

NETWORK!

AN ELECTRONIC NEWSLETTER FOR THE PEOPLE OF LUCENT TECHNOLOGIES

We have a name! Here's ... Lucent Technologies

All the "sys"s and "tel"s were taken. A "net" or two may have been up for grabs, but why sound like every other company with a network?

Naming isn't easy. Ask any parent. There are no cute handbooks for naming corporations. But, fortunately, there are identity consulting firms.

Whirlwind months

And it is to them that Dave Shaver, charged with heading up the corporate naming effort, turned last fall, shortly after AT&T's restructuring was announced. Shaver, vice president - advertising and brand management, and an inter-business unit team chose Landor Associates of San Francisco, which is credited with taking the "eral" and "press" out of FedEx.

Landor immediately moved into high gear and before the three-month whirlwind was over, 699 names would lay on the cutting room floor and everything from cultural sensitivities to how the name would look painted on trucks would have been considered.

And reconsidered.

Tough process

The process was tough, says Shaver, partly because it was done in half the time it normally takes. But Landor drew on its expertise and quickly gleaned the 700 possibilities by conducting worldwide research by conducting worldwide research. It picked the brains of the public, industry leaders and customers. It listened to employees worldwide in a series of focus groups.

The new name and symbol

AT&T announced today that its systems and technology company has selected Lucent Technologies as its new name.

The naming is the latest milestone in a process that began last Sept. 20 when AT&T announced its proposed restructuring of the company into three stand-alone entities. It was announced at a worldwide broadcast to all employees of the new company.

More significance

"When you bear one of the best known names in communications, selecting a new name takes on even more significance," said Henry Schacht, the company's new chairman and CEO.

As part of the naming process, Lucent Technologies conducted interviews and focus groups with employees, customers, technical leaders and industry analysts around the world.

"The focus groups and interviews told us that the name Lucent Technologies differentiated us from AT&T and at the same time was a

strong, simple, memorable name. It suggested clarity of thought, purpose and vision and has a technological feel," Schacht said.

New logo unveiled

The company also unveiled its new logo -- a bold, red, hand-drawn circle that it dubbed "The Innovation Ring." The company name often will be linked with the endorsement line "Bell Labs Innovations."

In addition to Bell Laboratories, the research arm, Lucent Technologies is comprised of Network Systems, Business Communications Systems (formerly Global Business Communications Systems), Multimedia Ventures and Technologies, Consumer Products and Microelectronics.

Lucent Technologies also said it plans to file later today a registration statement with the Securities and Exchange Commission with respect to the previously announced proposed public offering of shares in the company. □

It's official. Use it!

The new name is official. We are now Lucent Technologies. So what difference does that make in your day?

For starters, you'll need to answer your phone differently. And, oh yes, all your business cards are destined for the recycling bin. Your half-tags are history. Your company t-shirts are collector's items.

A gradual change

Wait. The good news is, all this doesn't have to happen overnight.

According to Dave Shaver, vice president - advertising and brand management, "Most of the changes will be more of an evolution than a flash cut." So, don't expect a new sign on your building immediately, or to see all our vehicles zipping

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around with the new name and logo. Just as the company needs time to change, so, too, will it take people a little while to adjust. One thing you should do immediately is change the way you answer your phone. For the next few months, you should include the phrase "formerly AT&T's systems and technology business" in the message. For example, "This is Ellen Jackson, of Lucent Technologies, formerly AT&T's systems and technology business." This will help customers and other callers adjust to the change -- and not hang up, thinking they have the wrong number.

Ordering stationery

Sometime soon, you'll need to get new stationery and business cards. Employees dealing with customers or who have other external contacts will want to do this immediately. Shaver asks that others please wait for about a month, to let the initial rush subside.

"Initially, we're trying to take advantage of what's already in place," Shaver says. Right now, the way for employees worldwide to order is through ONE current vendor: Howard Press. Employees can use existing business stationery order forms with the name "Howard Press" in the lower right corner. (To get a faxed copy of those forms, call Rich Hoffman at 201-606-4239 or Judy Shapiro at 201-606-4203.) Also, it

is important to specify under item six that you are now with Lucent Technologies.

One company

In general, regarding names and titles, for external communications everyone in the company works for Lucent Technologies. This creates the impression we are one company, even though we have different customer sets. Lucent Technologies will often be linked with the endorsement line "Bell Labs Innovations." Bell Labs people may use the Bell Labs identity externally and often will link it with the endorsement line "Innovations for Lucent Technologies."

Massive undertaking

For internal communications, you can use your unit operating name, just as you do today. For example, here's how Clinton Belk's business card will read: Lucent Technologies, Clinton Belk, Customer Satisfaction Manager, Business Communications Systems. Colleen Conrad's will say: Lucent Technologies, Colleen Conrad, Process and Quality Manager, Consumer Products.

Changes to vehicles and buildings will be made throughout 1996. "This will be a massive undertaking during this transition year for the company," says Shaver. □

"So, what do you think?"

When the Lucent Technologies name and logo were unveiled today after months of anticipation, the reactions were as diverse as the audiences. Here's a sampling of initial reactions from some Network Systems locations:

"I thought the presentation of the new name was very exciting. I think what impressed me the most is the tremendous challenges as well as opportunities this business has. We have a new name, new identity and I think the ability to do something special."

