



## **Oral History of Lore Harp McGovern**

Interviewed by:  
Gardner Hendrie

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**Gardner:** We'd like to today, we have Lore Harp McGovern has graciously agreed to do an Oral History for the Computer History Museum, so thank you very much, Lore!

**McGovern:** You're very welcome, Gardner, and I'm delighted to do this, mainly because there was so few women in the industry at the time, and also for my grandchildren to see that their grandmother actually did things that not a lot of women did in those days.

**Gardner:** Yes, very much so. What I'd like to do is start with your early family background. Could you tell me a little bit about where you were born and brought up. Your mother, your father, any siblings. I'd like to start there. It gives a sense of what were the formative years like that maybe influenced you being who you are.

**McGovern:** Okay, more than happy. I was born in Germany at the time it was Poland, and I grew up in West Germany to a very nice upper-middle class family, where my father had gone and studied in England,. And I was very influenced by my father's twin sister, who was born in 1906, and had become a JD. She studied at the Sorbonne, she had gone to London School of Economics, and finally ended up getting a law degree in Berlin. My grandfather was another really big influence in my life. He was a politician during the Weimar Republic and very involved in trying to reshape the financial situation in Germany. Co-authored a number of books. And he was somebody who told me, "You can do anything you want. And I remember as a seven-year-old, getting a little book from him, in my mind's-- child mind's eye, it was gigantic. And it was a photographic book of people from all over the world in their native costumes, their traditions and all this. And I was so enthused about the book that I said, "I will see all these people!" And eventually, I did accomplish that. I've pretty much been all over the world. And I went to boarding school, because I was, I guess a little rambunctious in my regular school, so they shipped me off to the nuns, where I spent a number of years. And came to the U.S. after finishing my German, high school diploma. And because I was invited by friends of my family. Well, they were actually not friend of my family, but some friends of ours. So it's a long story.

**Gardner:** Could I roll back and just spend a little bit more time, get a little bit more flavor of growing up? So what did your father-- was your mother a housekeeper? A stay-at-home--

**McGovern:** My mother was a housekeeper, because in those days, they believed that the wife of a certain person just did not work. So she was at home, even though I think she would have made a great entrepreneur. My father had taken over whatever were the remnants of a family business of which there were a number of things, but what he was trying to do is rebuild a lot of the real estate that they owned. Apartment buildings and things like this, because housing was horrendous. I was born in 1944, so just at the tail end of the Second World War. And so my memories are definitely still shaped by that post-war period. I do remember my first banana, my first orange and all these kinds of things.

**Gardner:** 'Cause they were really, really scarce things!

**McGovern:** Oh, they were scarce things. You just didn't have them. Also people really lived in cramped quarters. We lived with my grandparents in a building that was partly bombed. and they lived in one section and we lived another section. I mean, it sounds big, but it really wasn't very big. But it was an amazing time, because it combined some office space, which really, it should normally not been part of this. But it was, and I'll never forget there was a huge big safe, what they called a Tresor with these big doors and handles. And as a child, I loved going in there, and taking things out and trying to sell things and buy things and sell things, and get all my friends organized to play certain roles in this little child's game of buying and selling. And so I guess maybe I had a little entrepreneurial spirit in me even in those days.

**Gardner:** Yeah!

**McGovern:** So I came from a really loving family, great family. I've one brother, who's two years younger than I am, who is in Germany. I'm the wandering sheep. Nobody is here. I came, never intending to stay. I was supposed to go back, and one thing led to the next, and I ended up staying in the U.S.

**Gardner:** So is your brother still alive?

**McGovern:** My brother's still alive, and he again, he is involved in real estate. He builds apartment buildings, and develops real estate.

**Gardner:** Was that your father's occupation before the war?

**McGovern:** What my father wanted to do, he wanted to become a car designer. He was in love with automobiles. And he was very creative. My grandfather did not want that. He wanted him to become a lawyer, an economist. So he did study, I think, economics. And you know, never really pursued his passion in his life. And so when I think about my father, he was a very cultured man. Taught me a lot of things about all that, but on the other hand, I don't think he ever really fully developed what he could have been, because he was not able to do what he wanted.

**Gardner:** He was not able to pursue his passion.

**McGovern:** Right. And then also when he grew up, this was just sort of the beginning of the Hitler years in German. And you know, so there was-- it was not-- it was a difficult time. And then he lived in England. And then the war started. He ended up being drafted into the war, and he always lived a little bit in the

past. I don't think he ever embraced the possibilities of the post-war Germany that a lot of other people did. And so it's interesting to see, although we lived a very nice life, but I always felt, I don't know, because my grandfather was so strong, and my father was not as strong as he was. And so there was always a little bit in my child's mind, "Oh, my god! Why doesn't he do this?" He always dreamt about stuff, but didn't actually do it.

<overlapping conversation>

**Gardner:** And he chased his dreams. He wasn't like he was--

**McGovern:** He was a dream-chaser. That's true. He was a dream-chaser. My grandfather was a realist.

**Gardner:** Okay.

**McGovern:** And now this is on my paternal side. And on my maternal side, I really never knew my maternal grandmother, so I have no idea what she was like. My grandfather was a very, very quiet man on my mother's side. He worked for Krupp which is the big industrial firm. And so that side of the family is a little bit more of a mystery to me. Although my mother had brothers and sisters and we saw them, but it's not as integrated as the other side of the family. That had a much bigger influence on me.

**Gardner:** Yes, all right, good. Now what did your mother get a degree in? What did she study?

**McGovern:** She actually studied-- see, in Germany, things are a little different. She studied photography. And she had an unbelievable eye for photography. And really would have loved to be out there and become sort of an amazing world photographer. But that just was not--

**Gardner:** Yeah, it wasn't an option!

**McGovern:** It was not an option. It was not in the cards.

**Gardner:** But she had an artistic-- clearly artistic mind.

**McGovern:** Right and she had a very-- she had an eye for things. When she saw something sort of the Gestalt out there, she saw some specific little thing, and it was amazing. She was a very warm, loving wonderful person. And luckily my two daughters still knew her.

**Gardner:** Did they? Oh, good.

**McGovern:** And have such fond memories of her. They just thought she was the cat's meow as far as grandmothers are concerned.

**Gardner:** Yeah, she was really good at the grandmother role.

**McGovern:** Yeah, she was, excellent, yeah.

**Gardner:** So your early education. Did you have any idea what you were going-- you know, what did you think you were going to do when you grew up?

**McGovern:** I don't really know.

<overlapping conversation>

**Gardner:** When you were really young?

**McGovern:** I don't really know. I mean, there are many things that as a child you go through phases. I used to love shoes. And I thought, "Oh, my god, I always want to be around shoes." Which of course was not a thing that would have ever happened. But you know, all these kinds of things you go through as you grow up as a little girl. And then I thought medicine would have been a really interesting field. And I think, in retrospect, it could have been a good field for me, because I remember when I was in this Catholic boarding school on Sundays I guess they call it here, the pink-- Candy Stripers?

**Gardner:** Yes.

**McGovern:** I used to do that sort of thing. And I never minded taking care of old people. people who were soiled, who weren't very attractive to some other person, I never minded cleaning them up, taking care of them, making them feel good, and warm and happy. And it always struck me-- people said to me, "How can you do that? It's so icky!" And I said, "No, they need atten--," and they felt so much better afterwards. And I always was curious about what's going on in the body, and how does this work, and why does this break, and how could we fix it? But I never ended up doing that.

