

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **1994-01-10** | Period of Report: **1993-11-27**
SEC Accession No. **0000096879-94-000004**

([HTML Version](#) on [secdatabase.com](#))

FILER

TEKTRONIX INC

CIK: **96879** | IRS No.: **930343990** | State of Incorporation: **OR** | Fiscal Year End: **0531**
Type: **10-Q** | Act: **34** | File No.: **001-04837** | Film No.: **94500775**
SIC: **3825** Instruments for meas & testing of electricity & elec signals

Mailing Address

*P O BOX 100
WILSONVILLE OR 97070-1000*

Business Address

*2660 SW PKWY
WILSONVILLE OR 97070
5036277111*

=====

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

Quarterly Report Pursuant to Section 12 or 15(d) of the Securities Exchange Act of 1934 for the 13 weeks ended November 27, 1993, or

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from _____ to _____ .

Commission File Number 1-4837

TEKTRONIX, INC.

(Exact name of registrant as specified in its charter)

OREGON

93-0343990

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

26600 S.W. PARKWAY
WILSONVILLE, OREGON

97070-1000

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: (503) 627-7111

NOT APPLICABLE

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

AT JANUARY 03, 1994 THERE WERE 30,302,695 COMMON SHARES OF TEKTRONIX, INC. OUTSTANDING.

(Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.)

Financial Statements:

Condensed Consolidated Balance Sheets - May 29, 1993 and November 27, 1993	2
Consolidated Statements of Operations - for the Thirteen Weeks Ended November 27, 1993 and the Thirteen Weeks Ended November 28, 1992 for the Twenty-Six weeks Ended November 27, 1993 and the Twenty-Six Weeks Ended November 28, 1992	3
Condensed Consolidated Statements of Cash Flows - for the Twenty-Six Weeks Ended November 27, 1993 and the Twenty-Six Weeks Ended November 28, 1992	4
Notes to Condensed Consolidated Financial Statements	5
Management's Discussion and Analysis of Financial Condition and Results of Operations	7
Part II. Other Information	11
Signatures	11

TEKTRONIX, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)

<TABLE>
<CAPTION>

(In thousands)	Nov. 27, 1993	May 29, 1993
<S>	<C>	<C>
Assets		
Current assets:		
Cash and cash equivalents	\$ 27,528	\$ 30,004
Accounts receivable - net	223,627	248,514
Inventories	182,077	171,416
Other current assets	55,967	65,778
	-----	-----
Total current assets	489,199	515,712
Property, plant, and equipment	775,534	793,174
Accumulated depreciation and amortization	(550,536)	(557,340)
	-----	-----
Property, plant, and equipment - net	224,998	235,834
Property held for sale	39,157	38,489
Long term deferred tax assets	90,954	88,629
Other long-term assets	99,164	105,841
	-----	-----
Total assets	\$ 943,472	\$ 984,505
	=====	=====
Liabilities and shareholders' equity		
Current liabilities:		
Short-term debt	\$ 41,552	\$ 69,481
Accounts payable	132,056	157,555
Accrued compensation	78,610	106,464
	-----	-----
Total current liabilities	252,218	333,500
Long-term debt	100,034	70,073
Other long-term liabilities	147,137	145,988
Shareholders' equity:		
Common stock	193,041	190,984
Retained earnings	205,245	193,221
Currency adjustment	45,797	50,739
	-----	-----
Total shareholders' equity	444,083	434,944
	-----	-----
Total liabilities and shareholders' equity	\$ 943,472	\$ 984,505
	=====	=====

</TABLE>

The accompanying notes are an integral part of these condensed consolidated financial statements.

TEKTRONIX, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

<TABLE>

<CAPTION>

(In thousands (except for per share amounts))	13 weeks to Nov. 27, 1993	13 weeks to Nov. 28, 1992	26 weeks to Nov. 27, 1993	26 weeks to Nov. 28, 1992
<S>	<C>	<C>	<C>	<C>
Net sales	\$ 317,165	\$ 333,485	\$ 607,235	\$ 638,109
Operating costs and expenses:				
Cost of sales	171,951	169,645	326,152	329,763
Research and development	37,105	39,998	73,237	78,043
Selling, general, and administrative	88,703	104,616	172,635	196,309
Total operating costs and expenses	297,759	314,259	572,024	604,115
Equity in joint venture (losses)	(299)	(98)	(1,416)	(1,551)
Operating income	19,107	19,128	33,795	32,443
Other expense - net	1,750	6,351	5,143	10,337
Earnings before taxes	17,357	12,777	28,652	22,106
Income taxes	5,902	4,344	7,466	7,516
Earnings before cumulative effects of accounting changes	11,455	8,433	21,186	14,590
Cumulative effects of accounting changes:				
Income taxes	--	--	--	38,100
Postretirement benefits (net of tax)	--	--	--	(34,775)
Net earnings	\$ 11,455	\$ 8,433	\$ 21,186	\$ 17,915
Earnings per share before cumulative effects of accounting changes	\$ 0.37	\$ 0.28	\$ 0.69	\$ 0.49
Earnings per share	0.37	0.28	0.69	0.60
Dividends per share	0.15	0.15	0.30	0.30
Average shares outstanding	30,608	29,915	30,558	29,806

</TABLE>

The accompanying notes are an integral part of these condensed consolidated financial statements.

TEKTRONIX, INC. AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
 (unaudited)

<TABLE>

<CAPTION>

(In thousands)	26 weeks to Nov. 27, 1993	26 weeks to Nov. 28, 1992
<S>	<C>	<C>
Cash flows from operating activities:		
Net Earnings	\$ 21,186	\$ 17,915
Adjustments to reconcile net earnings to cash flows from operating activities:		
Cumulative effect of accounting changes:		
Income taxes	--	(38,100)
Postretirement benefits	--	34,775
Depreciation expense	27,623	30,772
Accounts receivable	16,988	1,509
Inventories	(12,774)	23,451
Other Current Assets	9,087	2,864
Accounts Payable	(21,573)	(30,050)
Income taxes payable	148	(26,491)
Accrued compensation	(26,636)	(5,852)
Other - net	866	(314)
Net cash provided by operating activities	14,915	10,479
Cash flows from investing activities:		
Acquisition of property, plant, and equipment	(27,072)	(25,672)
Proceeds from sale of assets	6,505	7,065
Proceeds from sale of investments	9,378	--
Net cash used in investing activities	(11,189)	(18,607)
Cash flows from financing activities:		
Net (decrease) increase in short-term debt	(26,917)	25,123
Issuance of long-term debt	100,000	--
Repayment of long-term debt	(70,039)	(3,042)
Issuance of common stock	675	4,856
Dividends	(9,162)	(8,926)
Net cash provided (used) by financing activities	(5,443)	18,011
Effect of exchange rate changes on cash	(759)	(1,513)
(Decrease) increase in cash and cash equivalents	(2,476)	8,370
Cash and cash equivalents at beginning of year	30,004	18,402
Cash and cash equivalents at end of quarter	\$ 27,528	\$ 26,772
Supplemental disclosures of cash flows:		
Income taxes paid	\$ 2,632	\$ 30,950
Interest paid	2,339	5,194

</TABLE>

The accompanying notes are an integral part of these condensed consolidated financial statements.

