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WITHDRAWAL SHEET

Ronald Reagan Library

Collection Name COORDINATION OFFICE, NSC: RECORDS

Withdrawer

MJD 3/7/2013

File Folder INVITATIONS TO GORBACHEV

FOIA

F02-073/5

Box Number RAC BOX 22

COLLINS

26

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
155208	MEMO	GRANT GREEN TO JAMES HOOLEY RE INVITATIOINS	4	11/2/1987	B1
155207	MEMO	LISA JAMESON TO GRANT GREEN RE GORBY'S INVITATIONS	1	10/30/1987	B1

The above documents were not referred for declassification review at time of processing

Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

B-3 Release would violate a Federal statute [(b)(3) of the FOIA]

B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]

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B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]

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B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

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DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

Office of the Assistant Secretary
for Health
Washington DC 20201

October 16, 1987

Ms. Nancy Risque
Assistant to the President and Cabinet Secretary
The White House
Washington, D.C.

Dear Nancy:

I am enclosing a letter to the President from General Rolland V. Heiser who is the president of New College Foundation in Sarasota, Florida. He is requesting that, should General Secretary Gorbachev visit the United States, he give consideration to lecturing at the Oxford Series at New College.

I wanted to add my strong endorsement of this request and I would be most grateful if you would see that the enclosed correspondence reaches the President. Thanks very much for your courtesy in this regard.

Sincerely,

Robert E. Windom, M.D.
Assistant Secretary for Health

REW:lc

Nancy -

Dr. Windom wanted you to know that this invitation was originally extended in March of last year.

Best wishes -

Hyman Clayton



The Gateway to Excellence

October 6, 1987

The Honorable Ronald Reagan
The President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

This is to request your consideration to include Sarasota, Florida, in a possible itinerary for any future visit to our country by General Secretary Gorbachev. Such a visit could be coupled with a trip to Walt Disney World. While in Sarasota, we would be honored to have Mr. Gorbachev lecture at our Oxford Series.

Organized under the auspices of New College Foundation, the Oxford Series is intended as a forum for bringing leaders of world opinion to the campus of New College for the enrichment of our students, faculty, and loyal supporters. The Series is so entitled because New College is named and patterned after New College at Oxford. In keeping with a strong and proud tradition of liberal arts, we focus on speakers who are leaders of world opinion. Gorbachev would be an excellent addition to the program.

The Oxford Series began on January 28, 1985, with a lecture by Alexander Haig. Since then we have had Helmut Schmidt, Jeanne Kirkpatrick, Abba Eban, "Tip" O'Neill, and Madame Sadat. In February we will host Warren Burger.

In addition to the value of including Gorbachev in the Oxford Series, he might welcome the opportunity to visit Sarasota, Florida, with its excellent climate and beautiful beaches. Please consider the value of such a visit as itineraries are planned. We will be happy to provide additional information as desired or meet with your staff as necessary.

Thank you for your consideration.

Sincerely,

Rolland V. Heiser
Lt. General, USA (Ret.)
President

cbt

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155208 MEMO

4 11/2/1987 B1

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155207 MEMO

1 10/30/1987 B1

LISA JAMESON TO GRANT GREEN RE GORBY'S
INVITATIONS

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C. Closed in accordance with restrictions contained in donor's deed of gift.

RECEIVED 20 NOV 87 16

TO POWELL

FROM BARNEY, FRANK

DOCDATE 17 NOV 87

LINCHY, JENNIFER

06 NOV 87

KEYWORDS: USSR

VISIT

GORBACHEV, MIKHAIL S

CO

SUBJECT: LTR FM LINCHY RE UPCOMING GORBACHEV VISIT

ACTION: PREPARE MEMO FOR POWELL

DUE: 24 NOV 87 STATUS S FILES WH

FOR ACTION

FOR CONCURRENCE

FOR INFO

ERMARTH

BATJER

FORTIER

COMMENTS

REF#

LOG

NSCIFID

(DR)

ACTION OFFICER (S)