**Gardner:** No, that wasn't- that isn't what worked out.

**McGovern:** That is not what worked out. Yeah.

**Gardner:** So what were your favorite studies in your boarding school? What were the subjects you--

**McGovern:** Yeah, I loved-- I liked History. I loved languages. I had Latin, French and English. I was not that fond of math, although, I like it much more today. I don't know what held me back. This was pre-Barbie, when they said, "Math is hard." You know, that's why I never wanted a Barbie doll in my entire--

**Gardner:** And it's hard for girls, yeah.

**McGovern:** Right, never in my entire life for my kids. I was more on the humanities side. I also liked the arts and music. So that's what I favored. The sciences weren't so strong. That's what interesting into what I segued into.

**Gardner:** Yeah, yeah. That's very interesting. So were you brought up believing that eventually you would go to university, or that that was what was--

**McGovern:** Sure. I mean, it was sort of expectation in my family that that's what you--

**Gardner:** I would think it was, but I was just wondered.

**McGovern:** Yeah, no, no. That's what you're supposed to do, and then when I came to the U.S. So the way--

**Gardner:** Yeah, let's hear the coming to the U.S. story.

**McGovern:** So the way that happened is a friend with whom I'd gone to boarding school had a very strong relationship with a family just a little south of San Francisco in Santa Cruz. And this friend of mine came from a large family, 13 children. They had this wonderful country estate and everything was big and generous and wonderful. But they did exchange with this American family, where they had two sons and they came to visit them, and that one of the children went there. And so they kept doing this over the summer. Like three months, because they always like to expose their boys to people from different cultures. This time, I mean, it happened to be German. And so my friend, Gertrud, was supposed to go. But she had just fallen mad passionately in love with her boyfriend who then eventually became her husband, they've been married for many, many years now. And she said to me, "Why don't you go? And this is how I ended up going. I said, "Sure! Why not? That would be awesome! Would be terrific!"

**Gardner:** Now how old were you? Were you out high school?

**McGovern:** Yeah, I was out of-- I was 19/20. Yeah.

**Gardner:** Just had gotten out of school.

**McGovern:** Yeah, yeah, exactly! So I came here.

**Gardner:** Now you know English.

**McGovern:** Oh, yeah, I knew English for many years, because I started English at ten. Because as I mentioned, I had English, French and Latin. English is the first language. Then French, then Latin. So I had English for many years, French for many years, and Latin.

**Gardner:** That's just like the school system where you were.

**McGovern:** That's the way the school system is set up, exactly. So I came, and they were delightful people. I came February 8<sup>th</sup>. I never will forget that. And about five/four days later--

**Gardner:** And what year?

**McGovern:** '64/'65. I kind of keep forgetting. But it's been a long time. I've been here for a long time. Long time. Exactly. Three days later, we took off in their private plane, we flew all over the country.

**Gardner:** Oh, my goodness!

**McGovern:** We had an amazing time, and I said, "Wow!"

**Gardner:** You had no experiences like that.

**McGovern:** "This is America! This is amazing!" I was totally-- I was sort of very bowled over, I have to say. I mean, we even went to Las Vegas on our way back, and this was before Las Vegas became Las Vegas as we know it today, but what were the big hotels? Sands and Tropicana, I think was there.

**Gardner:** Yes, I think they were both there.

**McGovern:** Yeah, they were both there. And so we got there, and what was it, a Piper Twin Comache, I want to say. So they rolled out the Red Carpet, and I walked on the Red Carpet. I think it was just-- it was amazing! But so I got that experience, and then I came back and sort of people-oriented as I've been, especially after this book that intrigued me so much, "Where's all these different cultures?" I said, "But this is a country of immigrants," I said, "Where are the other people? there must be other people here." I'd not met anyone of color, anyone that looked Hispanic, anyone who looked anything but lily white, was wealthy, and what I presumed to be Republican.

**Gardner:** Yeah!

**McGovern:** And so I thought, "There must be something else I can find here." And so I had met the daughter of friends of theirs who was quite spunky and spirited. So I told--

**Gardner:** The daughter of the--?

**McGovern:** Friends of the family I was staying with.

**Gardner:** Yes, okay.

**McGovern:** And so I'd been there now for two months. And I said I wanted to spend a little bit of time doing something else, which they did not like at all. They said, "We feel responsible for you. You know, if your parents allow this, then that's fine," but so I had a little bit of a disagreement, I have to say. But I took off, and so this friend and I, we went to Mexico, we hitchhiked down to Guaymas and Hermosillo, and we had an amazing time!

**Gardner:** Oh, my goodness!

**McGovern:** And then I get back to California, she lived in Palo Alto-- she actually went to San Jose State. She did not go to Stanford. And my parents wanted me to come home pronto! Like right now! But you know--

**Gardner:** They were not enthusiastic with you hitchhiking to Mexico, I'm sure they weren't.



**McGovern:** No, nobody was terribly enthusiastic, I have to say. But I ended up staying, and then another month, and then I extended my visa out one more time. In those days it was very easy to say, "Oh, another three months, we can do this."

**Gardner:** "No, I'm still a tourist. I'm just going--"

<overlapping conversation>

**McGovern:** "I'm still a tourist, I'm not bothering anyone. I'm not a burden to the State." And anyway, at one point, I was really running out of money

**Gardner:** I was going to next ask you. How were you dealing with money at that time?

**McGovern:** I had some money when I came, and--

**Gardner:** Your parents had given you some.

**McGovern:** Yeah, yeah, yeah, of course, of course. Just sort of to hold me over. And then I was running out, and I thought, "Oh, maybe I can sell my return ticket," and so I did that.

**Gardner:** You sold your return ticket?

**McGovern:** Yeah, I did. And anyway, just sort of one thing led to the next, and I ended up staying. And then I said, "I've got to do something. Maybe I can get a job." So SRI had some ad for some job - somebody who had a language skill. I said, "Oh, yeah, I speak German, I speak French," at the time, my French was actually very good, and they didn't need Latin. So I applied. And then they wanted to see my Green Card, which of course I didn't have. So that was that. And then I tried a few other things, and I couldn't. And then I started to get a few babysitting jobs. And then I did another babysitting job, just to get by. But I was so stubborn, because this was the '60s. This was Haight-Ashbury, this was, you know, just liberation. And too, it was, "Cut that umbilical cord for the second time, and see what you can do!" I mean, just sort of free and unencumbered.

**Gardner:** Yeah, so you got into the spirit of that time.

**McGovern:** My hair was down to here. It was just amazing. I mean, I had gone from being sort of the child of-- well, everything was sort of expected, and it all fit, and behavior and planned, and all this. and I

kind of did a little detour. And by coincidence, I met what was to become my first husband, during this time, because-- and so many of my friends had brothers here, they were post-docs or they had year or so at HP or companies. And so I would see, you know, some of them at times here in Palo Alto. And I was at the Oasis was one of them. And unfortunately, the name escapes me completely. I have no idea. And this red TR4 zooms in--

**Gardner:** Which one?

**McGovern:** Little British car, Triumph TR4 sort of open, and it zooms in, and this guy gets out, and the person I was just, "Oh, my god! That's Bob Harp!" He must have come back from Germany. He'd been in Germany as a post-doctoral fellow at the Institute for Plasma Physics in Garching, Germany, just to be-- I think a part of Max Planck. And so he ended up sitting at our table, and so we chatted, and you know, at first in English, and then he was speaking actually excellent German, so we flipped back and forth between the languages. And I started to see him off and on.