TEKTRONIX, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

BASIS OF PRESENTATION

The condensed consolidated financial statements and notes have been prepared by the Company without audit. Certain information and footnote disclosures normally included in annual financial statements, prepared in accordance with generally accepted accounting principles, have been condensed or omitted. Management believes that the condensed statements include all necessary adjustments (which are of a normal and recurring nature, except for the adjustment to deferred tax assets described below under 'Income Taxes' and the prior year's changes in accounting methods) and are adequate to present financial position, results of operations and cash flows for the interim periods. The condensed information should be read in conjunction with the financial statements and notes incorporated by reference in the Company's latest annual report on Form 10-K.

INVENTORIES

Inventories consisted of:

<TABLE>

<CAPTION>

(In thousands)	November 27, 1993	May 29, 1993
<S>	<C>	<C>
Materials and work in process	\$ 100,059	\$ 87,867
Finished goods	82,018	83,549
	-----	-----
Inventories	\$ 182,077	\$ 171,416
	=====	=====

</TABLE>

SHORT-TERM AND LONG-TERM DEBT

In the first quarter of 1994, the Company issued \$100.0 million of 7.5% Notes due August 1, 2003. Proceeds were used to repay bridge financing of \$70.0 million and to reduce short term revolving credit debt.

INCOME TAXES

The provision for income taxes consisted of:

<TABLE>

<CAPTION>

(In thousands)	13 weeks to Nov. 27, 1993	13 weeks to Nov. 28, 1992	26 weeks to Nov. 27, 1993	26 weeks to Nov. 28, 1992
<S>	<C>	<C>	<C>	<C>
United States	\$ 4,957	\$ 554	\$ 5,402	\$ 1,944
State	735	138	1,350	486
Foreign	210	3,652	714	5,086
	-----	-----	-----	-----
Income taxes	\$ 5,902	\$ 4,344	\$ 7,466	\$ 7,516
	=====	=====	=====	=====

</TABLE>

The provision for income taxes was calculated at an estimated annual effective rate of 34%. The provision for the quarter ended August 28, 1993 was reduced by a gain of \$2.2 million on recalculation of deferred income tax benefits, primarily as a result of the enactment of federal tax legislation increasing the corporate income tax rate from 34% to 35%. The current year provisions were primarily for United States taxes, while the prior year provisions were primarily for foreign taxes, reflecting the shift in net earnings from foreign to United States sources.

CONTINGENCIES

The lawsuit described in Item 3., Legal Proceedings, of the Company's Annual Report on Form 10-K for the fiscal year ended May 29, 1993 has been settled. The settlement does not have a material adverse effect on the Company's financial position or results of operations.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Financial Condition

The Company believes that its financial condition is strong. Cash flow from operating activities and borrowing capacity from existing lines of credit are sufficient to meet current and anticipated future needs. At the end of the second quarter (November 27, 1993), the Company maintained bank credit facilities totalling \$280.9 million, of which \$239.3 million was unused. The unused facilities include \$89.3 million in lines of credit and \$150.0 million under a revolving credit agreement from United States and foreign banks. On August 10, 1993 the Company issued \$100.0 million of 7.5% notes due August 1, 2003. Proceeds were used to repay bridge financing of \$70.0 million and to pay down short term revolving credit debt.

Current assets decreased by \$26.5 million, or 5%, from the prior year end, primarily due to reductions in accounts receivable and other current assets, partly offset by an increase in inventories. The reduction in accounts receivable resulted from a lower weekly average sales rate compared to the prior year's fourth quarter rate. Inventories increased by \$10.7 million primarily in anticipation of higher levels of sales. Other current assets declined due to amortization of prepaid taxes and other expenses.

Net property, plant and equipment declined by \$10.8 million as depreciation, dispositions and currency effects exceeded new capital additions. Long-term deferred tax assets increased by \$2.3 million primarily due to the recently enacted federal tax legislation which raised the corporate tax rate from 34% to 35% and thus enhanced the value of the Company's deferred tax assets. In order for the Company to realize all deferred tax assets currently recognized, future taxable income must be at least comparable to recent amounts. Although the Company believes such taxable income levels will be achieved, lower amounts could negatively affect the provision for income taxes in future years. Other long-term assets decreased by \$6.7 million due primarily to the sale of a portion of the Company's minority investments in Credence Systems Corporation and TriQuint Semiconductor, Inc.

Current liabilities declined by \$81.3 million or 24%. Short-term debt decreased \$27.9 million as part of the proceeds from issuance of the 7.5% notes due August 1, 2003 was applied to repayment of revolving credit debt. Accounts payable decreased \$25.5 million primarily because of the timing of trade payables, the payment of some restructuring liabilities and the seasonal payment of accrued property taxes. Accrued compensation decreased \$27.9 million due to the payment of year-end accruals for incentives and commissions, reductions in vacation accruals by summer time off and the payment of employee severance charged against restructuring reserves.

Shareholders' equity increased by \$9.1 million, or 2%. Common stock rose \$2.1 million due to activity under the Company's stock incentive plans, offset in part by the repurchase of shares. Retained earnings increased by \$12.0 million as net earnings exceeded dividends paid. The reduction in currency adjustment of \$4.9 million resulted from the effect on the Company's investments in subsidiaries and affiliates of decreases in the value of European currencies versus the U.S. dollar, partly offset by the strength in the Japanese Yen.

Results of Operations

26 Weeks Ended November 27, 1993

vs.

26 Weeks Ended November 28, 1992

In the first half of fiscal 1994, net earnings were \$21.2 million, or \$0.69 per share compared with \$17.9 million, or \$0.60 per share in the first half of fiscal 1993. The current year includes a gain of \$2.2 million or \$0.07 per share from recalculation of deferred tax benefits because of the enactment of tax legislation increasing the corporate income tax rate, and a gain of \$2.2 million, or \$0.05 per share after taxes, from the sale of a portion of the Company's interest in TriQuint Semiconductor, Inc. The prior year includes the net effect of two accounting changes which increased earnings by \$3.3 million, or \$0.11 per share.

Net Sales were \$607.2 million, or 5% below the prior year's total of \$638.1 million. Test and Measurement sales and Television Systems sales declined, while Computer Graphics sales continued to show good growth compared to the same period of the prior year.

Test and Measurement sales of \$300.3 million were down 10% from the prior year reflecting the continuation of recessionary economies in Europe and Japan and weakness in some major industrial markets.

Computer Graphics sales increased 11% to \$184.3 million, with strong growth in both color printers and X terminals, partly offset by the continuing decline in revenue from older graphics terminals and related service.

