

**Well Workplace Award  
Executive Summary**

**Maxtor  
Corporation**  
*Silver Award*

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## **General Information**

### **WELL WORKPLACE**

*Silver Application*

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#### **Basic Information**

**Name of Organization:** Maxtor Corporation

**Address of Organization:** .

**Council Affiliation:** N/A

**Contact Person:** Kristin Wehner

**Title:** Wellness Program Director

**Work Telephone:** .

**Fax Number:**

**E-Mail Address:**

**Alternate Contact:** Kathy A. Knudsen, Account Manager, .

**Parent Organization:** Not Applicable

**Number of Sites Covered by this Application:** Three product development operations located in the United States

**Number of Employees Covered by this Application:** 2065

**Nature of Business or Industry:** Manufacturing & Technology

**Name of CEO:** Paul Tufano, President and Chief Executive Officer

**Date of Application:** December 19, 2003

## **Preface: Narrative**

Maxtor Corporation is one of the world's largest suppliers of hard disk drive storage products and solutions to global PC manufacturers, corporations and individuals. Maxtor has three product groups. Each group provides hard disk drive-based products and solutions to Maxtor's core market segments that include personal and entertainment, small office and home office, mid-sized business and enterprise. From the desktop, to the enterprise, to consumer electronics, Maxtor is committed to customer satisfaction. This commitment, along with their focus on innovation in technology and quality in design, provide the foundation for their success.

Founded in 1982, Maxtor has brought together an experienced visionary executive team, enabling the company to become one of the most agile in the industry. In April 2001, Maxtor acquired Quantum HDD to create one of the largest hard disk drive companies in the world. In September 2001, Maxtor acquired MMC Technology, Inc., allowing the company to vertically integrate and manufacture media used in its hard disk drives. These strategic acquisitions give Maxtor the agility and global resources necessary to provide a full line of consumer, personal and enterprise storage solutions.

Traded on the NYSE under the MXO symbol, Maxtor had fiscal year 2002 revenues of \$3.8 billion. Maxtor is headquartered in Milpitas, California with product development operations in Longmont, Colorado and Shrewsbury, Massachusetts. The company also has numerous sales and service facilities located throughout the world. Maxtor employs a worldwide workforce of approximately 12,500.

Maxtor's Vision Statement is *"Storage is a key enabler for many of the next generation technology products. Maxtor is a storage industry leader."* It's mission is *"To strengthen and grow our leadership position by providing storage products across a range of market segments, including hard disk drives, storage systems, high-performance servers and consumer electronics."*

The Wellness Program at Maxtor has evolved over the years. From 1982 to 2000 prior to both acquisitions, the majority of the US employee population was based in Longmont, Colorado (~1200), with some employees in Milpitas, California (~400). There was not a formal "wellness program," but a handful of health and fitness initiatives were offered as part of Maxtor's Quality of Work Life Program (QWL). These initiatives included periodic health information, on-site massage services, free flu shots, a small annual health fair, and a contract with the commercial fitness center, *24 Hour Fitness*, for discounted corporate memberships.

In 2000, Maxtor made plans to move all of their Longmont employees that were spread across multiple locations into one centralized building. As part of the renovation, senior management wanted to include an on-site fitness center for their employees. They formed a seven-member Fitness Committee comprised of predominately senior level management to tackle this possibility. In May of 2000, Maxtor hired HEALTHBREAK, a worksite wellness management company, to provide consulting services to guide them in this decision. HEALTHBREAK provided cost and space requirement projections as well as conducted an employee survey to determine interest and feasibility. All indications proved positive and resulted in the inclusion of an onsite fitness facility when the building opened in early 2001. HEALTHBREAK was awarded the management contract to staff the fitness center in Longmont, to champion the existing initiatives, as well as implement other behavior change programs, incentive challenges and health education seminars.

A formal Wellness Committee was formed in the fall of 2001. Through this Committee, the vision and mission for the program was developed which reads: *"The Maxtor Wellness Program is dedicated to developing a culture which encourages healthy lifestyle choices and attitudes that benefit our employees and families, while establishing Maxtor as an industry leader in worksite health promotion."*

The acquisitions of Quantum HDD and MMC Technology, Inc. across 2001, not only significantly increased Maxtor's employee population, but also resulted in the acquisition of Quantum's existing wellness program which included health seminars, screenings and fitness facilities at the Milipitas and Massachutes locations. BaySport, another corporate fitness center management company, administered these services. Independent services were maintained across 2001 and in 2002 the overall direction for Maxtor's Wellness Program was awarded to HEALTHBREAK, with management of the respective fitness centers staying with the original management companies.

Currently the Wellness Program, including the fitness centers, fall within Maxtor's Quality Work Life Program. Since QWL brings many benefits to Maxtor employees to enhance their work life, it is fitting that the Wellness Program is an extension of that effort. QWL falls within the management of the human resources department, and a human resource manager appointed is to oversee the HEALTHBREAK and BaySport contracts and serve as the liaison for the overall Wellness Program.

HEALTHBREAK, with tremendous partnership from BaySport, has worked hard to streamline the pre-acquisition offerings at all three primary locations as well as add many new components. The current functions of the Wellness Program include but are not limited to:

- ✓ Develop an annual plan with associated budget for the Wellness Program
- ✓ All wellness communications, including: a quarterly newsletter, web-site, and marketing of all programs and events
- ✓ Coordinate the Maxtor Wellness Committee and facilitate monthly committee meetings
- ✓ Provide professional staffing at all fitness centers
- ✓ Maintain records tracking all fitness and wellness programs, including participation
- ✓ Implement all-company behavior change programs, incentive programs, health screenings, health fairs, and sponsored events
- ✓ Evaluate and report on all programs, services, and budget
- ✓ Assist Maxtor management with yearly goal setting for fitness and wellness programs
- ✓ Provide on-going communication and guidance to Maxtor for complete integration of fitness facility and wellness programs into overall corporate culture
- ✓ Provide an end of year report summarizing the fitness and wellness programs and their impact, including recommendations for the future