**Gardner:** Yeah, right!

**McGovern:** So you know, I mean, he seemed like a nice guy, and we would just do things, and have fun, and so a year went by, because I was not going back. At this time, I was having a blast! I was just enjoying life, and even though I knew I should go back and kind of get my act together to do more serious things. I couldn't do this here, because I didn't have proper visas. I would have had to get out of the country to get visas. And I thought, "Oh, my god, another year, you know, you have lost nothing."

**Gardner:** Had you figured out how to support yourself at this point?

**McGovern:** Yeah, but that's why I said, I did--

**Gardner:** Babysitting.

**McGovern:** Babysitting, whatever I could get my hand on. And I was very frugal. I didn't need a lot of money. I lived with four girls in a house, and I spent very little money. And somehow, see, I think the other problem was I always knew if things came to the absolute bottom, I always could pick up the phone. Which I did not want to do. I was very stubborn, too.

**Gardner:** But you knew you could.

**McGovern:** I could.

**Gardner:** You had a safety net.

**McGovern:** I had a safety net.

**Gardner:** So this wasn't as scary as it would be if there wasn't anything.

**McGovern:** Exactly. I had a safety net, exactly.

**Gardner:** I get it, okay.

**McGovern:** So then, you know, a bit later, Bob Harp received an offer from Caltech to join the faculty as Assistant Professor. So he said to me, he said, "Well, do you want to go to Pasadena with me? It's right next to L.A." And I said, "Sure! I've never been to L.A., why don't I go with you?" So we went down to L.A. Oh, am I messing this up? Anyway, I went down to L.A. with him, and I thought, "Boy, at one point, I need to do something." At that juncture, I think I felt, "My god, you know, what am I doing here?" So then I guess my visa had run out for about a year now, which I didn't realize. And somehow--

**Gardner:** Okay, yeah, but nobody's looking at it.

**McGovern:** No, no, but then I got a notice, because every year you had to re-register. So they had an address--

**Gardner:** Ah, they had to know where you were.

**McGovern:** And I hadn't re-registered, so my letter got returned with a new address. And that's how they got to me. So we went, and I put on my little black shift dress. My hair was down, I put it in a big bun. I put on my pearl necklace, my father's gold bracelet, my grandmother's ring, and I sat there like Miss Prim and Proper. And we said, "Oh, we just got engaged, and we're getting married." And that's what we did!  
<laughs>

**Gardner:** Okay! All right.

**McGovern:** That's what we did, yeah, I mean, that's what we did.

**Gardner:** Okay, wow! Okay! And that's all a fact--

**McGovern:** And we got-- we married-- and so we found some minister some-- in our neighborhood, and then we went to McDonald's, had a hamburger.

**Gardner:** Wow! Okay!

**McGovern:** So exactly. Not quite what his parents had expected. They're from Kentucky, which is almost the South. And my parents with their own expectations. So nobody was extremely happy about that.

**Gardner:** So the parents weren't super happy on either side.

**McGovern:** Right, exactly. So then I ended up going to school. You know, the one thing, I didn't realize that in the U.S., the first question people ask you, "Oh, where did you go to school?" That is sort of your label. And in Europe, nobody would ask you that. They look more at the family name. Now I have a name in a book, I could show you that goes back to 1359 or something like this. You know, very long history. So nobody ask you where you go to school.

**Gardner:** They want to know your pedigree in terms of your family.

**McGovern:** Right, exactly.

**Gardner:** That's okay, yeah.

**McGovern:** And so it was kind of interesting. So I ended up going to Cal State LA, because it was close, I could drive to. You know, got my degree, and then had two kids.

**Gardner:** Yeah, now why did you get a degree in Anthro-- is it in Anthropology?

**McGovern:** Anthropology.

**Gardner:** Yeah, so what made you choose Anthropology?

**McGovern:** Because I think, you know what? Because I think this all goes back to this book.

**Gardner:** Oh, with all the cultures.

**McGovern:** It was about people, about other cultures. I have an intense curiosity about people. Even now. I mean, I go to countries that are little off the beaten path. I went to Iran last year. for ten days. And traveled all over Iran with a tiny, tiny little group of people. And went off-piste, so to speak, so to speak if I use a skiing term. Because I'm just curious about people. I mean, I talk to every cab driver with an accent. not a New York accent, necessarily. But I'm talking about Afghanistan.

**Gardner:** Okay, yeah, yeah, where did-- because they're very often immigrants, and you-- they have stories.

**McGovern:** And because I'm curious about people, and I've always had sort of a focus on, "How can we become better as people together?" And the only way we can do this, if we understand each other a little bit better. And so that has always been sort of my-- I think my focus. I'm very people-oriented. That's why I think when I did this stint of two years of street living-- although it wasn't on the street-- it was almost like getting-- sort of a degree in Sociology. You know because you kind of learned a lot about other people. I learned, for example, I mean, as I said au paired, I did the babysitting thing, and then all this. And people treated you a little differently. And I thought, I learned so much here on how to treat people who work for you in the future. You know, with respect, and all this. so it was a huge lesson at the time.

**Gardner:** Okay.

**McGovern:** So. <laughs>

**Gardner:** I didn't say it. Very good. So you went and got a degree.

**McGovern:** Yeah, I got a degree, then I had my first daughter, and then I had a second daughter. And by the time--

**Gardner:** Now, where were you living? Where did--

**McGovern:** We were in Pasadena. We lived in Sierra Madre, which is a little town in the foothills. And it's a little, sort of an artist-- artsy town, and was a fun place to be. And then we moved from there to way out in the boonies, Westlake Village, which is, oh, my god, San Fernando Valley, past Conejo Valley. I mean, it was one of those new areas, because Bob Harp had left Caltech, and he worked at the Hughes Research Labs.

**Gardner:** Ah, he got a job at--

**McGovern:** Yeah, he decided that academia was not what he really wanted to do. So he went to Hughes Research Lab and we lived in Westlake Village. And I think it was there where I felt there was sort of an intellectual and cultural void. It has changed a lot since we lived there. I got very antsy and very restless, I have to say. And met a friend who was-- felt very similar to me. And also had two small children. Almost identical ages. In fact, the children-- the two children were in their respective classes. And we talked about starting-- yeah, we started to talk-- to start a business, and because she loved to travel, I loved to travel. We thought, "What if we start a travel agency that has a more of a cultural component? You know, where you don't just sort of get a hotel and everything is pre-canned, but where an art historian, or a historian travels with you and can give you much more in-depth information, you have a much better travel experience." And we checked into it, it did not look like a promising business because the margins are sma-- let alone we weren't qualified because we had not ever written tickets. And it was ridic--

**Gardner:** Really? They were barriers everywhere you looked, there were things you had to overcome.

**McGovern:** Yeah, exactly. I mean, it was crazy. And so now at that time, okay, this is now 1976. In '75, MITS had come out with the Altair. You know, when Bill Gates lived there, and--

**Gardner:** Yes, in January, in *Popular Science*.

**McGovern:** And exactly. And, because, as I said, my ex-husband was reading tech publications all the time, and I kind of read them as well, and looked at them, and saw what was going on, we talked about things. So he had developed an 8K RAM board, because it was all S-100 BUS.

**Gardner:** Yeah, so go back, did he buy one of the Altairs? How did he get into that?

**McGovern:** Yeah, yeah, yeah, we had an Altair.

**Gardner:** Now had he built anything beforehand.

**McGovern:** Oh, he was a tinkerer. He was a tinkerer. He was always build-- we had a little, oh, it's a little sort of-- I don't want to call it a shed, it was more than a shed. But it was, well, it became his lab. He was always tinkering with things. He was always building something, and I can't really put my hands on anything specific. But he had oscilloscopes; he had all that stuff out there.