Television Systems sales declined 11% to \$122.7 million, with most of the decline coming in television production equipment. Both television production equipment and television test equipment sales were impacted by the continued weak economies in Europe and Japan. Television production equipment sales were particularly strong in the prior year's first quarter, reflecting high initial shipments of the Model 3000 digital switcher which was introduced in the spring of 1992.

Sales to customers in the United States declined slightly from \$349.6 million to \$348.5 million, representing 57% of total sales. International sales of \$258.7 million were down 10%, due to the weak economies mentioned above.

8

Cost of sales increased as a percentage of net sales from 51.7% to 53.7%. The increase was caused by the geographic mix of sales, a continuing shift in the mix of sales toward products with lower margins due to the use of alternative distribution channels, and by impacts of a stronger Yen.

Research and development expenses declined by 6% to \$73.2 million as the Company continues to focus its resources on its three core businesses. R&D expense represented 12.1% of sales, down slightly from 12.2% in the prior year.

Selling, general, and administrative expenses declined by 12% to \$172.6 million resulting from infrastructure reductions, process improvements, the increasing use of alternative distribution channels and the accrual of severance payments in the prior year. S,G,&A expenses represented 28.4% of sales, down from 30.8% in the prior year.

Other expenses declined due primarily to the gain on sale of TriQuint Semiconductor, Inc. discussed above and the impact of improved currency exchange rate changes during the period.

The income tax provision was approximately comparable to last year notwithstanding higher earnings before taxes. The Company recorded taxes on current results at the estimated annual effective rate of 34%, but showed a gain of \$2.2 million on recalculation of deferred tax benefits in the first quarter of this year because of the enactment of tax legislation increasing the corporate income tax rate. The current year provision was primarily for United States taxes, while the prior year provision was primarily for foreign taxes, reflecting the shift in net earnings from foreign to United States sources.

Net earnings were 18% higher than the prior year, as lower sales and gross margins were more than offset by lower R&D and S,G,&A expenses.

13 Weeks Ended November 27, 1993

vs.

13 Weeks Ended November 28, 1992

In the second quarter, net earnings were \$11.5 million, or \$0.37 per share compared with \$8.4 million, or \$0.28 per share in the prior year. The current quarter included a gain of \$2.2 million, or \$0.05 per share after taxes, from the sale of a portion of the Company's interest in TriQuint Semiconductor, Inc.

Net Sales were \$317.1 million, or 5% below the prior year's total of \$333.5 million. Test and Measurement sales and Television Systems sales

declined, while Computer Graphics sales grew compared to the first quarter of the prior year.

Test and Measurement sales of \$159.5 million were down 10% from the prior year reflecting the continuation of recessionary economies in Europe and Japan and weakness in some major industrial markets.

9

Computer Graphics sales increased 7% to \$97.3 million, with strong growth in both color printers and X terminals, partly offset by the continuing decline in revenue from older graphics terminals and related service.

Television Systems sales declined 8% to \$60.4 million, with most of the decline coming in television production equipment. Both television production equipment and television test equipment sales were impacted by the continued weak economies in Europe and Japan.

Sales to customers in the United States were essentially flat at \$180.1 million, and represented 57% of total sales. International sales of \$137.1 million were down 10%, due to the weak economies mentioned above.

Product orders were up 3% from the prior year's quarter. While the Company's product backlog improved in the current quarter, it remains relatively low. Consequently, the Company's future quarterly results are dependent on new orders that can be shipped in the same quarter.

Cost of sales increased as a percentage of net sales from 50.9% to 54.2%. The increase was caused by the geographic mix of sales, by a continuing shift in the mix of sales toward products with lower margins due to the use of alternative distribution channels, and by impacts of a stronger Yen.

Research and development expenses declined by 7% to \$37.1 million as the Company continues to focus its resources on its three core businesses. R&D expense represented 11.7% of sales compared to 12.0% in the prior year.

Selling, general, and administrative expenses declined by 15% to \$88.7 million resulting from infrastructure reductions, process improvements, the increasing use of alternative distribution channels and the accrual of severance payments in the prior year. S,G,&A expenses represented 28.0% of sales, down from 31.4% in the prior year.

Other expenses declined due primarily to the gain on sale of TriQuint Semiconductor, Inc. discussed above and the impact of improved currency exchange rate change during the quarter.

Income taxes increased from \$4.3 million to \$5.9 million, reflecting the higher earnings before taxes.

Net earnings were \$3.0 million higher than the prior year, as lower sales and gross margins were more than offset by lower R&D and S,G,&A expenses and the improvements in other expenses.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The Howtek patent infringement litigation described in the Company's 1993 10-K Report has been settled. The settlement will not have a material adverse effect on the Company's financial position or results of operations.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

- (10) (i) Executive Severance Agreement.
- (ii) Severance Agreement.
- (21) Subsidiaries of the Registrant.

(b) No reports on Form 8-K have been filed during the quarter which this report is filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

(REGISTRANT)

TEKTRONIX, INC.

BY (SIGNATURE)
(NAME AND TITLE)

/s/Carl W. Neun
Vice President and
Chief Financial Officer

(DATE)

January 7, 1994

EXECUTIVE SEVERANCE AGREEMENT

September 22, 1993

Roy D. Barker
420 SW Riverbend
West Linn, OR 97068

EXECUTIVE

TEKTRONIX, INC.
an Oregon corporation
P.O. Box 1000
Wilsonville, Oregon

TEKTRONIX

Tektronix considers the establishment and maintenance of a sound and vital management to be essential to protecting and enhancing the best interests of Tektronix and its shareholders. In order to induce Executive to remain employed by Tektronix in the face of uncertainties about the long-term strategies of Tektronix and their potential impact on the scope and nature of Executive's position with Tektronix, this Agreement, which has been approved by the Organization and Compensation Committee of the Board of Directors of Tektronix, sets forth the severance benefits that Tektronix will provide to Executive in the event Executive's employment by Tektronix is terminated under the circumstances described in this Agreement.

1. EMPLOYMENT RELATIONSHIP. Executive is currently employed by Tektronix as Vice President. Executive and Tektronix acknowledge that either party may terminate this employment relationship at any time and for any reason, subject to the obligation of Tektronix to provide the benefits specified in this Agreement in accordance with the terms hereof.
2. RELEASE OF CLAIMS. In consideration for the severance benefits outlined in this Agreement, Executive agrees to execute a Release of Claims in the form attached as Exhibit A ("Release of Claims"). Executive promises to execute and deliver the Release of Claims to Tektronix within the later of forty-five (45) days from the date Executive receives the Release of Claims or on the last day of Executive's active employment.
3. COMPENSATION UPON TERMINATION. In the event that Executive's employment is terminated at any time by Tektronix other than for

Cause (as defined in Section 6.1 of this Agreement), death, or Disability (as defined in Section 6.2 of this Agreement), subject to Executive's execution of a Release of Claims, Executive shall be entitled to the following benefits:

- 3.1 As severance pay and in lieu of any further pay for periods subsequent to the date of termination, Tektronix shall pay Executive, in a single payment within the later of forty-five (45) days after termination of employment or eight days after execution of the Release of Claims, an amount in cash equal to Executive's annual base pay at the rate in effect immediately prior to the date of termination, or, if greater, an amount in cash equal to Executive's average annual base pay for the three years ending with Executive's last pay change preceding termination.
- 3.2 Executive is entitled to extend coverage under any group health plan in which Executive and Executive's dependents are enrolled at the time of termination of employment under the COBRA continuation laws for the 18-month statutory period, or so long as Executive remains eligible under COBRA.