ASSIGNED

ACTION REQUIRED

DUE

COPIES TO

DISPATCH

W/ATTCH FILE (C)

BARNEY FRANK
4TH DISTRICT, MASSACHUSETTS

COMMITTEES:
GOVERNMENT OPERATIONS
BANKING, FINANCE, AND
URBAN AFFAIRS
JUDICIARY
CHAIRMAN,
ADMINISTRATIVE LAW AND
GOVERNMENTAL RELATIONS
AGING

Congress of the United States
House of Representatives
Washington, DC

November 17, 1987

WASHINGTON OFFICE:
1030 LONGWORTH BUILDING
WASHINGTON, DC 20515
(202) 225-5931
DISTRICT OFFICES:
437 CHERRY STREET
WEST NEWTON, MASSACHUSETTS 02165
(617) 332-3920
10 PURCHASE STREET
FALL RIVER, MASSACHUSETTS 02722
(617) 674-3551
8 NORTH MAIN STREET
ATTLEBORO, MASSACHUSETTS 02703
(617) 226-4723

Lt. General Colin Powell
Director
National Security Council
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Lt. General Powell:

I received the following letter from a constituent. I explained to her that I thought that the short time period which Mr. Gorbachev had allotted for his Washington visit made it unlikely that many events of this sort could be accommodated, but I did promise to send her letter along to you because I explained that it would be The White House and not the Congress that would be making decisions of this sort in conjunction with the Russians about Mr. Gorbachev's agenda.

I hope your office will be able to communicate directly with Ms. Linchy to tell her whether or not what she would like to do is possible.


BARNEY FRANK

BF/pah

Encl.

FR/76

November 6, 1987 V 12 1987

Barney Frank
House of Representatives
Washington , D.C. 20515

Dear Mr. Barney Frank,

I think its good that Mr. Gorbachev is coming over to America. If we show him how proud we are of our heritage , maybe the slightest little thought might pop up in his head about giving his people freedom. Also this is a great opportunity to promote peace. Even though I don't think their government is right , I still think that we could be really good friends with them. Maybe someday when were both really friendly they'll start to give their people more rights.

Mr. Frank , the reason I'm writing is that I want to help promote peace. I thought about him coming and I said "What would best represent the Americans as a whole". Then I thought about unity and how we stick together in trying times. Like when little Jessica was caught in the well or the time we did "Hands Across America". I don't think anything represents us more then the Flag of The United States of America , so Mr. Frank I would like to come to Washington and give Mr. Gorbachev a United States Flag as a gift from America in December when he comes. I'll pay for my trip to Washington and if you want you can call my parents and ask them about me. My number is (617) 947-5624 . Thank you for taking the time to read my letter and I hope to hear from you soon.

Sincerely yours,

Jennifer Linchy

RETURN ADDRESS
Jennifer Linchy
73 Freetown Street
Lakeville Mass. 02347

Phone (617) 947-5624

B-?

11/24

11

To: Mabel Batjer

From: Lisa Jamison

F41

OK

1025 Thomas Jefferson St., N.W.
Suite 303 West Lobby
Washington, D.C. 20007

Tel: 202-898-6400
Telex: 289563 JCWA-UR
Fax: 202-342-7132



Coe & Clerici, Inc.

A Company of Coe & Clerici Group

November 19, 1987

Mr. Fritz Ermath
Special Advisor to the President
on Soviet Union Affairs
The White House
The Old Executive Office Building
Southeast Corner
17th and Pennsylvania Avenue
Washington, D. C. 20005

Dear Mr. Ermath:

Following our correspondence and conversation regarding Coe & Clerici's extensive trading activities in the Soviet Union, Europe and the United States, we kindly request your assistance in securing our participation in the upcoming meetings and receptions to be held during the visit of Soviet General Secretary Gorbachev.

We appreciate your assistance and look forward to hearing from you shortly.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. S. Manasse', with a stylized flourish at the end.

R. S. Manasse
Executive Vice President

RSM/lis

NATIONAL SECURITY COUNCIL

November 27, 1987

FOR: MARYBEL BATJER
FROM: LISA JAMESON

FYI.