**Gardner:** So he loved tinkering with electronics.

**McGovern:** Exactly.

**Gardner:** Trying different things.

**McGovern:** Exactly, so--

**Gardner:** Did he get any Heathkits? They all had plastic things in that era.

<overlapping conversation>

**McGovern:** We had a Heathkit. Yeah, all of that. All of the above.

**Gardner:** Okay, okay, he would do that.

**McGovern:** Yes, exactly.

**Gardner:** All right. I'm understanding.

**McGovern:** Yeah, no, exactly. Because I remember, we even we got a fake signal to our TV set, which he had concocted. So we got channels from, I don't know how many places. And our neighbors would all be amazed! "Where did you get that? How did you do this?" And so he was a tinkerer. So he had Altair, he had bought an Altair, that blue MITS with all the little buttons in the front. And so he then designed an 8K RAM board-- because it had 1K RAM, I think initially, and then 4K, I believe. And so we had this 8K RAM board that was sitting there. It had been sitting there for almost a year, because somebody else-- it was one of his former post docs who was running a tiny little company, it's probably still tiny today, that sold Gallium Arsenide for the semiconductor space. And he was supposed to build this thing and sell it. But it didn't go anywhere. Because he probably would call the suppliers and say, "Oh, I need, you know, 300 chips." Well, you don't get economies of scale for 300 chips, right?

**Gardner:** Yes, absolutely!

**McGovern:** So, anyway, so when this other business, travel business didn't work out, I said to my ex-husband I said, "Why don't I take that board and see what I can do with it?"

**Gardner:** So his friend, who was doing the Gallium Arsenide business, he was trying to sell it?

**McGovern:** He was trying to make it and build it, but they couldn't get to the economies of scale.

**Gardner:** But, yeah, I understand.

**McGovern:** Exactly, so I said, you know, "Why don't I see what I can do with it?"

**Gardner:** Yeah, right, why don't you try it?

**McGovern:** And so he said, "Well, okay, let's talk about it." And then I called my friend, Carol Ely [ph?] and said, "Carol, how would you like to start a computer company with a memory board?" And she said, "What's a memory board?" I said, "Well, you know a little bit less than I do, but it's for the Altair, the MITS Altair. And right now they have 1K memory, and it's a board that fits into the motherboard, it's an S-100 BUS." I had already learned all the sort of the lingo.

**Gardner:** You'd learned all that, yeah, yeah.

**McGovern:** And so she said, "Oh, that sounds interesting." So we pooled ten thousand dollars between us, and went out, found vendors who could make the board. And our first thing was they have to be pretty, because they were all sold as kits. So they were all silkscreened, we had each part already there, so people wouldn't have to look at a diagram. We had all the parts listed, so people just had to stick in the parts. You know, the holes were all plated. And so we wanted to make sure that people not only had a functioning board, but they had an experience. And feel good afterwards when they looked at it and say, "Wow! I did this! Isn't this pretty?" We even went out and bought color-coordinated capacitors. Our little dipswitch was red. And we had all these little things that looked perfect. But the real kicker is how we bought our first chips. So AMD was big at the time in selling these memory chips. And so I called AMD. Now you have to understand I was standing in my family room, where the kitchen is attached. I had a stew cooking on top of the stove, because it had to last for three days. I had not time for cooking. And I'm on the phone talking to this guy from AMD, and told him that we had a new memory board, and I wanted to talk to him about 50,000 chips.

**Gardner:** Yes.

**McGovern:** And he said, "Oh!" he said, "I'd be happy to come to your office." And I said, "Well," I said, "We'd love to meet you in our office, but we are in the middle of transitioning, moving, but can we meet," we were in Westlake "At the Westlake Inn to discuss it?" So I called my husband. I said, "You got to get home from Hughes. You have got to be here at quarter to five to care for the kids, we have to go and meet this guy from AMD!" And so my partner and I drove there. I wore just a skirt and a shirt. I mean, looked professional in my big station wagon. And I never forget this guy's look. he had the little monogrammed cufflinks, and that aftershave everybody had, some Old Spice thing. And he gave us sort of this up-and-down look. I never forget this. So we sat down. I told him what we were planning on doing, and I said, "This is going to be a huge industry. I said MITS came out with this what is sort of a first small



computer that can be used by many, many, many people, and these--," and so he came, sat down, he said, "Well, let me think about, you know, talk about pricing." In those days, they did a little bit more just back of the envelope kind of pricing.

**Hendrie:** Oh yes, absolutely.

**McGovern:** So, it wasn't like here's your list, here's--

**Hendrie:** They make it up.

**McGovern:** They made it up. So, he came up with ridiculous numbers. I said, "You don't understand." I said, "We need economies of scale at the beginning in order to not only buy fifty thousand but buy five hundred thousand chips and more from you." And so anyway, I knew this wouldn't work out with him. So, then I called Fairchild. And this guy came out. His name was Ernie Alvarez. He looked like a silver fox. He was this elegant looking guy. I think he was much more attuned as to what was going on in the pimple of an industry. I mean we were sort of a genesis. Nobody had any idea. Nobody had any idea.

**Hendrie:** Nobody knew what was going to happen.

**McGovern:** Exactly. But he kind of-- he knew about the Altair, which was already unusual. The other guy didn't even know what that was.

**Hendrie:** Really?

**McGovern:** He knew what the Altair was. And so, he said, "You know what? I'll help you." And I said to him, "We will pay within thirty days because we cannot prepay. We promise we will pay in thirty days or before." And he said, "You know what? I trust you." And so, through some distributor, Dick Kirkpatrick, I'll never forget that, he would go to Burbank, pick up the chips at the airport when they came in, drove them out to Westlake Village where we were while we were still in my kitchen in that converted bedroom.

**Hendrie:** Yes.

**McGovern:** And bring chips, and donuts. And we have coffee. That's how we used to get our first chip deliveries. And I mean it was just an amazing story. And because we-- also, the other thing we did is we packaged the kits. And we sold everything COD. So, we had internally generated cash flow. And the way we sold is we looked at every magazine at the time, Interface Age, Interface, BYTE, and whatever all those publications were in those d-- in '76, and found everybody who had anything to do with dealers. We

got on the phone. We would talk to people. We would sell them things. We also would go to what was sort of the equivalent to the homebrew computer club down at TRW. And a guy was a real sort of geek would open TRW space up on weekends. And we would have our swaps. They called it the swap meet.

**Hendrie:** Okay. Yes, of course.

**McGovern:** We would go in and we would show our memory boards. And we would have mints and nice tablecloths. And people would come in and just guzzle them up, buy these things like crazy. We started-- we incorporated August 23<sup>rd</sup>. October 31<sup>st</sup>, I knew we were in business because I sold eighty-one of these memory boards. And I think they sold for close to two hundred dollars at the time, a little bit more. I don't have the price exactly in my mind. And I said we are in business. We are moving out of the bedroom. We are getting space. So, we moved into our first twelve hundred square feet in some office park. And I hired our first technician, who could start to help put things together. Then the other computers came up, the IMSAI.

**Hendrie:** Yes.

**McGovern:** Also. Lots of switches on the front.

**Hendrie:** Yes.

**McGovern:** And I said it's unnatural. People should not have to do zeroes and ones in order to get this thing to work. It should be on and off. So, I said to Bob, "We need to design-- you need to design another board." So, he designed the 1702 PROM board.