Tektronix will pay Executive a lump sum payment in an amount equivalent to the reasonably estimated cost Executive may incur to extend for a period of eighteen (18) months under the COBRA continuation laws Executive's group health and dental plan coverage in effect at the time of termination. Executive may use this payment, as well as any payment made under 3.1, for such COBRA continuation coverage or for any other purpose.

- 3.3 Except as provided in Section 5.2, Executive shall be entitled to a portion of the benefits under any incentive plans in effect at the time of termination (including the Results Sharing Plan and the Annual Performance Improvement Plan), prorated for the portion of the plan year during which Executive was a participant. For purposes of this Agreement, Executive's participation in the Annual Performance Improvement Plan will be considered to have ended on Executive's last day of active employment. Prorated awards shall not be due and payable by Tektronix to Executive until the date that all awards are paid after the close of the incentive period. Unless the applicable plan provides for a greater payment for a participant whose employment terminates prior to the end of an incentive period (in which case the applicable plan payment shall be made), the proration shall be calculated pursuant to this Section 3.3. The payment, if any, that would have been made under Executive's award had Executive been made a participant for the full incentive period shall be calculated at the end of the incentive period. Such amount shall be divided by the total number of days in the incentive period

and the result multiplied by the actual number of days Executive participated in the plan.

2

3.4 Tektronix will pay up to \$12,500 to a third party outplacement firm selected by Executive to provide career counseling assistance to Executive for a period of one (1) year following Executive's termination date.

3.5 Tektronix will permit Executive to continue to participate in its Executive Financial Counseling Program through the remainder of the term of Executive's current participation (which shall in no case be longer than one (1) year after the effective date of Executive's termination).

4. SUBSEQUENT EMPLOYMENT. The amount of any payment provided for in this Agreement shall not be reduced, offset or subject to recovery by Tektronix by reason of any compensation earned by Executive as the result of employment by another employer after termination.

5. OTHER AGREEMENTS.

5.1 In the event that severance benefits are payable to Executive under any other agreement with Tektronix in effect at the time of termination (including but not limited to any change of control, "golden parachute" or employment agreement, but excluding for this purpose any stock option agreement or stock bonus agreement or stock appreciation right agreement that may provide for accelerated vesting or related benefits upon the occurrence of a change in control), the benefits provided in this Agreement shall not be payable to Executive. Executive may, however, elect to receive all of the benefits provided for in this Agreement in lieu of all of the benefits provided in all such other agreements. Any such election shall be made with respect to the agreements as a whole, and Executive cannot select some benefits from one agreement and other benefits from this Agreement.

5.2 The vesting or accrual of stock options, restricted stock, stock bonuses, or any other stock awards shall not continue following termination. Any agreements between Executive and Tektronix that relate to stock awards (including but not limited to stock options, long term incentive program, stock bonuses and restricted stock) shall be governed by such agreements and shall not be affected by this Agreement.

6. DEFINITIONS.

6.1 Cause. Termination by Tektronix of Executive's employment for "Cause" shall mean termination upon (a) the willful and

continued failure by Executive to perform substantially Executive's reasonably assigned duties with Tektronix (other than any such failure resulting from Executive's incapacity due to physical or mental illness) after a demand for

substantial performance is delivered to Executive by the Chairman of the Board of Directors or the President of Tektronix which specifically identifies the manner in which such executive believes that Executive has not substantially performed Executive's duties, or (b) the willful engaging by Executive in illegal conduct which is materially and demonstrably injurious to Tektronix. For purposes of this Section 6.1, no act, or failure to act, on Executive's part shall be considered "willful" unless done, or omitted to be done, by Executive in knowing bad faith and without reasonable belief that Executive's action or omission was in, or not opposed to, the best interests of Tektronix. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board of Directors or based upon the advice of counsel for Tektronix shall be conclusively presumed to be done, or omitted to be done, by Executive in good faith and in the best interests of Tektronix.

6.2 Disability. Termination by Tektronix of Executive's employment based on "Disability" shall mean termination because of Executive's absence from Executive's duties with Tektronix on a full-time basis for one hundred eighty (180) consecutive days as a result of Executive's incapacity due to physical or mental illness, unless within thirty (30) days after notice of termination by Tektronix following such absence Executive shall have returned to the full-time performance of Executive's duties.

7. SUCCESSORS; BINDING AGREEMENT.

7.1 This Agreement shall be binding on and inure to the benefit of Tektronix and its successors and assigns.

7.2 This Agreement shall inure to the benefit of and be enforceable by Executive and Executive's legal representatives, executors, administrators and heirs.

8. RESIGNATION OF CORPORATE OFFICES. Executive will resign Executive's office, if any, as a director, officer or trustee of Tektronix, its subsidiaries or affiliates, effective as of the date of termination of employment. Executive agrees to provide Tektronix such written resignation(s) upon request.

9. GOVERNING LAW, ARBITRATION. This Agreement shall be construed in accordance with and governed by the laws of the State of Oregon. Any dispute or controversy arising under or in connection with this Agreement or the breach thereof, shall be settled exclusively by arbitration in Portland, Oregon in accordance with the Commercial Arbitration Rules of the American Arbitration

4

Association, and judgment upon the award rendered by the Arbitrator may be entered in any Court having jurisdiction thereof.

10. FEES AND EXPENSES. In the event that Executive initiates arbitration under the circumstances described in this Agreement to obtain or enforce any right or benefit provided by this Agreement and the arbitrator determines that Executive is the prevailing party, Executive shall be permitted to recover Executive's reasonable attorneys' fees and costs incurred in connection with such proceeding. In the event that the arbitrator determines that Tektronix is the prevailing party, each party shall bear its own attorneys' fees and costs incurred in connection with such proceeding.

11. AMENDMENT. No provision of this Agreement may be modified unless such modification is agreed to in a writing signed by Executive and Tektronix.

TEKTRONIX, INC.