Jackie -
Pls. Hold

Charles Hurd -
dissem void.

Rogers & Wells
1737 H Street, N. W.
Washington, D. C. 20006

TELEPHONE (202) 331-7760
INTERNATIONAL TELEX 248439

Nov. 25, 1987

TO: MR. FRITZ ERMATH

FR: Jacque Hill

FYI.

INFO: 1 copy
PLS XEROX
send to MB
FILE: GORBY'S
INVITATIONS

200 PARK AVENUE
NEW YORK, N.Y. 10166
TELEPHONE (212) 878-8000
TELECOPIER (212) 878-8160
(212) 878-8375
TELEX 234493 RKWUR

201 NORTH FIGUEROA STREET
LOS ANGELES, CA. 90012-2638
TELEPHONE (213) 580-1000
TELECOPIER (213) 580-1234
(213) 580-1070
TELEX 194758 RWLSA

47, AVENUE HOCHE
75008-PARIS, FRANCE
TELEPHONE 47-63-11-00
TELECOPIER 33-1-4267-5081
TELEX 290617 EURLAW

58 COLEMAN STREET
LONDON EC2R 5BE, ENGLAND
TELEPHONE 01.628.0101
TELECOPIER 441-638-2008
TELEX 884964 USLAW

Rogers & Wells
1737 H Street, N.W.
Washington, D.C. 20006

TELEPHONE (202) 331-7760

TELECOPIER (202) 331-0463

TELEX 248439 WASHUR

William P. Clark
of Counsel

November 24, 1987

The Honorable
Howard Baker
Chief of Staff
The White House
Washington, D. C. 20500

Dear Howard:

Our mutual friend, Chalres E. Hugel, President and Chief Executive Officer of Combustion Engineering and Chairman of the Board of R. J. Reynolds-Nabisco Company, is desirous of joining the President, Party Chairman Gorbachev and you at the State Dinner on December 8.

Howard, as you may tell from the attached information, Charles is an indispensable member to the political-business process occurring between the Soviet Union and the United States.

Sincerely,



William P. Clark

P.S. Yet to be announced is a commitment by Combustion Engineering to cosponsor a seven-concert tour of the Soviet Union by the New York Philharmonic orchestra in May and June next year. This, of course, would be of special interest to Mrs. Gorbachev in her capacity as Minister of Culture for the Soviet Union. It is the intent of the Philharmonic that this tour, which may well include joint performances with the Moscow Symphony, be announced at the time of the Summit meeting next month.

bcc: Mr. Fritz Ermath

16
FOR IMMEDIATE RELEASE

COMBUSTION ENGINEERING ESTABLISHES
JOINT VENTURE WITH SOVIET UNION

Joint Venture to Provide Instrumentation
and Controls, Develop Software for Hydrocarbon Industry

MOSCOW, November 11 -- Combustion Engineering Inc. and the Soviet Union's Ministry of Oil Refining and Petrochemical Industries have agreed to establish a joint venture in the USSR to provide instrumentation and control products and develop software for the hydrocarbon processing industry, C-E reported today.

The joint venture is believed to be the first to be established between the USSR and an American industrial firm under the Soviet Union's new policy allowing Western concerns to own a share of Soviet industries.

The agreements were signed here today by Nikolai V. Lemaev, Minister of the Oil Refining and Petrochemical Industries of the USSR, and Charles E. Hugel, President and Chief Executive Officer of Combustion Engineering.

The venture to be known as Applied Engineered Systems will be 49 percent owned by Combustion Engineering and 51 percent owned by the Ministry. C-E said the company is expected to begin operations by January 1, 1988.

- more -

Mr. Hugel said, "This is an historic event for our nations, for the Ministry and for our Company."

The new venture will eventually manufacture instrumentation and control products for the hydrocarbon industries. The venture also will develop software programs for process simulation, control and optimization. These activities will be phased-in as U.S. Government regulatory approval is obtained.