**Hendrie:** Right, where you could put the bootstrap in, yes.

**McGovern:** Bootstrap it in. And you know I sat all night programming with the paper tape thing to get the - and that thing flew out the door, flew out the door. So, in our first year we had the memory board. We had the 1702 board. We had started to work on a motherboard and a power supply. And in '77, we actually had our first Vector 1 computer.

**Hendrie:** Okay.

**McGovern:** And we did a million dollars in our first year. And we took four-- well, because we were Sub S, we just broke even. But we had invested ten thousand dollars. We took four thousand out and gave it back to us. So, the company was basically founded on six grand.

**Hendrie:** Ah, okay.

**McGovern:** Yeah, it was amazing.

**Hendrie:** That's your working capital?

**McGovern:** It was my-- our working capital. But working capital was internally generated cash because it was COD.

**Hendrie:** Exactly, you paid your vendors, and you sold the product before you had to pay.

**McGovern:** That's exactly true. So, we had our first-- so, we did our first Vector 1. Then we had the Vector MZ. We were the first company that built a floppy disk inside the computer. We were the first company that--

**Hendrie:** Now, do you remember what gave you that idea?

**McGovern:** Well, because we wanted to de-clutter space. And we were the first company that had rounded corners. We were--

**Hendrie:** Yes, Steve Jobs.

**McGovern:** The first company-- Yeah, exactly, our corners were round. We had color. Our Vector 1 came in burnt orange, dark green, black, and beige.

**Hendrie:** Okay.

**McGovern:** Four colors. So, it was not Apple that did the color scheme first.

**Hendrie:** Yes, yes, correct.

**McGovern:** So, we know we did that. And so, we ended up building lots of computers of different varieties in a very, very short period of time. Plus, we developed a lot of software in house. We had our own word processor called Memorite.

**Hendrie:** Yeah, now tell me about how did you develop the software?

**McGovern:** We had a big software department inside.

**Hendrie:** Yeah, but talk to me about how you got started with that.

**McGovern:** Well, okay. So, we had of course--

**Hendrie:** I'm always interested in the step by step.

**McGovern:** Okay, so we had licensed BASIC-- I mean CP/M. We were CP/M based, Gary Kildall, whose-  
- I worked very closely with. And that was our fundamental operating system. But we also worked very closely with Microsoft and Bill Gates. He was at our office a lot. I knew Bill very well in those days. And we licensed a program called the Electric Pencil, which was a small word processing program. But it really didn't have quite what we felt we needed. So, we started to write a word processing package for our computers.

**Hendrie:** So, you hired-- now, was Bob working for--?

**McGovern:** At that time, he-- yes, okay. So, I should step back for a second.

**Hendrie:** Yes.

**McGovern:** So, we did a million dollars-- a million in sales our first year and were on a ramp to five million. And so, he felt--

**Hendrie:** Okay, this is-- first year is August to August?

**McGovern:** Yeah.

**Hendrie:** Yeah.

**McGovern:** Yeah, well September.

**Hendrie:** Sorry.

**McGovern:** Yeah, exactly. And he felt secure enough. So, he actually joined the company as VP of R and D. And we sort of recapitalized the company in terms of job distribution. We gave him-- because before, he had very little stock because we were going to pay him royalty. But then, he came into the company. And so, Carole gave some of her stock to him. I gave some of my stock to him. And so, we had a better distribution of ownership. He came in. And so, we spent a lot of money on R and D. That was one of my big things besides marketing and getting the word out in a way that people really believed in what we were doing and that whatever they would get from us was high quality, reliability, support, and all that. So, we hired--

**Hendrie:** So, Bob's in the company. So, you now have a technical person.

**McGovern:** Oh, we had technical people already. But he became the VP R and D. He was the head technical guy, I would say.

**Hendrie:** So, you'd hired some engineers before that?

**McGovern:** Oh yeah, we had hired engineers. We had technicians, yeah, already.

**Hendrie:** Okay.

**McGovern:** But he was because everything had emanated initially from his ideas and vision. But we had made a lot of contributions because I was out in the field all the time. You saw what was going on, what other people were doing. And so, it became a pretty, I would say, collective design team.

**Hendrie:** Of course.

**McGovern:** Because you can't just have engineering make all the decisions. You have to have-- you know Carole became very involved in marketing, did a great job, and sales, and all this. And I started from a different point of view. So, we were very much collectively involved in strategy.

**Hendrie:** Yes, in making all the different decisions and strategies.

**McGovern:** Right, exactly.

**Hendrie:** Okay.

**McGovern:** And I knew everybody. I was sort of the out-front person. I mean I knew everybody in the industry at that time. Although, what is interesting because we were in Southern California, you had the Silicon Valley phenomenon. And companies-- if it did not come out of Silicon Valley, they were never sort of in the fold of Silicon Valley. I look at other companies. When you go online and you check out this old industry, you know the mention IMSAI. They mention Northstar. But they don't mention Polymorphic. They don't mention Processor Tech. They don't mention Ohio Scientific. They don't mention any of these companies. But they were very much there in the day as well and many, many, many, many others. You know Osborne-- and knew Adam very well. In fact, when he had the idea for the first portable computer with the Osborne 1, he came to my office. He wanted us to do it.

**Hendrie:** Really?

**McGovern:** Oh yeah, he was sitting in my office. I mean Adam and I were buddies.

**Hendrie:** Yeah?

**McGovern:** And-- yeah, we were buddies. I knew him really, really well. I mean we socialized. And I was at his place in Berkeley many times. And he was here many times. But he came with his big thing. And I said, "Adam, but that is so heavy." I said, "Do you really think people will carry something like that?" And then of course he eventually did it himself. And then eventually, we know what happened there.

**Hendrie:** Yes, right.

**McGovern:** But anyway, so somehow we got a little bit sidetracked here. But-- so, we were talking about software. So, we had our word processor. We had Execuplan, which was our spreadsheet that was probably as good or better than VisiCalc. And then we used Heidi Roizen's T/Maker. And then we used Hayes modem, so we could communicate. So, basically the software packages that we put together from database, to a word processor, to a spreadsheet is basically what one today would call Microsoft Office because there's all these pieces together.

**Hendrie:** Yes.

**McGovern:** Then, we had, through the Vector 3 and the Vector MZ, we could cluster five computers. Well, when I think about that, what do they call that today?

**Hendrie:** Yeah. Absolutely.

**McGovern:** Yeah. No, my god, what do you call this when you have this cluster?

**Hendrie:** Well, you network them. And, yeah--

**McGovern:** Yeah, there's another term that escapes me right now. But anyway, so we had all these. We were very, very advanced. We had a dealer network of several hundred, I think almost seven hundred. We were in seventeen countries because my whole thing was get us out into the field, be a fantastic dealer network. We had big support programs and training offices where people had to come within three months of becoming a Vector dealer. They had to make big commitments. But they had to come for training. They had to have ongoing training so they would be totally aware. We had a dealer council. We had-- twice a year, we had big dealer meetings where people would all come together. We really looked for input and advice to get to the next step. We helped-- we were very involved with standardization. We were involved with sort of pricing issues. I mean not to fix pricing. I'm not talking about that sort of thing.

**Hendrie:** Yes, right.

**McGovern:** But so that we would develop industry standards. We were very involved in all of that.

**Hendrie:** So, how did you-- talk to me about the-- a little bit more about how you and Carole sort of split out, which sort of things-- You were the CEO.