/s/ Roy D. Barker
ROY D. BARKER

By: /s/ J. J. Meyer
Title: Chm & CEO

5

Exhibit A

RELEASE OF CLAIMS

This Release of Claims (the "Release") is made and executed by _____ in connection with the termination of my employment with Tektronix, Inc. ("Tektronix") and in consideration of my receiving valuable severance pay and benefits as provided for in the Executive Severance Agreement ("Agreement"). These benefits are substantial consideration to which I am not otherwise entitled.

On behalf of myself and my spouse, heirs, administrators and assigns, I hereby release Tektronix, its parent and related corporations, affiliates, or joint venturers and all officers, directors, employees, agents, and insurers of the aforementioned (collectively the "Company") from any and all liability, damages or causes of action, whether known or unknown relating to my employment with the Company or the termination of that employment, including but not limited to any claims for additional compensation in any form, or damages. This specifically includes, but is not limited to, all claims for relief or remedy under any state or federal laws, including but not limited to Title VII of the Civil Rights Act of 1964, the Post-Civil War Civil Rights Acts (42 USC Sections 1981-1988), the Civil Rights Act of 1991, the Equal Pay Act, the Age Discrimination in Employment Act of 1967, the Americans with Disabilities Act, the Older Workers Benefit Protection Act, the Worker Adjustment and Retraining Notification Act, the Rehabilitation Act of 1973, the Vietnam Era Veterans' Readjustment Assistance Act, the Fair Labor Standards Act, Executive Order 11246, all as amended, and the civil rights, employment and labor laws of the state of any state or the United States.

This Release shall not affect any rights which I may have under any medical insurance, disability, workers' compensation, unemployment compensation or retirement plans maintained by the Company.

I acknowledge that I have been given at least 45 days to consider whether to execute this Release of Claims and accept benefits under the Program; that I have been advised of my right to consult with an attorney or financial advisor of my choice and at my own expense; that the Agreement gives me severance pay and benefits which the Company would otherwise have no obligation to give me; and that I voluntarily enter into the Release of Claims.

I understand that the Release of Claims is to be signed within 45 days from the date I received it or on my last day of employment, whichever is later, and that I may revoke the Release of Claims, provided I do so in writing within seven (7) days of signing the Release. I understand and agree that the Company will have no obligation to pay me any benefits under the Agreement until the expiration of the revocation

6

period, provided I have not revoked the Release of Claims. I understand that if I revoke the Release of Claims my termination will nonetheless remain in full force and effect and I will not be entitled to any benefits under the Agreement.

I acknowledge that I have had time to consider the alternatives and consequences of my election to receive benefits under the Agreement and of signing the Release; that I am aware of my right to consult

an attorney or financial advisor at my own expense; and that, in consideration for executing this Release and my election to receive benefits under the Agreement, I have received additional benefits and compensation of value to which I would not otherwise be entitled.

I HAVE READ THE FOREGOING RELEASE. I UNDERSTAND THE EFFECT OF THIS RELEASE AND I VOLUNTARILY ENTER INTO IT AT THIS TIME.

Every provision of this Release is intended to be severable. In the event any term or provision contained in this Release is determined to be illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall not affect the other terms and provisions of this Release which shall continue in full force and effect.

Dated: _____, 1993

Employee Name

Employee Signature

Tektronix, Inc.
Corporate Law Offices
P.O. Box 1000, MS 63-LAW
Wilsonville, Oregon 97070-1000
503 627-7111
503 685-4223 Fax

September 22, 1993

Mr. Roy D. Barker
420 SW Riverbend
West Linn, OR 97068

Dear Mr. Barker:

Tektronix, Inc., an Oregon corporation (the "Company"), considers the establishment and maintenance of a sound and vital management to be essential to protecting and enhancing the best interests of the Company and its shareholders. In this connection, the Company recognizes that, as is the case with many publicly held corporations, the possibility of a change in control may exist and that such possibility, and the uncertainty and questions which it may raise among management, may result in the departure or distraction of management personnel to the detriment of the Company and its shareholders. Accordingly, the Board of Directors of the Company (the "Board") has determined that appropriate steps should be taken to reinforce and encourage the continued attention and dedication of members of the Company's management to their assigned duties without distraction in circumstances arising from the possibility of a change in control of the Company.

In order to induce you to remain in the employ of the Company, this letter agreement, which has been approved by the Board, sets forth the severance benefits which the Company agrees will be provided to you in the event your employment with the Company is terminated subsequent to a "change in control" of the Company under the circumstances described below.

1. AGREEMENT TO PROVIDE SERVICES; RIGHT TO TERMINATE.

(i) Except as otherwise provided in paragraph (ii) below, the Company or you may terminate your employment at any time, subject to the Company's providing the benefits hereinafter specified in accordance

with the terms hereof.

(ii) In the event of a tender offer or exchange offer by a Person (as hereinafter defined) for more than 25 percent of the combined voting power of the Company's outstanding securities ordinarily having the right to vote at elections of directors ("Voting Securities"), including shares of Common Stock of the Company

(the "Company Shares"), you agree that you will not leave the employ of the Company (other than as a result of Disability or upon Retirement, as such terms are hereinafter defined) and will render the services contemplated in the recitals to this Agreement until such tender offer or exchange offer has been abandoned or terminated or a change in control of the Company, as defined in Section 3 hereof, has occurred. For purposes of this Agreement, the term "Person" shall mean and include any individual, corporation, partnership, group, association or other "person," as such term is used in Section 14(d) of the Securities Exchange Act of 1934 (the "Exchange Act"), other than the Company or any employee benefit plan(s) sponsored by the Company.

2. TERM OF AGREEMENT. This Agreement shall commence on the date hereof and shall continue in effect until December 31, 1993; provided, however, that commencing on January 1, 1994 and each January 1 thereafter, the term of this Agreement shall automatically be extended for one additional year unless at least 90 days prior to such January 1 date, the Company or you shall have given notice that this Agreement shall not be extended; and provided, further, that this Agreement shall continue in effect for a period of twenty-four (24) months beyond the term provided herein if a change in control of the Company, as defined in Section 3 hereof, shall have occurred during such term. Notwithstanding anything in this Section 2 to the contrary, this Agreement shall terminate if you or the Company terminate your employment prior to a change in control of the Company as defined in Section 3 hereof. In addition, the Company may terminate this Agreement during your employment if, prior to a change in control of the Company as defined in Section 3 hereof, you cease to hold your current position with the Company, except by reason of a promotion.

3. CHANGE IN CONTROL. For purposes of this Agreement, a "change in control" of the Company shall mean a change in control of a nature that would be required to be reported in response to Item 1(a) of the Current Report on Form 8-K, as in effect on the date hereof, pursuant to Section 13 or 15(d) of the Exchange Act; provided that, without limitation, such a change in control shall be deemed to have occurred at such time as (a) any Person is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of 25 percent or more of the combined voting power of the Company's Voting Securities or (b) individuals who constitute the Board on the date hereof (the "Incumbent Board") cease for any reason to constitute

at least a majority thereof, provided that any person becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors comprising the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination) shall be, for purposes of this clause (b), considered as though such person were a member of the Incumbent Board. Notwithstanding anything in the foregoing to the

2

contrary, no change in control shall be deemed to have occurred for purposes of this Agreement by virtue of any transaction which results in you, or a group of Persons which includes you, acquiring, directly or indirectly, 25 percent or more of the combined voting power of the Company's Voting Securities.