The venture's products and technologies are expected to help achieve higher industry productivity by improving yields, enhancing process selectivity, reducing energy consumption and increasing catalyst life.

Its management will include a Soviet general director and a C-E deputy general director in charge of operations. C-E said the management will report to a board consisting of three Soviet and two C-E directors.

C-E is currently upgrading a process control system for an ethylene plant at the USSR's Nijnekamsk petrochemical complex under a \$12 million contract awarded in 1986. When completed in 1988, the system will perform control and optimization functions for the facility, resulting in improved yield and reduced energy consumption.

Combustion Engineering provides engineered products, systems and services to the worldwide power generation, process and public sector markets. The company had sales in 1986 of \$2.55 billion.

#

C-1108
11/11/87

HIGH-LEVEL MOONLIGHTER: Charles E. Hugel

Tackling the Top Job at Two Companies

By CLAUDIA H. DEUTSCH

LAST month, when RJR-Nabisco named as its chairman Charles E. Hugel, Combustion Engineering's chief executive, eyebrows shot up throughout the business community. Why, people asked, would an Atlanta consumer products company pick an Easterner who has no packaged goods experience, has never worked for RJR, and has his hands full running a \$2.7 billion company some 900 miles away?

And why would Mr. Hugel accept? No one could cite another example of one company's chief doubling as another's chairman. Even though a board chairmanship is, in a sense, ceremonial, it still requires time and travel. "My jaw dropped," one analyst who follows Combustion Engineering said at the time.

Both Mr. Hugel and F. Ross Johnson, RJR's chief, say dropped jaws are uncalled for. But until now, Mr. Johnson refused to discuss his motivations. And his silence has provided a field day for Wall Street gossips, all of whom have pet theories to offer.

Take, for example, the checks-and-balances theory. Both Mr. Johnson, from the Nabisco side of the corporate family, and Edward J. Horrigan Jr., head of the Reynolds tobacco business, have reputations as extremely strong executives. "You needed a strong outsider to be a referee," said Roy D. Barry, an analyst with Kidder, Peabody.

Then there is the smoothing-ruffled-feathers theory. Over the past few years, Mr. Johnson has moved people around like so many chessmen. RJR's international tobacco business has been moved from Winston-Salem to London; headquarters staff has shifted to Atlanta. Food divisions, meanwhile, are being consolidated in New Jersey. "You move that many people around, you create a lot of sparks," said one analyst. "He needed a calming influence."

And why couldn't an RJR executive have played these roles? Turn to the paranoia theory. "The one thing Ross Johnson doesn't want is a rival on the board," said Robert W. Back, an analyst with Rodman & Renshaw. "Hugel has a full-time job, so he won't be a major policy-making factor."

To Mr. Hugel and Mr. Johnson, the theories are so much hogwash. Mr. Hugel is already an RJR director, they point out. And the two men are personal friends. "His track record speaks for itself, and he knows our business extremely well," said Mr. Johnson, breaking his month-long silence. "Why did I do it?" Mr. Hugel asked. "Simple. Ross asked me to."

Somehow, whenever Charlie Hugel seems headed down a predictable path, someone asks a question, makes a suggestion, or otherwise gets him to spin around and point elsewhere.

As a boy, growing up in a tiny apartment in Plainfield, N.J., during the Depression — in a one-parent home where education was not stressed — Mr. Hugel was happily en route to a mechanic's career. Then, two teachers took him in tow, gave him make-up courses, and aimed him toward a degree.

Result: It took him an extra year to get through high school, but he wound up at Lafayette College — studying psychology. "It seemed the best route to a job back then," he said with a laugh. By the time he graduated and finished an Army stint, that was no longer the case. He signed on with the American Telephone and Telegraph Company as a student engineer.

Skip ahead to 1982. Mr. Hugel had spent 30 years rising through the phone company's hierarchy. In his final job, as executive vice president, he was a prime architect of A.T.&T.'s 1980 breakup.

If anyone was pegged as a company lifer, it was Charlie Hugel. But his reputation as one of A.T.&T.'s more marketing-oriented managers had made it beyond the phone company's walls. So along came Arthur Santry, Combustion Engineering's chief executive, with an impossible-to-refuse offer to sign on as his successor. At age 54, Mr. Hugel switched careers.

