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June 17, 1985

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XEROX

The Honorable Charlie Rose
Chairman
Subcommittee on Office Systems
Committee on House Administration
722 House Office Building Annex 1
Washington, D.C. 20515

Dear Congressman Rose:

This is in response to your May 15th letter requesting a statement from us as to the current business activity of Xerox or its subsidiaries "with the country of South Africa".

Xerox' business activity in South Africa, which represents less than 1% of our world-wide revenues, is conducted by Rank Xerox of South Africa, Ltd., a wholly-owned subsidiary of our U.K.-based affiliate, Rank Xerox, Ltd. That subsidiary markets copiers, duplicators, and office systems and products throughout South Africa and Namibia. It does not manufacture products in South Africa but imports from Xerox manufacturing facilities in other countries. Most of its business in South Africa comes from industry there, with the entire public sector accounting for only about 15% of the total.

Xerox is a signatory of the Sullivan Principles and is rated at the highest level under the Sullivan rating system. Xerox facilities in South Africa are fully integrated, with equal benefits for whites and non-whites, equal pay for equal work, minimum pay very substantially above the South African equivalent of a minimum wage, and programs to assist non-white employees outside the work environment. Our company there has a number of training programs aimed specifically at helping black employees advance their careers. In addition, children of non-white employees are given special grants to help finance their educations. Less-advantaged employees are provided with special loans and loan guarantees to assist them to purchase or improve their own homes. Approximately one-third of our total workforce in South Africa is non-white.

In short, while our business in South Africa is a small one, we are strongly committed to the Sullivan Principles and have been making steady efforts, with considerable success, to increase and improve career opportunities and the quality of life for our black South African employees and their families.

I would be happy to provide any further information you may need.

Sincerely,

Richard M Herson

Richard M. Herson
Vice President
Federal Government Operations

RMH:fmd

Carole Amato
Notary

*My commission expires
July 9, 1985*

Carole Amato, State of Virginia