4. TERMINATION FOLLOWING CHANGE IN CONTROL. If any of the events described in Section 3 hereof constituting a change in control of the Company shall have occurred, you shall be entitled to the benefits provided in paragraph (iii) of Section 5 hereof upon the termination of your employment within twenty-four (24) months after such event, unless such termination is (a) because of your death or Retirement, (b) by the Company for Cause or Disability or (c) by you other than for Good Reason (as all such capitalized terms are hereinafter defined).

(i) DISABILITY. Termination by the Company of your employment based on "Disability" shall mean termination because of your absence from your duties with the Company on a full-time basis for one hundred eighty (180) consecutive days as a result of your incapacity due to physical or mental illness, unless within thirty (30) days after Notice of Termination (as hereinafter defined) is given to you following such absence you shall have returned to the full-time performance of your duties.

(ii) RETIREMENT. Termination by you or by the Company of your employment based on "Retirement" shall mean termination on your normal retirement date as set forth in the Company's Pension Plan (or any successor or substitute plan or plans of the Company put into effect prior to a change in control).

(iii) CAUSE. Termination by the Company of your employment for "Cause" shall mean termination upon (a) the willful and continued failure by you to perform substantially your reasonably assigned duties with the Company consistent with those duties assigned to you prior to the change in control (other than any such failure resulting from your incapacity due to physical or mental illness) after a demand for substantial performance is delivered to you by the Chairman of the Board or President of the Company which specifically identifies the manner in

which such executive believes that you have not substantially performed your duties, or (b) the willful engaging by you in illegal conduct which is materially and demonstrably injurious to the Company. For purposes of this paragraph (iii), no act, or failure to act, on your part shall be considered "willful" unless done, or omitted to be done, by you in knowing bad faith and without reasonable belief that your action or omission was in, or not opposed to, the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or based upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by you in good faith and in the best interests of the corporation.

3

Notwithstanding the foregoing, you shall not be deemed to have been terminated for Cause unless and until there shall have been delivered to you a copy of a resolution duly adopted by the affirmative vote of not less than three-quarters of the entire membership of the Board at a meeting of the Board called and held for the purpose (after reasonable notice to you and an opportunity for you, together with your counsel, to be heard before the Board), finding that in the good faith opinion of the Board you were guilty of the conduct set forth above in (a) or (b) of this paragraph (iii) and specifying the particulars thereof in detail.

(iv) GOOD REASON. Termination by you of your employment for "Good Reason" shall mean termination based on:

(A) a change in your status, title, position(s) or responsibilities as an officer of the Company which, in your reasonable judgment, does not represent a promotion from your status, title, position(s) and responsibilities as in effect immediately prior to the change in control, or the assignment to you of any duties or responsibilities which, in your reasonable judgment, are inconsistent with such status, title or position(s), or any removal of you from or any failure to reappoint or reelect you to such position(s), except in connection with the termination of your employment for Cause, Disability or Retirement or as a result of your death or by you other than for Good Reason;

(B) a reduction by the Company in your base salary as in effect immediately prior to the change in control;

(C) the failure by the Company to continue in effect any Plan (as hereinafter defined) in which you are participating at the time of the change in control of the Company (or Plans providing you with at least substantially similar benefits) other than as a result of the normal expiration of any such Plan in accordance with its terms as in effect at the time of the change in control, or the taking of any action, or the failure to act, by the Company which

would adversely affect your continued participation in any of such Plans on at least as favorable a basis to you as is the case on the date of the change in control or which would materially reduce your benefits in the future under any of such Plans or deprive you of any material benefit enjoyed by you at the time of the change in control;

(D) the failure by the Company to provide and credit you with the number of paid vacation days to which you are then entitled in accordance with the Company's normal vacation policy as in effect immediately prior to the change in control;

4

(E) the Company's requiring you to be based anywhere other than where your office is located immediately prior to the change in control except for required travel on the Company's business to an extent substantially consistent with the business travel obligations which you undertook on behalf of the Company prior to the change in control;

(F) the failure by the Company to obtain from any Successor (as hereinafter defined) the assent to this Agreement contemplated by Section 6 hereof; or

(G) any purported termination by the Company of your employment which is not effected pursuant to a Notice of Termination satisfying the requirements of paragraph (v) below (and, if applicable, paragraph (iii) above); and for purposes of this Agreement, no such purported termination shall be effective.

For purposes of this Agreement, "Plan" shall mean any compensation plan such as an incentive, stock option or restricted stock plan or any employee benefit plan such as a thrift, pension, profit sharing, medical, disability, accident, life insurance plan or a relocation plan or policy or any other plan, program or policy of the Company intended to benefit employees.

(v) NOTICE OF TERMINATION. Any purported termination by the Company or by you following a change in control shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of your employment under the provision so indicated.

(vi) DATE OF TERMINATION. "Date of Termination" following a change in control shall mean (a) if your employment is to be terminated for Disability, thirty (30) days after Notice of Termination is given (provided that you shall not have returned to the performance of your

duties on a full-time basis during such thirty (30) day period), (b) if your employment is to be terminated by the Company for Cause, the date on which a Notice of Termination is given, and (c) if your employment is to be terminated by you or by the Company for any other reason, the date specified in the Notice of Termination, which shall be a date no earlier than ninety (90) days after the date on which a Notice of Termination is given, unless an earlier date has been agreed to by the party receiving the Notice of Termination either in advance of, or after, receiving such Notice of Termination. Notwithstanding anything in the foregoing to the contrary, if the party receiving the Notice of Termination has not previously agreed to the termination, then within

5

thirty (30) days after any Notice of Termination is given, the party receiving such Notice of Termination may notify the other party that a dispute exists concerning the termination, in which event the Date of Termination shall be the date set either by mutual written agreement of the parties or by the arbitrators in a proceeding as provided in Section 13 hereof.

5. COMPENSATION UPON TERMINATION OR DURING DISABILITY.

(i) During any period following a change in control that you fail to perform your duties as a result of incapacity due to physical or mental illness, you shall continue to receive your full base salary at the rate then in effect and any benefits or awards under any Plans shall continue to accrue during such period, to the extent not inconsistent with such Plans, until your employment is terminated pursuant to and in accordance with paragraphs 4(i) and 4(vi) hereof. Thereafter, your benefits shall be determined in accordance with the Plans then in effect.