NOW, after five arduous years of overhauling Combustion Engineering, Mr. Hugel should have been ready to take it easy. He lives only 10 minutes by car from the company's Stamford, Conn., headquarters; he had a chance to play some golf or baseball, to chop wood, to spend time with Nina, his wife of 35 years, to do all of the things he likes

best. Mr. Johnson's request knocked all those plans into a cocked hat.

Some analysts have hinted that Mr. Hugel is on an ego trip. But people close to him say that is ridiculous. "He is ambitious, not for himself, but

for the company," said Dale E. Smith, Combustion's vice president of human resources. He notes that the connection to RJR, a \$16 billion company, could be quite helpful as Combustion Engineering pushes for more overseas business.

Even if there were no such benefit, others say, Mr. Hugel would have agreed to Mr. Johnson's request. "At Charlie's level, personal and professional commitments are indistinguishable," said Ray A. Fortney, president of the Impell Corporation, which Mr. Hugel acquired in 1984. "It would be out of character for him to walk away from a commitment."

Such accolades from a subordinate would please any chief executive. But to Mr. Hugel, who still smarts from being referred to as a "tyrant" in a recent Forbes magazine article, they are particularly gratifying.

For these have been trying times for Mr. Hugel. He is someone who speaks of responsibilities to people with a fervor that most executives reserve for comments about responsibilities to shareholders. But he has had to turn Combustion Engineering's product lines and organization chart upside down and inside out. And you cannot do that to a corporate culture without alienating those executives who have been steeped in it.

"We had to change a lot of senior managers, including veterans who felt they were experts in their business," Mr. Smith said. "Some were fairly bitter."

"You could not have spent 30 years in the Bell System and not care about people," Mr. Hugel said, during a recent conversation in his spartan but comfortable office. "But it has been tough sledding here, and it didn't make me popular."

No one who followed the vicissitudes of Combustion Engineering in the early 1980's would have envied Mr. Hugel his job. In 1981, the energy industry was on a spending spree: Orders for plants, oil rigging equipment and other mainstay Combustion products were rolling in. Mr. Hugel, it

seemed, would be taking over a company that could almost run itself.

But scarcely three months after he joined Combustion in September 1982, the roof caved in. Orders slowed to a trickle, as the energy and process industries fell victim to declining oil prices and the lingering effects of recession. Mr. Hugel had the dubious distinction of presiding over one of the most precipitous drops in revenue and income in the 75-year-old company's history.

As the new broom, he was forced to sweep clean. He got rid of oil patch-related businesses that, in their heyday, had accounted for \$1.1 billion, about a third of the company's revenues. And he lopped off a formidable number of people. When Mr. Hugel joined the company, its work force amounted to about 42,000 people. Today there are about 28,000 on payroll.

The latest challenge for Combustion Engineering's chief: Being chairman of RJR.

— and only 14,000 of these were with Combustion in the pre-Hugel days.

Rather than look for new markets, Mr. Hugel tried to change along with his customers. There would be little call for huge new plants, he reasoned. But energy and process companies would be clamoring for help in keeping existing plants humming.

Thus, as quickly as he divested businesses whose time, he felt, had gone, Mr. Hugel acquired Taylor Instrument, Impell, a whole assortment of high-tech service companies. This year, Combustion made a successful hostile run at the Accuray Corporation, a Columbus, Ohio, maker of computer-based production control systems. And it purchased Afora, a software company in Helsinki.

Service-related revenues now account for 60 percent of the company's sales. Kevin Pilon, a Combustion spokesman, predicts they will hit 70 percent by the early 1990's.

MR. HUGEL brought his psychology training into play during the buying binge. "He understood the hurt and fear," said Mr. Fortney of Impell, who says Impell's managers were furious because they had no notice of the acquisition. "In large part because of Charlie Hugel, none of the senior managers quit."

