DIGITAL RESEARCH

September 4, 1999

25 Year Worldwide Reunion

Digital Research Reunion

Holman Ranch

Carmel, California

In Remembrance

Gary Kildall
Founder of Digital Research and inventor of the first
Disk Operating System for personal computers

Gary was a pioneer who brought order into the early chaos of the
PC industry by providing focus, leadership and vision. In a com-
petitive, often impersonal microcomputer industry, Gary showed
us that friends and business associates are one and the same. His
employees will long remember him.

We thank you for the honor of knowing you..

Rapid expansion marks DRI history

*A*ll of us know that we're working for "the world's leading manufacturer of microcomputer systems software" as the press describes Digital Research. But there was little indication that we would reach that top spot when Gary Kildall was first trying to attach an early disk drive to his Intel development system so he could run the first version of CP/M back in 1974. And no one could have predicted that a small yellow playhouse in the Kildall backyard would become the base of a company that now occupies five buildings. Or that we would grow in just five years to nearly 200 employees.

Just how did it happen that Digital Research put the little town of Pacific Grove so prominently on the computer industry map? It's not a very long story, simply because the business we're in is not a very old one.

According to Gary, it all really began back in 1974 when that first version of CP/M was developed and de-bugged. Before that there had been the achievement of a Ph.D. in computer science in 1972, teaching and research at the Naval Postgraduate School, consulting work at Intel, and the building of close relationships with many of the pioneers of micro computing.

Gary Kildall worked in his backyard playhouse with the hummingbird feeders outside the door, thinking and tinkering with his first version of CP/M - and at just the right time he got a little help from a friend. "John Torode, president of Digital Microsystems, came to my aid with a home-built disk drive controller, which we wired up between my Intellec-8 development system hardware and an early flexible disk drive I'd been given by Dave Scott of Shugart Associates. We loaded up the first version of CP/M from a paper tape reader into the Intellec memory. With the first CP/M prompt appearing on my used Teletype in 1974, we were both aware that a new computer generation was in progress," Gary recalls.

The new computer generation has resulted in a number of successful companies including Digital Research. That computer generation owes its existence, in part, to CP/M, the first useful operating system for microcomputers. The first commercial licensing of CP/M took place in 1975 with contracts between Digital Systems and Omron of America and Lawrence Livermore Laboratories.

For the next year Gary worked at developing facilities of his new operating system. Meanwhile, Dorothy McEwen started putting together the business side of the company. She began work on the legal issues, set up a marketing pro-gram and took on the job of negotiating contracts. "If it weren't for Dorothy's hard work in setting up this com-pany," commented Marilyn Darling, Marketing Communi-cations Manager for Digital Research, "Digital Research as we know it, would not exist. When I came for an interview, I was amazed to find that the entire marketing and sales function was being handled by Dorothy, Hal Elgie (then director of marketing) and Barbara Norman.

Gary and Dorothy filed their first fictitious business name statement in June 1976 and were incorporated in Au-gust 1977. The company's first name? Intergalactic Digital Research. A small consulting firm in Sausalito was calling itself Digital Research at the time. When it failed some time later, the Kildall's settled on the company's present name.

In April 1977, the tiny new company rented a set of offices at 716 Lighthouse Avenue in Pacific Grove. They began marketing CP/M to computer hobbyists through magazines like Dr. Dobb's Journal and to OEMs through software licensing agreements. The price of the system to the hobbyist market was $70. Dorothy remembers going down to the post office hoping to find a few checks that would keep them going a while longer.

"There was, at that time, a pre-vailing paranoia among soft-ware vendors who felt that any and all loose software would be immediately ripped-off by this immoral group of computers junkies," Gary has written, adding, "CP/M gradually gained popularity through a grassroots effect and, to the amazement of the skeptics, the rip-off factor was practically nil."

The fledgling company began to need help to fill orders and answer phones. Then they hired the first full-time em-ployee, John Pierce. "I came on with the idea of doing tech-nical support to customers," John says, "but I began taking orders on the phone, running errands, programming, every-thing that needed doing. We all did." Soon a full-time sec-retary, was hired.

There were nine employees when Digital Research moved to 801 Lighthouse in November 1978. The Victorian building was semi-converted into offices. The previous ten-ant, a dentist, had built railings in the former dining room to separate his waiting room from his dentist's chair. This be-came Digital Research's conference room. However, at times more conference space was needed and groups of dark-suited businessmen could be found conferring around picnic tables in the backyard.

Barbara Norman remembers 801 with fondness. "We had about 15 people when I began," she says, "and it was a

very close group, like a family. We had the fireplace, and we'd have hot chocolate in the morning and chat about the

History continued

day before starting work. And we would eat lunch in the back at the picnic table. The programmers were out in the carriage house then and the shipping and disk duplication was all done inside. Later the programmers moved over to 734 Lighthouse Avenue."

That move was another landmark in Digital Research history. The Victorian duplex at 734 had to be raised about six feet on jacks in order to get the VAX equipment installed, and to add a better foundation. The programmers had to climb a ladder to get into 734 because there were no outside stairs at the time. Reportedly, the whole house shook on its unsteady pilings whenever anyone inside moved about and Digital Research continued to grow.