**McGovern:** I was the CEO.

**Hendrie:** But in terms of the day-to-day thing, would you be the one who initially tried to make the deals with the dealers? Or did Carole do that? Where-- I mean, I'm just interested in how you participated. Now, I mean you all I'm sure worked very hard. But--

**McGovern:** So, Carole-- I mean initially, we both did the same thing almost. And then we decided-- and I was I guess the more natural CEO. And that's how that kind of happened. It started pretty much from the start. And Carole really took over our dealer network and worked with the dealers, and--

**Hendrie:** That was her sort of--

**McGovern:** That is sort of what she did.

**Hendrie:** She really focused on it.

**McGovern:** She focused on that a lot. And then we had-- you know, we had marketing. But we were very much-- Carole and I had really an amazingly great working relationship. We worked closely together on things. We talked about ideas. We talked about how can we differentiate ourselves again. And then somebody had to just run with it and implement. So, she was more involved on the marketing side. I was the CEO. I would work-- for example, we did quite a few OEM deals. With Pitney Bowes, for example, they used our computers as frontend for all their-- what is it? The post office machine stuff.

**Hendrie:** Yeah, the mail. Yeah, well they're mailing machines, right?

**McGovern:** Right. Yeah, we did that. We did an OEM deal with Sears. Oh yeah, we had a lot of OEM deals. And that is sort of where I came in, and then together with our VP of finance and financial people where we did the financial part. But I was out there doing those kinds of things. And even when we went public, that was something that I completely drove from start to finish from finding the group that was supposed to become our underwriters and eventually did. I had met many of the people at what used to be WEMA. And I think I was there the last year when it was WEMA, and then it became AEA, the American Electronics Association.

**Hendrie:** Okay.

**McGovern:** On whose board I served. And I remember walking into the very first meeting of about forty-five guys and me. And I thought what's wrong with this picture? And then Sandy Kurtzig and I, we came on pretty much about the same time. So, we were the two of us. It was just amazing. The same when I went to the first meeting at the American Electronics Association. There's nothing but guys and little me, I mean it was amazing, and the woman who was sort of the registrar and would help flip the overheads, which we used in those days.

**Hendrie:** Yes.

**McGovern:** It's amazing. And the way people presented their companies there, have you ever been to one of the AEA meetings?

**Hendrie:** No, I don't think so.

**McGovern:** This was really an interesting-- sort of an interesting experience. It was at the Highlands Inn. And young companies would come and present to the VCs. This is when Don Valentine, and Dick



Kramlich, and Frank Caufield, and all the oldies and goodies were there and their funds were maybe fifty million, if that.

**Hendrie:** Yes, the funds were all very modest.

**McGovern:** They were little, exactly. But, you know they're all strutting their stuff, Bill Hambrecht, Sandy Robertson. You can go the gamut. I knew them all well. And the funniest thing-- so, you did the presentation. And then you had your breakout sessions. But it's not in rooms. The breakout sessions were in people's respective bedrooms. That's where people would come in because that's where you showed what you had because--

**Hendrie:** Yes, okay. I remember that era.

**McGovern:** So, here's Carole with me, and our bedroom was jampacked because we were such an anomaly because I mean we were doing hardware. It was not as though-- I mean software is hard. Don't get me wrong. But we had manufacturing. We had a facility.

**Hendrie:** You had all that sort of stuff there.

**McGovern:** We had all that stuff. And I'll never forget that. It was a funny experience to be there as a woman. And they either just loved you, or they were trying to be after you.

**Hendrie:** Really?

**McGovern:** Oh, my god I could tell you stories, and I will not mention names, that were really quite amazing.

**Hendrie:** Yes.

**McGovern:** Quite amazing.

**Hendrie:** Okay.

**McGovern:** One guy actually got slapped. I said, "I'm here for one purpose only, and that is to see what's happening, how people are raising money." I wasn't even looking to raise money. I was just there more or less for the connections in how to become part of not just the industry, but the financial side around it.

And that's where I met the people who eventually became my underwriters. I mean I had met Bill Hambrecht there many times. And Hambrecht & Quist eventually, that's the company that took me--

**Hendrie:** Well, were they the ones that--

**McGovern:** They and what was then Shearson where Sandy Weill was running that. And so, Shear-- what became Shearson American Express. So, I wanted an East Coast presence. And I wanted a West Coast presence. And Hambrecht and Quist was the presence. I still knew Quist well. He was up there. And so, they, in the end, took us public.

**Hendrie:** Okay. But yes, you would go to the meetings to meet these people so that if you wanted when you decided to go do it, they would recognize you. As opposed to your--

**McGovern:** Yeah, no it was all about networking. And it's the same as trade shows. I gave a lot of talks at trade shows because I thought it's going to be good for the company. People will know what you are about. Like with COMDEX, I gave a talk at COMDEX from 1979, first COMDEX, on. And with Shelly Adelson I mean when he was just little Shelly Adelson. Now he's big Shelly Adelson.

**Hendrie:** That's really-- that's very interesting. Okay. So, talk to me about-- a little bit about, as the company is growing, what your philosophy was with the employees in terms of did you give any stock options, or what? Talk to me about that, that whole-- the non-technical part of managing the company.

**McGovern:** Okay. So, I would say that when we look at what people are doing for employees now, we did then. We had daycare. We had flex hours. We had ongoing education. We had an award system where we would hire busses and take everybody to the beach for a picnic or a barbecue because we achieved certain goals and then get people back in time. We had everybody participate in our public offering, every single employee. Of course, we had stock options for key management.

**Hendrie:** Yeah, certainly stock options.

**McGovern:** Exactly.

**Hendrie:** They were around in that era.

**McGovern:** However, when we took the company public, I told the underwriters that I wanted every-- we only had been in business for five years, so a short period of time, that every employee was supposed to get stock. And they said, "Well, how are we going to do that?" I said we're going to give each employee a

hundred shares for each year they have been with the company. And they said, "Well, that's unheard of." I said, "The guy in assembly who puts in the last screw, and if he is really mad, and he doesn't do it properly, and QA misses it, it's not the guy back there who hears this. This is the VP of sales. This is sales going down because suddenly you're no longer delivering quality product." I said, "Everybody is deserving, not just those of us sitting at the front office." So, some people got five hundred shares. Some people got a hundred shares. And some people got three hundred shares, two hundred shares. And the underwriters said, "Well, you know, how we going to-- where are we going to take the stock from?" I said, "Everybody gives a little," because it's not as though we had thousands of employees. We had I think at that time maybe seven hundred or five hundred. I don't remember exactly. So, I called everybody into the office in groups of three, explained what we are doing, that they were getting stock. But I said the law requires that you have to pay something. And because we already have a price, we are setting an option price of-- I think we set it at a dollar. We came out at I think close to fourteen. So, I explained that basically they have a nice windfall of thirteen dollars if the stock holds up. And once the period is over where they can sell, you know, one forty-four, that they would have a nice windfall. And people couldn't believe it. They were thrilled. People were thrilled. So, these are the kinds of things that we did in 1981. And that was kind of unheard of. And the other thing was-- and today, it's not a big deal, but then when I realized I didn't know everybody any longer when I went through manufacturing, which I did every Monday morning, I walked through manufacturing. And then I gave sort of a state of the company address to all the employees about things that had gone well, things that weren't going so well, and where we needed to improve. And I would see the cage where stuff that didn't work was accumulating. And how I told people that we're not buying new stuff until this stuff either gets shipped back or fixed. And so, every Monday morning, we had a talk with the employees. So, they knew what was great, where some concerns were. We kept everybody in the loop. And then when I realized, walking through oh my god, because we were growing so fast, I don't know everyone anymore by name, I did a little thing where once every two weeks for a period of time I took ten employees out, they could self-select, to lunch. So, we'd get reacquainted. And I felt-- because it's not just all about work. You also want to hear about what people think. What is their political orientation? What's their religious orientation? What makes people tick? And how do people--?