Even David L. Nelson, who, as chief of Accuray, fought the takeover, has been won over. "We haven't lost our culture or identity or feeling of pride in the Accuray name," he said.

Now, the buying spree has run its course. "I don't feel the need to make any major acquisitions in the near future," Mr. Hugel said. "We're not trying to make a big company, we're trying to make a good company."

That goal remains somewhat elusive. Combustion Engineering is solidly in the black now, and Mr. Hugel says it will end 1987 with the largest backlog of orders in its history.

But it has yet to clock three consecutive quarters of improved earnings. For the first six months of this year, its revenues were \$1.36 billion, up only slightly from \$1.21 billion in the first half of 1986. And 1987's first-half profits were \$23.7 million, down from \$28.3 million the year before.

Combustion's stock is trading in the \$40 range, nowhere near its high of \$54.75 at the end of 1980 but a lot better than the \$20.50 it had plunged to in 1982. Most analysts have the company on their "hold" lists.

Mr. Hugel, meanwhile, continues to tinker with Combustion's structure, in an attempt to bring together businesses that can sell their services as a package. For example, Accuray, Taylor, Afora and a few other related companies are now all part of Combustion's newly created Process Automation Business. Its goal: offer start-to-finish automation for paper and process mills. The units will report through a new Office of the President, set up by Mr. Hugel this month.

SUCH changes have not all gone down smoothly with executives, and Mr. Hugel has beefed up the company's human resources staff to help ease the transition. "We have set up a management development organization here that a T. Boone Pickens might think is a costly frill, but that we feel is essential," Mr. Hugel said.

Earlier last year, Mr. Smith, with Mr. Hugel's endorsement, conducted a companywide attitude survey that showed people wanted more development opportunities and more communication. Combustion has since set up intracompany lunches, published internal newsletters, run in-house workshops to discuss culture change, and sent numerous managers back to school for an M.B.A. degree. "We had been an insulated company," Mr. Hugel said. "We need to expose our people to leading edge thinking."

The newly minted M.B.A.'s will find plenty to do at Combustion. At Mr. Hugel's behest, the company has set up a financial marketing group. Originally intended to help customers get financing, it has evolved into a profitable venture capital group.

What's more, Combustion is using its purchasing dollars to create a source of international capital, buying many items in South Korea, India or other countries where governments lend money to companies that support their industries.

The company has also injected some much needed financial efficiency into its administrative practices. As recently as 1984, there were some 50 different payroll operations at various Combustion units. Today, the company is centralizing payroll, accounts payable, data processing, tax reporting, and other basic accounting functions. An "internal board of directors," composed of four key unit heads and Mr. Smith, will monitor the centralized systems.

Mr. Hugel continues to soothe frayed nerves at Combustion. He is revamping Combustion's compensation plan, but has not tampered with incentive systems at the acquired units or meddled much in their day-to-day operations. Nor has he forced executives of the companies to move to Stamford. He and his wife enjoy visiting them on their own turf.

And he consistently elicits their opinions — and offers his. "Charlie loves to wander around, join meetings, just drop in and talk," said Mr. Fortney of Impell. Added Mr. Smith: "He enjoys finding out what his people think about the company."

Such questioning can take novel forms. At a recent conference, he asked executives to write down the "highlights" of a newspaper article about the company as it would appear in 1995, then spent three days brainstorming about what they wrote. (One consensus: Even without further acquisitions, Combustion's revenues would top \$5 billion by then).

"He is a visionary, and he gets his people to think long term," said Mr. Nelson, the former Accuray chief who is now president of the new Process Automation Business. He paused, then added: "We've become Charlie Hugel's biggest fans."

Maybe — but if so, RJR's Mr. Johnson is a close second. "Charles Hugel is one of the top executives in the country," he said.

Mr. Hugel plays down the compliment, but only a bit. He would, in fact, add a complementary-skills theory to the mixed bag of rationales for his appointment as RJR's chairman.

"My background is in operations and developing people; Ross's is financial," Mr. Hugel said. "He has always bounced ideas off me. Now he's formalizing that relationship."