In August 1980 with the expansion to 734, the company had 24 employees-and CP/M was becoming increasing popular. A growing number of systems and applications software houses were using it and the effect was cyclic: as CP/M was chosen more often, software developers produced more applications, which spurred more design-wins of CP/M by computer manufacturers, which generated more applications, and so on and on. By 1979, Version 2.2 had become the industry standard-and most popular operating system.

And that meant tremendous growth for Digital Research. In two years, between the summer of 1980 and this summer, Digital Research as grown 1100% in revenues with almost 200 employees. The two Victorian houses were bursting at their seams, so after an exhaustive search - "we acquired the present office building at 160 Central Avenue.

Just a few months later space in the old Tin Cannery building at 121 Ocean View Boulevard was leased to house the shipping department. Then Digital Research began expanding into the building across the street (167 Central) from headquarters.   The company just grew and grew.

CP/M remains the cornerstone of Digital Research, though now we are producing a whole line of operating systems, languages, programming tools and utilities. It was partly the timing of CP/M's entry into the disk-based micro-computer world that made it such a popular product, but its other advantages were soon recognized: it is not expensive; it is portable; and it requires a minimum of memory space, leaving more room for application programs.

Nevertheless, even some of the old hands here are surprised at the rapid growth of our company. And for the new-comer, the fast-growing product list can be downright confusing at times. With all this growth came the need for administrative reorganization. Now Digital Research has an Operations Systems Strategic Business Center and a Language Strategic Business Center, a field office network that is expanding in the United States and abroad, and a number of other internal groups to handle all the detailed functions that are the mark of a successful company.

Which is not to say that Digital Research has matured or even reached a plateau. We are still growing and will be for some time-with new developments in graphics, active research in operating systems and languages, strong advertising and marketing efforts, revised documentation and packaging, and a host of refinements and innovations still to come.

This article appeared in the Digital Dialogue, August 1982

Thank You, Dorothy !

A very special thanks to Dorothy McEwen for donating the beautiful Holman Ranch. The committee sincerely appreciated her expert advice & guidance in many of the logistics which made the event enjoyable for everyone.

A Note from the Committee

For many of us, Digital Research will always hold a special place in our hearts and memories. It went far beyond somewhere you would go to "work". Lifelong friends were made and historic industry moments created.

Over the years, Digital Research alumni talked of a reunion. In May 1998. Maureen & Patie (inspired by a bottle of good red wine) decided to take action. A committee was formed and Nigel, Alda, Joe, Linda, and Cindy all graciously volunteered to help. With the aid of the Internet, the idea became a reality...

A sincere thank you to all DRI alumni who attended and shared in making the reunion a memorable one. We hope you rekindled some heart-warming memories and enjoyed reuniting with old friends. We sincerely hope you had as much fun as we did.

See you all in 25 more years!
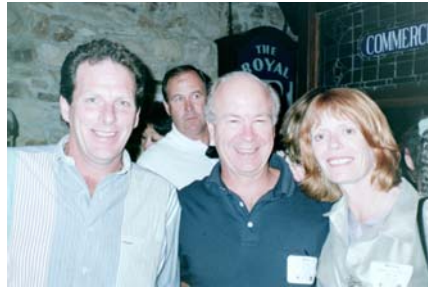

Digital Research Reunion Committee
Pictured from l to r: Nigel Hearne, Cindy Guthrie-Ramsey, Patie McCracken, Alda Russell-Hearn, Joe Byrd, Maureen Minnes, Linda Singletary-Byrd

Special thanks to:

- Fools Gold band
- Drew Newton, slideshow
- Nigel Hearne, webmaster
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Photographers *(in alphabetical order)*

- Patie McCracken
- Cathy Murphy
- Jim Neeley
- Steve Tucker
- Joe Wein
- Extra Special *Thanks* to John Wharton

A Day to Remember

"Everyone is so great. They act just like they use to!"

"We were there! The beginning of an industry….making history! It was an experience that will serve us a lifetime."

"Did anyone else think this was going to be really weird when they were driving here? And it turned out to be so cool!"

— Tom Buyers

Toast to Gary

"Gary, we know you are with us in spirit. You would have never let us have a party without you! Our enduring friendships are as much Gary's legacy as the C:> prompt."
—- Pete DiCorti

"It's funny...most of the people here were layed off, fired or quit. But our experience at DRI was so great, we all came back to see each other. That says a lot in what type of company Gary built."
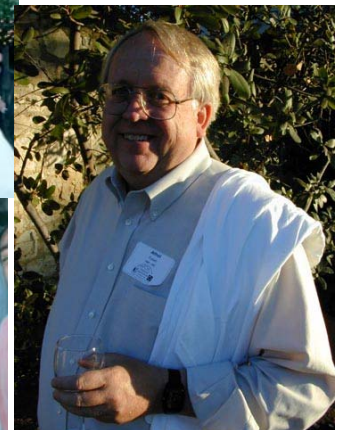— Frank Holsworth

Time to go home now girls…..