(ii) If your employment shall be terminated for Cause following a change in control of the Company, the Company shall pay you your full base salary through the Date of Termination at the rate in effect just prior to the time a Notice of Termination is given plus any benefits or awards (including both the cash and stock components) which pursuant to the terms of any Plans have been earned or become payable, but which have not yet been paid to you. Thereupon the Company shall have no further obligations to you under this Agreement.

(iii) If, within twenty-four (24) months after a change in control of the Company shall have occurred, as defined in Section 3 above, your employment by the Company shall be terminated (a) by the Company other than for Cause, Disability or Retirement or (b) by you for Good Reason based on an event occurring concurrent with or subsequent to a change of control, then, by no later than the fifth day following the Date of Termination (except as otherwise provided), you shall be entitled, without regard to any contrary provisions of any Plan, to a severance benefit (the "Severance Benefit") consisting of the Specified

Benefits (as defined below in this Section 5(iii)) unless you would receive a greater after-tax benefit from the Capped Benefit (as defined in the next sentence), in which case the Severance Benefit shall be the Capped Benefit. The Capped Benefit is the Specified Benefits, reduced by the amount necessary to prevent any portion of the Specified Benefits from being "parachute payments" as defined in section 280G(b)(2) of the Internal Revenue Code of 1986, as amended ("IRC"), or any successor provision. For purposes of determining whether you would receive a greater after-tax benefit from the Capped Benefit than from the Specified Benefits, there shall be taken into account all payments and benefits you will receive upon a change in control of the Company, including accelerated vesting of options, stock bonuses and other awards under the Company's stock option and stock incentive plans (collectively, excluding the Severance Benefit, the "Change of Control

6

Payments"). To determine whether your after-tax benefit from the Capped Benefit would be greater than your after-tax benefit from the Specified Benefits, there shall be subtracted from the sum of the before-tax Severance Benefit and the Change of Control Payments (including the monetary value of any non-cash benefits) any excise tax that would be imposed under IRC Section 4999 and all federal, state and local taxes required to be paid by you in respect of the receipt of such payments, assuming that such payments would be taxed at the highest marginal rate applicable to individuals in the year in which the Severance Benefit is to be paid or such lower rate as you advise the Company in writing is applicable to you. The Specified Benefits are as follows:

(A) the Company shall pay your full base salary through the Date of Termination at the rate in effect just prior to the time a Notice of Termination is given plus any benefits or awards (including both cash and stock components) which pursuant to the terms of any Plans have been earned or become payable, but which have not yet been paid to you (including amounts which previously had been deferred at your request);

(B) as severance pay and in lieu of any further salary for periods subsequent to the Date of Termination, the Company shall pay to you in a single payment an amount in cash equal to three times your annual base salary at the rate in effect just prior to the time a Notice of Termination is given;

(C) the Company shall maintain in full force and effect, for the continued benefit of you and your dependents for a period terminating on the earliest of (a) two years after the Date of Termination or (b) the commencement date of equivalent benefits from a new employer all life, accidental death, medical and dental insurance plans or programs in which you were entitled to participate immediately prior to the Date of Termination, provided that your continued participation is possible under the general terms and provisions of such Plans and

you continue to pay an amount equal to your regular contribution for such participation, if any. If, at the end of two years after the Termination Date you have not previously received or are not then receiving equivalent benefits from a new employer, the Company shall arrange, at its sole cost and expense, to enable you to convert you and your dependents' coverage under such Plans to individual policies or programs upon the same terms as employees of the Company may apply for such conversions. In the event that your participation in any such Plan is barred, the Company, at its sole cost and expense, shall arrange to have issued for the benefit of you and your dependents individual policies of insurance providing benefits substantially similar (on an after-tax basis) to those which you otherwise would have been entitled to receive under such Plans pursuant to this paragraph (C) or, if such insurance is not avail-

7

able at a reasonable cost to the Company, the Company shall otherwise provide you and your dependents equivalent benefits (on an after-tax basis). You shall not be required to pay any premiums or other charges in an amount greater than that which you would have paid in order to participate in such Plans.

(D) the Company shall pay you for any vacation time earned but not taken at the Date of Termination, at an hourly rate equal to your annual base salary as in effect immediately prior to the time a Notice of Termination is given divided by 2080;

(E) you shall be entitled to purchase from the Company at the Company's cost less accumulated depreciation any Company-owned automobile which had been designated for your use prior to the time a Notice of Termination is given;

(F) the Company shall reimburse you for costs you incur at any time during the first twelve (12) months following the Date of Termination in a single move anywhere in the continental United States; moving to include packing, shipping, insurance (valuation not to exceed \$150,000) and temporary storage (not to exceed six months) for up to 20,000 pounds of household goods;

(G) the Company shall purchase your residence (which shall mean a dwelling owned by you in which you resided at the time a Notice of Termination is given) or shall assist you in the sale of your residence as follows:

(i) The Company will purchase your residence subject to the terms hereof. Within ninety (90) days following the Date of Termination you may request determination of a purchase price of your residence by written notice to

the Company. You and the Company shall each select a qualified and recognized appraiser with appropriate professional designation within ten (10) days of receipt of the notice by the Company. If the higher of the two appraisals rendered by the designated appraisers does not exceed 105 percent of the lower of the two appraisals, the purchase price of the residence shall equal the average of the two appraisals. If the higher appraisal exceeds 105 percent of the lower appraisal, a third appraiser shall be selected jointly by you and the Company, and the purchase price of the residence shall equal the average of the two closest

8

appraisals. The Company shall give you written notice of the purchase price upon its determination, and shall immediately purchase your residence at the determined purchase price if you submit a written request for purchase to the Company within the sixty (60) day period following the date of receipt of notice of the purchase price. If you do not submit a written request for purchase within the 60-day period, the Company's obligation to purchase your residence will expire.

(ii) Upon receiving notice of the purchase price determined under (i) above, you may attempt to sell your residence yourself.

(iii) If you sell your residence to the Company or sell it yourself within the 60-day period following the date on which notice is received, the Company will reimburse you for costs you incurred incident to the sale, including: reimbursement of actual brokerage fees up to a maximum of seven percent of the selling price; mortgage prepayment penalty fees, if any; state and county transfer taxes normally paid by the seller; owners' title insurance charges normally paid by the seller; and revenue stamp and appraisal fees, if any. Evidence of these expenses must be submitted to the Company for approval and supported by copies of all closing papers. The income tax consequences of such reimbursements will be your responsibility. The Company shall have no obligation to reimburse you for costs incident to sale of your residence if you have entered into an exclusive listing commitment with respect to sale of the residence and the commitment extends beyond the 60-day period following the date you receive notice of the purchase price unless approval of the Company for such longer commitment period has been obtained.

(iv) If you decide to rent or lease your residence

the Company shall not be obligated to purchase it nor to reimburse you for costs incident to any subsequent sale.

