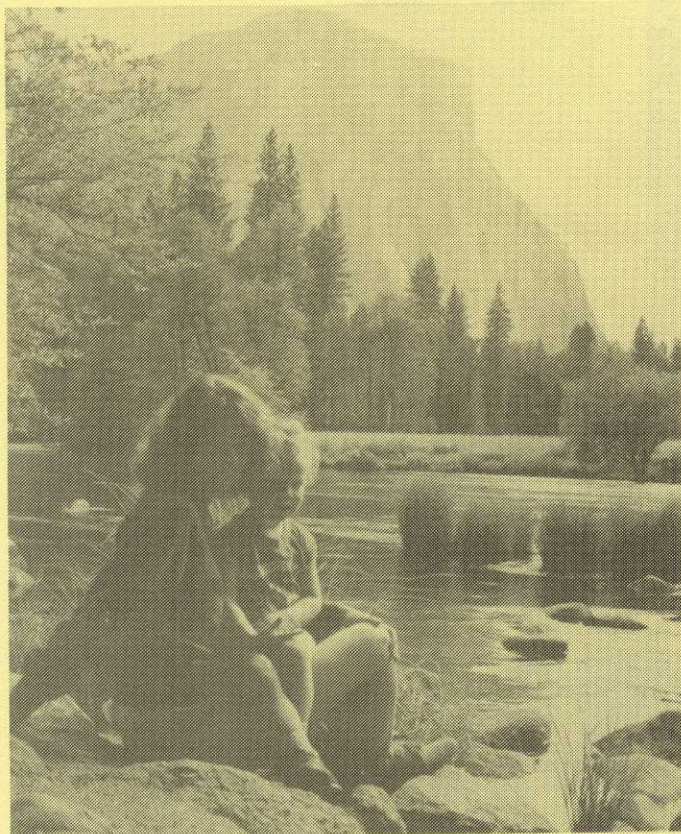
Lower Yosemite Falls was the choice of vacation spots for John Johnson, Dennis Nale, Robert Red, and Francis Jiminez.



Everything is coming up orchids for Mary Sumner and daughter Natalie in the Islands.

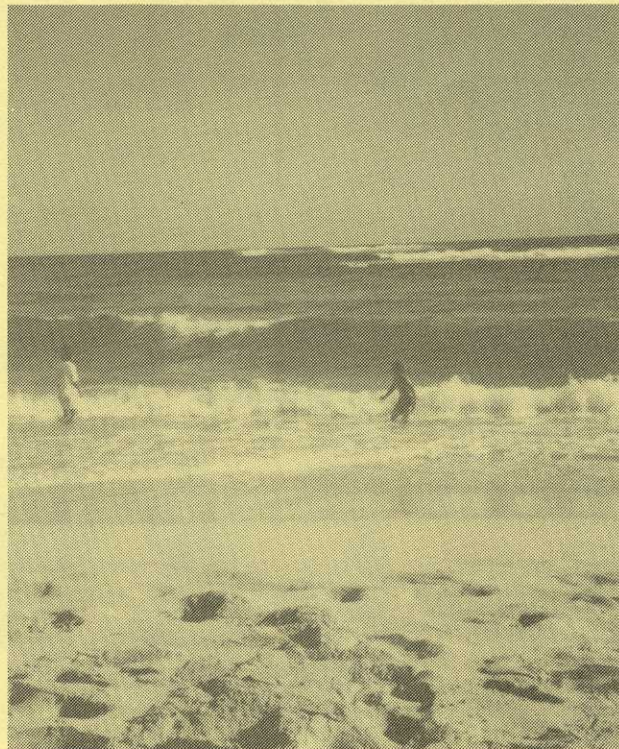


Leon and Patricia Fritts and "friend." You guessed it . . . Hawaii!



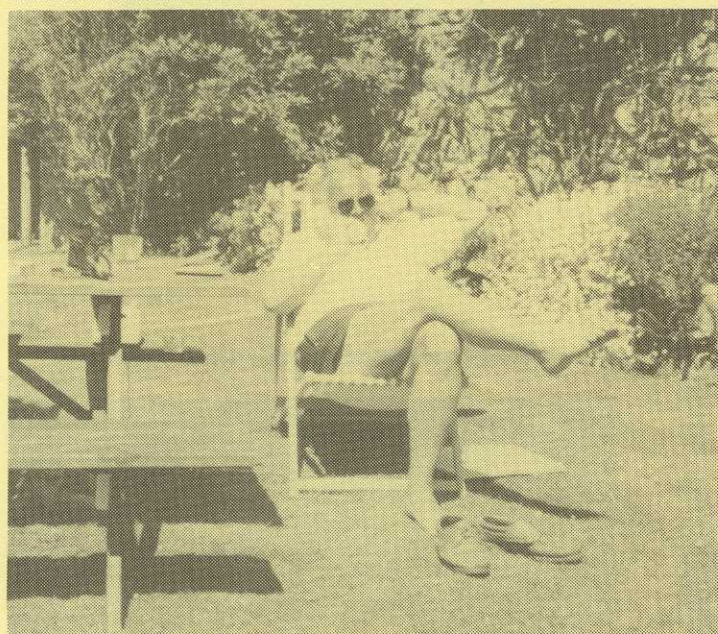
"Ah, this is more like it," says Elaine Shirley to son Travis.