**Hendrie:** What are their concerns? What are they thinking about?

**McGovern:** Well, some people I think were concerned about some insurance issues. Other people were concerned-- my god, we had a beautiful cafeteria that we didn't have-- I think there was not enough junk food or whatever. But the point is you listened. And you could modify whatever you could modify. And some of the things on insurance-- and I forget-- I have to say, I forget some of those things today what they were. But you know we got all that good valuable input and feedback. And so, it was also some of the things that we did. So, we had an unbelievable employee spirit and family. And we did another thing. We created something called Vector Views where we had an internal organ with all of our dealers and all of our people, where we once-- and this was long before we could do it electronically in one blast. We actually had to ship stuff. We shipped Vector Views where everybody got the updates of the companies, the highlights, new employees, so people were informed. We had what we called the Ten Commandments about respect for the other. You know, sort of ten items, a let's do attitude, let's try it,

and respect, and all these things. And it was hanging. And every-- dealers had it. These were the Vector rules.

**Hendrie:** Okay.

**McGovern:** So, we were a really, really, really great company. And this company should have continued on. And I'll never forget when the divide came. There were two divides. One, IBM finally realized wow, there are a whole bunch of people making money on a brand new industry that we have ignored. And then they ignored again and sold their division to Lenovo in China. So, they went in and out.

**Hendrie:** I know. I know. And that's a whole other story.

**McGovern:** But I'll never forget when Estridge, Don, he came to my office, and with his, what I called his seven dwarfs, or many people call it that. It was a whole bunch of IBM people. And he came in. And we sit there and chatted. And I think we were at about twenty-five million. We were on our way to go public. And I said to him, "So, let me get this straight. You are a twenty-five billion dollar business." That's about what they were at the time "We're a twenty-five million dollar business. And you are interested to potentially OEM product from us? That seems like a highly unlikely proposition." So, they took one of our Vector 3s. And when you looked later on at the PC, there was a lot of reverse engineering in terms of the best of what we had done, and then the best of what Apple had done, and the best of what others had done in a-- kind of put that together.

**Hendrie:** Yeah, they took the ideas. They didn't necessarily copy the design because that would be illegal, direct copies.

**McGovern:** Oh, yeah, I know.

**Hendrie:** But you get the idea, just redesign it.

**McGovern:** That's exactly what happened.

**Hendrie:** And that's what they did.

**McGovern:** And I remember calling a board meeting-- or not a meeting, I mean an executive meeting. And I said, "We have one year if that." And I said, "The world is going to change." And then of course it changed because of the well-documented story of IBM going down to Digital Research. And they wanted

them to sign a non-disclosure, which they don't. And then they went to Bill Gates, who didn't have anything. But he had vision. And so, he did all that.

**Hendrie:** Yeah, he somehow convinced them that he had it.

**McGovern:** And the rest is history. And then we used, for example, the other thing we had embedded and used in our computers. We used Peachtree software, the accounting software.

**Hendrie:** Okay, I was going to ask you about that. Not just any application--

**McGovern:** Oh yeah, and many of our dealers had developed vertical packages for specific markets. But we had a big relationship with Peachtree. And we were their top company to sell their software. And then without telling us, they made a side deal with IBM, which was basically illegal from a contractual point of view with us. We had exclusivity. But they did that because-- I mean IBM comes knocking, and you open the door. And you say, "I'm not stupid." So, that was another thing. And the third thing is-- well, it was all during a time when I got a lot of publicity. I was on the cover of Inc magazine. I was in Business Week, and all those.

**Hendrie:** Yeah, I've seen some of those in the-- yeah, I've seen some of those articles.

**McGovern:** Right, exactly. And it did have a toll on my relationship with my ex-husband. He became not very happy that I got so much credit. And although I never kept him out of any interviews, especially when it came to deeply technical things, I would absolutely integrate him into all of that. He did a lot of interviews on his own. But somehow, I became the queen bee for five minutes. And I thought it was good for the company. And it was good for the company. But it wasn't good for our marriage. And there were other issue that were part of what eventually--

**Hendrie:** Yeah, when did it start to, you know, when did your relationship start to not be--?

**McGovern:** I think the big thing was when I appeared on Inc magazine. He took-- they shipped us like a thousand. He took them all and put them in the dumpster.

**Hendrie:** Okay.

**McGovern:** Which I thought was a little silly. I said, "They didn't go away." I mean the magazine was still there. And it became one of the biggest sales tools a lot of our dealers used because it was such a good article. I just happened to be the face to the article. But everybody else was prominently in it. So, it was--

**Hendrie:** Yes, it was a good story. And it wasn't just about you.

**McGovern:** No, exactly, exactly. And so, I think that was the beginning. And then when we were in the process of taking the company public, it had become clear that I just did not want to stay in this relationship, and told the underwriter I want that listed in the prospectus because I didn't want anybody to come afterwards after the company and say, "You did not make a full disclosure." So, it's in the prospectus. And so--

**Hendrie:** Now, had he already thought-- was he already thinking about-- your relationship wasn't good. Was he already thinking about leaving? When did he actually leave?

**McGovern:** Well, he was-- basically, at some juncture, he was asked to leave because there were some things that happened in the course of, first of all, these difficult transitions in the industry where we needed to be laser-focused. And unfortunately, one of the key people was not laser-focused on Vector Graphic. That person had already other ideas in mind and sort of helped slow us down in terms of--

**Hendrie:** That would slow you down if he's not driving.

**McGovern:** Right.

**Hendrie:** To solve this problem.

**McGovern:** So, it was difficult. And then--

**Hendrie:** This was all after the IPO, right?

**McGovern:** Yes.

**Hendrie:** This is post IPO.

**McGovern:** It was literally when we found out that some things weren't completely the way they should be played by a key management member. It was just shortly after we had gone public. And we were in the quiet period. And we were in a not quiet period as before, but we were-- no, you're still in the quiet period. And you still-- you can't sell stock. And so, it's one forty-four. It's a very, very, very, very difficult time. And I think a combination of sort of the big elephant footprint of IBM suddenly saying, "Hey, we're going to get into this," and one of our key members not really laser-focused on what we needed to do I

think had the first sort of declining aspect. And you know, in retrospect, there were so many things. I had two children. And how do you deal with a human being? There was-- it was just a lot of stuff. I mean he did tremendously fabulous work for the company. I'm not trying to take that down for one second. He did an amazing job.

**Hendrie:** He was a really good engineer.

**McGovern:** He was a fantastic engineer together with many of the other people that had come in. We had a big engineering team, and technicians, and all this, and a big software department, and all this. But he had done a great job. And without his initial input in all this, we would not have had a company. But then, without Carole's and my contribution to really actualize it--

**Hendrie:** You wouldn't have had a company.

**McGovern:** We wouldn't have had a company because that's what I always said. It's team-- our slogan was, "Teamwork makes it happen." So, we need to work together. It's not one person who is the alpha and omega of what goes on. So, anyway, so it's been an interesting story. And it's been just something I will always be very proud of even though we were a tiny little piece in a very big puzzle. But it took a lot of smaller pieces that had impact. And I think we had impact on a lot of things. The whole dealer development, I think we had impact on the kinds of products we produced and how thousands and thousands and thousands of people used our products. And in fact, there's a little group out there that is still using Vector Graphic computers. They are trying to change them. There's an alumni club out there. I mean this is a long-- it was a long time ago, but there's an alumni club that is still working with this old equipment. And the guy in Ireland who evidently has a whole slew full.