(iv) Except as specifically provided above, the amount of any payment provided for in this Section 5 shall not reduced, offset or subject to recovery by the Company by reason of any compensation earned by you as the result of employment by another employer after the Date of Termination, or

9

otherwise. Your entitlements under subparagraph (5)(iii) are in addition to, and not in lieu of, any rights, benefits or entitlements you may have under the terms or provisions of any Plan.

6. SUCCESSORS; BINDING AGREEMENT.

(i) Upon your written request, the Company will seek to have any Successor (as hereinafter defined), by agreement in form and substance satisfactory to you, assent to the fulfillment by the Company of its obligations under this Agreement. Failure of the Company to obtain such assent prior to or at the time a Person becomes a Successor shall constitute Good Reason for termination by you of your employment and, if a change in control of the Company has occurred, shall entitle you immediately to the benefits provided in paragraph (iii) of Section 5 hereof upon delivery by you of a Notice of Termination which the Company, by executing this Agreement, hereby assents to. For purposes of this Agreement, "Successor" shall mean any Person that succeeds to, or has the practical ability to control (either immediately or with the passage of time), the Company's business directly, by merger or consolidation, or indirectly, by purchase of the Company's Voting Securities or otherwise.

(ii) This Agreement shall inure to the benefit of and be enforceable by your personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If you should die while any amount would still be payable to you hereunder if you had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to your devisee, legatee or other designee or, if there be no such designee, to your estate.

7. EMPLOYEE'S COMMITMENT. You agree that subsequent to your period of employment with the Company, you will not at any time communicate or disclose to any unauthorized person, without the written consent of the Company, any proprietary processes of the Company or any subsidiary or other confidential information concerning their business, affairs, products, suppliers or customers which, if disclosed, would have a material adverse effect upon the business or operations of the Company and its subsidiaries, taken as a whole; it being understood, however, that the obligations of this Section 7 shall not apply to the extent

that the aforesaid matters (a) are disclosed in circumstances where you are legally required to do so or (b) become generally known to and available for use by the public otherwise than by your wrongful act or omission.

8. FEES AND EXPENSES. The Company shall pay all legal fees and related expenses incurred by you as a result of (i) your termination following a change in control of the Company (including all such fees and expenses, if any, incurred in

10

contesting or disputing any such termination) or (ii) your seeking to obtain or enforce any right or benefit provided by this Agreement.

9. SURVIVAL. The respective obligations of, and benefits afforded to, the Company and you as provided in Sections 5, 6(ii), 7, 8 and 13 of this Agreement shall survive termination of this Agreement.

10. NOTICE. For the purposes of this Agreement, notices and all other communications provided for in the Agreement shall be in writing and shall be deemed to have been duly given when delivered or mailed by United States registered mail, return receipt requested, postage prepaid and addressed, in the case of the Company, to the address set forth on the first page of this Agreement or, in the case of the undersigned employee, to the address set forth below his signature, provided that all notices to the Company shall be directed to the attention of the Chairman of the Board or President of the Company, with a copy to the Secretary of the Company, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt.

11. MISCELLANEOUS. No provision of this Agreement may be modified, waived or discharged unless such modification, waiver or discharge is agreed to in a writing signed by you and the Chairman of the Board or President of the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or of compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of Oregon.

12. VALIDITY. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

13. ARBITRATION. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration in Portland, Oregon by three arbitrators in accordance with the rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrators' award in any court having jurisdiction; provided, however, that you shall be entitled to seek specific performance of your right to be paid until the Date of Termination during the pendency of any dispute or controversy arising under or

11

in connection with this Agreement. The Company shall bear all costs and expenses arising in connection with any arbitration proceeding pursuant to this Section 13.

14. RELATED AGREEMENTS. To the extent that any provision of any other agreement between the Company or any of its subsidiaries and you shall limit, qualify or be inconsistent with any provision of this Agreement, then for purposes of this Agreement, while the same shall remain in force, the provision of this Agreement shall control and such provision of such other agreement shall be deemed to have been superseded, and to be of no force or effect, as if such other agreement had been formally amended to the extent necessary to accomplish such purpose.

15. COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same instrument.

If this letter correctly sets forth our agreement on the subject matter hereof, kindly sign and return to the Company the enclosed copy of this letter which will then constitute our agreement on this subject.

Agreed to this 22nd day
of September, 1993

Sincerely,
Tektronix, Inc.

/s/ Roy D. Barker
Roy D. Barker

By: /s/ J.J. Meyer
Jerome J. Meyer
Chairman and Chief Executive Officer

12

Exhibit 21

Subsidiaries of Tektronix, Inc.

Name of Subsidiary and Jurisdiction in Which Organized -----	Percentage of Voting Securities Owned by Immediate Parent -----
Tektronix Ges.m.b.H. (Austria)	100%
Tektronix GmbH (Germany)	100
Tektronix Canada Inc. (Canada)	100
Tektronix Australia Pty. Limited (Australia)	100
Grass Valley Group Pty. Limited (Australia)	100
Tektronix (France)	100
Tektronix N.V. (Belgium)	100
Tektronix, S.A. de C.V. (Mexico)	100
Tektronix A/S (Denmark)	100
Tektronix S.p.A. (Italy)	100
Tektronix Norge A/S (Norway)	100
Tektronix AB (Sweden)	100
Tektronix Oy (Finland)	100
Tektronix Industria e Comercio Ltda. (Brazil)	100
Tektronix Europe B.V. (The Netherlands)	100
The Grass Valley Group, Inc. (California)	100
GVG International, Ltd. (California)	100
GVG Japan, Ltd. (Japan)	100
Grass Valley International, Inc. (Guam)	100
Tektronix International A.G. (Switzerland)	100
Tektronix Holland N.V. (The Netherlands)	100

Page 2. Exhibit 21

Tektronix U.K. Limited (England)	100%
GVG Limited (United Kingdom)	100
Bouwerij Heerenveen N.V. (The Netherlands)	100

Sony/Tektronix Corporation (Japan)	50
Tektronix Espanola, S.A. (Spain)	100
Tektronix Development Company (Oregon)	100
Tektronix Foreign Sales Corporation (Guam)	100
Tektronix China, Limited (Hong Kong)	100
Tektronix Hong Kong, Limited (Hong Kong)	100
Tektronix International, Inc. (Oregon)	100
Yangzhong Tektronix Electronic Instrument Co., Ltd. (China)	70
Shanghai Tektronix Electronic Instrument Co., Ltd.	65
Tektronix Taiwan, Ltd. (Taiwan)	100
Tektronix Properties, Inc. (Oregon)	100
Tektronix Federal Systems, Inc. (Oregon)	100
Tektronix Asia, Ltd. (Oregon)	100
Colorado Data Systems, Inc. (Colorado)	100
CAChe Scientific, Inc. (Oregon)	70
Tektronix Singapore Pte Ltd (Singapore)	100
Tektronix Components Corporation (Oregon)	100
Tektronix Sales and Marketing Company (Oregon)	100
Tektronix Korea, Ltd. (Korea)	100