Jim Arita challenging the waves in Hawaii.





Our Atari sophisticates Mark and Jackie Sherman visiting Ascot Park in England.



Wait a minute, Shane . . . did you say this was work or a vacation?

How did you get all those people standing on their skis at the same time? (Atari ski weekend)



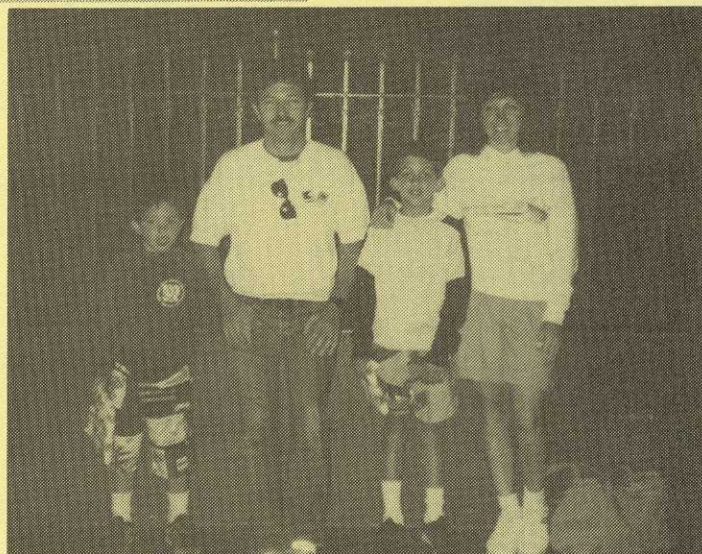


Al and Sophie enjoying a few restful moments at their hotel in Hawaii.



Biking and camping in the great outdoors is what Carole Cameron does for fun.

Jacques and Nancy Akin with sons Aaron and Michael visiting the Magic Kingdom.





The beautiful Grand Canyon was the vacation choice for June and Tsuneaki Yamamoto.

In July 1987 Stephanie Mott enjoyed her vacation in Stratford-on-Avon. Here she is standing in front of Ann Hathaway's cottage, consort to William Shakespeare.

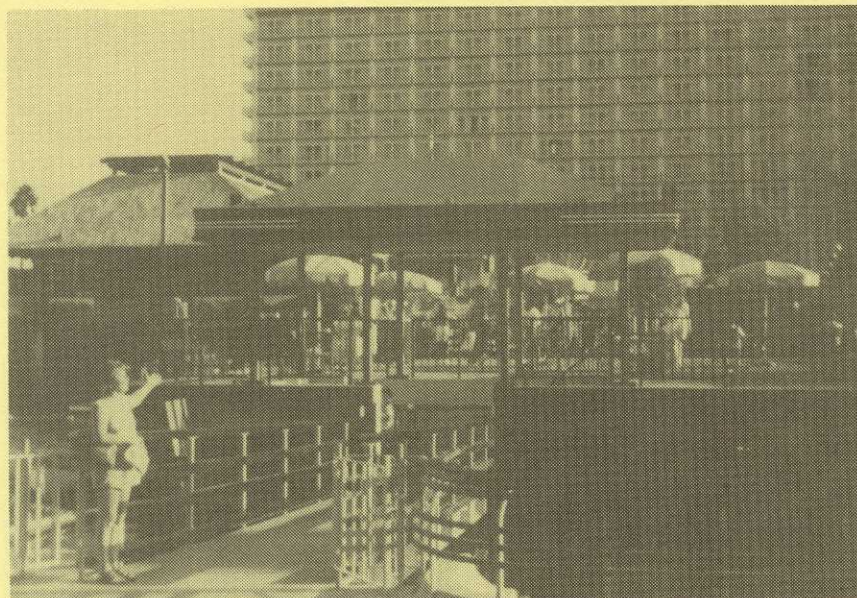


Braving the slopes of Kirkwood Ski Resort is Jerry Momoda, the new Product Manager in Marketing.



From the looks of these smiles, the Sushi is on the way Greg Rice and Cherie Collier in Maui wearing "Hachi Makis."

Mary Lopez living it up in Kaanapali on Maui.



Ann Wandelt salutes Atari Adventure at the Disneyland Hotel.

**"Come fly with me" says Piper
Cub enthusiast Jeff Bell.**



**"Look out, Marty, I think it
bites!" Marty Viljamaa at
Sun Moon Lake in Taiwan.**

**Rod Petersen tans his biceps at Pismo
Beach.**