-- Murray Hill, N.J.

"I think it's going to take some getting used to more than anything else. I'm not sure what I had in mind, but that wasn't what I expected."

-- Atlanta

"Nice to hear about it from our leaders instead of reading about it in the papers. It's a good start for the new company."

-- Cockeysville, Md.

"I was afraid they would pick something predictable. But it's very contemporary. Very progressive. I like it."

-- New York

"I hope the logo is the only red we see on the balance sheet."

-- Morristown, N.J.

"People forget that we went through the same experience with the new AT&T logo at divestiture. It takes time. It just takes time for us to adjust."

-- Atlanta

"I loved the logo! I think it's creative and conveys a sense of action. I'm a little melancholy though that we're leaving the AT&T name and family, but I'm ready for something different. I liked the new qualities they wanted to incorporate in the new company, like speed and innovation."

-- Murray Hill, N.J.

"It's different."

-- Dallas

"It's going to have to grow on me, especially the logo."

-- Atlanta

"At first I didn't take it seriously. I kept waiting for the real name."

-- Cockeysville, Md.

"I really love the new name. I think it's innovative, creative, and fun. I like the idea that it's something different and totally sets us apart. And I really like the new logo because it's bright and splashy."

-- Cincinnati

"It's cool! Very exciting -- it gives that human touch to the technical aspect of our business. I'm very pleased with the simplicity of the 'innovation ring.' I think it's attractive and different."

-- St Louis

"I was a little apprehensive before they unveiled the name but when they actually did it I found myself liking it very much. It comes without any baggage attached to it and I think it will serve the company well in the future. If we are starting a brand new company then we have to start out with a clean slate."

-- Morristown, N.J. □

Lucent board members named

On Monday, Feb. 5, Lucent Technologies announced the names of seven individuals who will join its board of directors. Initially, that board will include five people who are currently directors of AT&T. The five who will move from AT&T's board to that of Lucent Technologies are:

- Carla A. Hills, chairman and chief executive officer of the international consulting firm Hills & Company, and former U.S. trade representative.
- Drew Lewis, chairman and chief executive officer of Union Pacific Corp. and former secretary of the U.S. Department of Transportation.
- Donald S. Perkins, retired chairman of Jewel Companies.
- Henry B. Schacht, chairman and chief executive officer of Lucent Technologies and former chairman and chief executive officer of Cummins Engine Co., Inc.
- Franklin A. Thomas, president of the Ford Foundation, from which he will retire in March.

Richard A. McGinn, president and chief operating officer of Lucent Technologies also will join the new company's board. The five AT&T directors and McGinn will join the Lucent Technologies Board of Directors prior to the completion of the company's initial public offering of stock, currently scheduled for the first half of 1996. The directors will also resign from AT&T's board at that time. AT&T will retain majority control of the company until the spinoff.

Also named to the board was John Young, former chief executive officer of Hewlett-Packard Co. Young will assume his seat at the time Lucent Technologies is spun off from AT&T. In the interim, he will act as a consultant to the company. □

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would have to do three things: retain the proud images of the past (such as reliability and experience); lose some negatives (bureaucratic and pricey) and hone the image of the new company (energetic and innovative).

Numerous possibilities

Landor looked into a number of basic categories of names, says Shaver. They checked coined abstract names, such as "Microsoft;" dictionary words, such as "apple;" and industry "root" words, such as "sys" and "net." The roots didn't hold up under cold statistics that revealed their overuse. For example, naming sleuths discovered that 11,665 companies have the word "net" in their names. It would be hard to stand out in that crowd of corporate John Does.

Landor also considered the trends favored by the 1,000 or so companies that adopted new or revised names each year. These trends include a preference for shorter titles and for dropping product names, which may limit their image, from corporate names.

Careful selection

Came the day, Thursday, Jan. 4, when the leadership team of the new company gathered in New York City to select, from the finalists, the name and logo that will launch the new company. Their choice was scrutinized legally and checked against 12 languages and the customs of 60 countries for ease of pronunciation and cultural sensitivities.

Lucent Technologies, the name selected and announced Monday, Feb. 5, to all employees, is a dictionary word that means "glowing with light" and "marked by clarity." "Lucent" has been joined with the word "technologies," the underlying strength of the new business. Linking the new name to the endorsement line "Bell Labs Innovations" symbolizes the new company's roots. The symbol, "The Innovation Ring," is a hand-drawn artistic brush stroke.

It takes time

Most people don't fall in love with new names immediately, Shaver cautions. "It takes time to adapt to a new identity. Plus, it's tough to leave a powerful brand like AT&T behind."

In fact, some employees who took part in the focus groups were loathe to do that. They lobbied for the much-loved "Western Electric," a name with special meaning, but too much a part of the past. They wanted Bell Labs, which was enticing, but unavailable for legal reasons. Others saw things differently. "Don't give us an acronym," one person said.

Another employee voiced a sentiment that Shaver -- and CEO Henry Schacht, for that matter -- concur with. A sentiment that will probably prove itself true in the exciting years ahead.

"It's not your father's AT&T." □

NETWORK!

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