**Hendrie:** Really?

**McGovern:** It's quite amazing.

**Hendrie:** Okay.

**McGovern:** Yeah.

**Hendrie:** That's really good. One thing I wanted to ask was maybe you could go through as best your memory can do it with the sort of progress of the product up until step by step what you tried to do as you went through different models of the product, and then what your response was, or what you thought

about-- really interested in your thinking about what to do when the IBM PC came upon you and you saw what they were doing.

**McGovern:** Right.

**Hendrie:** So, maybe you could just start with the Vector 1 was--

**McGovern:** Yeah, well the genesis of the company was boards. It was the 8K RAM board, and then 16K, and the evolution of 48K, however far we went, and the 1702 PROM board and then we had Flash Writer. We had all sorts of other boards there because we were very interested also in the user-interface. So, we had interesting screens, and we could do a lot of stuff that was cool. So, we had a turning world which was more than anybody else had as their symbol there turning around. And tried to build bigger and better computers, but mainly geared toward small business rather than personal computers the way Apple eventually evolved. And when IBM came in, I think we had the Vector 3, which was a computer that had the screen and the computer and the keyboard all in one unit. It was a pretty attractive offering. And again, we had the computers you could hook together. So, in an office you could have many people work on different things using basically client-server, what we would call today client-server systems. Again, we were CP/M based. We used some other systems. There was OASIS, and there was-- we used Micropolis drives. They had some operating system as well which escapes me right now. We used that as well. But what I had wanted to do when IBM came in, I wanted to use DOS and CP/M. And we had an amazing relationship with Microsoft. I'd signed a contract where every update and every new system in perpetuity we would get at no increased royalty. It was a phenomenal contract at the time. But we had a big board discussion about this. And there were several of our board members who did not think-- and one guy had come out of IBM. He said, "IBM is never going to stay in this. It's going to be too tedious. They're a big machine company, big systems. This is not for them. So, stick with CP/M." And I didn't really want to do that. I felt if IBM is using DOS, we need to have DOS. And somehow, that just did not happen. We stayed with CP/M. And for a period of time, everything around CP/M was still sort of the leader until it wasn't. And so, that was-- I would say not having forced this through to make it happen was probably a flaw on my part by kind of going against my instinct of that that needed to happen in order to be competitive because IBM was lusting after our dealer network. We truly had the best dealer network. We were selective. We didn't take everybody. We fired Business Land, I think, because they weren't doing what they were supposed to do. We did not just blindly unleash our product. We were very, very selective. And we had the strongest dealer network, beyond loyalty in our network. So, even during the transition of bringing DOS in and having the compatibility within the system, they would have stayed with us. But we didn't do it. And then we had the other dilemma that I described a little bit earlier at the company. So, we missed a very big window, I think at least three quarters of a year. And three quarters of a year is a lifetime. And so, that is where I kind of blame myself as CEO for not being a little bit more dictatorial, and become a little more of a dictator and say, "Okay, this is where the buck stops here." I let myself be persuaded not to do that. I would say so that is-- was probably a mistake I made. And then I would say another mistake I made was I had remarried at that time and also felt I wanted to spend a little bit more time on my new marriage and told the board that I would stay as chairman but bring on a new CEO. And that was Fred



Snow. He came out of Honeywell. The one thing, when he came to join us, he had not disclosed that he was actually moving to the West Coast so he could leave his wife. He wanted a divorce. He did not disclose that. And unfortunately, his wife was very distraught by that and committed suicide. So, he had a nervous breakdown, more or less. And so, board members pleaded with me to come back. I had moved up to northern California at the time in the house we are sitting in right now. And plead to come back and because I just moved up here a few months earlier with small children, nine and eleven, right after school was out, no friendship, no circle for them, I commuted every day to Los Angeles between here and Burbank. I would take a 6am flight. I'd get to Burbank, have my car in the parking lot, got to the office at 8:30. And at night, I'd try to get the 6 o'clock flight back so I could have dinner with my kids a little late but still have dinner, and the next day, do the same thing again. And I did that for nine months until I finally decided this is completely crazy. I can't do that anymore. And but the company was already really starting to struggle. And I decided I couldn't do that anymore and basically left. And a former VP of sales who was really not that strong was appointed CEO. And you could see the handwriting on the wall at that time. And I had a big falling out with the board about personnel and all this. And I finally said, "Guys, I've had it. I'm out of here." I dumped all my stock, had a good cry at my lawyer's office because it was just-- Oh, I just--

**Hendrie:** This is-- yeah, you put your life-- ten years of your life into it.

**McGovern:** Sort of the throw the baby out with the bathwater, that's how I felt a little bit, but I sold all my stock. And I said good riddance. And then three years later, the company closed the doors. But I would say sort of the big mistake I made was not pushing for DOS to become--

**Hendrie:** Not following your gut, but being--

**McGovern:** And that's exactly what it was, not following my gut. But if you listen to another side, that person will say, "Oh no, I wanted to do this, and da, da, da, da, da." And that's exactly not what happened. That would have been my ex-husband.

**Hendrie:** Yes.

**McGovern:** So, even in Fast Company that recently did an article. And I said, "What is he talking about?" He was the one who absolutely did not want to do that. But what the point is, I'm not into finger pointing. I'm not interested in that at all, not in the slightest. I'm just saying from my point of view, where I was coming from, as the CEO at the time, that was a big mistake.

**Hendrie:** Yes. Well, sometimes people like your board member who had an IBM background, they-- you're tempted to listen to them because of what their experience and what things that they know that you know you don't know. So, I understand how you could--

**McGovern:** That's true, and yet, I should have just do what my gut told me. Gut feeling is very important. But we had some big plans because the technology was evolving. In Moore's Law, faster, bigger, better was really happening. And we were very well-poised to participate in that because we were offering full solutions including printers. We used Diablo private labeled with the Vector equipment. We had complete small office solutions.

**Hendrie:** Yeah, well you were focused on the business world, which unfortunately was just what IBM was most interested in, too.

**McGovern:** Yeah, exactly. Yeah because they saw-- I mean obviously, they're not stupid. They saw what we were doing and what some of these other smaller companies were doing. And they saw, my god, they've opened up a whole big wide world. And they fared fairly well for a period of time until Lenovo took over that division within IBM.

**Hendrie:** Well, that took decades though for that deterioration to happen.

**McGovern:** Yeah, exactly.

**Hendrie:** The-- so, tell me a little of the story of how you met your second husband. You know you told me the story about the first one. So, I'd love to hear the story on how you met Pat.

**McGovern:** Well, we met at a conference in San Francisco that his company was--

**Hendrie:** It was an IDC conference, yeah.

**McGovern:** It was not an IDC conference. It was a marketing, some kind of a marketing conference. I think it was done through InfoWorld.

**Hendrie:** Oh, yes.

**McGovern:** And my partner was invited to give a talk because of the dealer stuff and the marketing to our dealer network. And we had-- okay, Pat had started a television program, computers on TV. And our ad agency thought it would be a really great thing to advertise on this program. And so, they worked out through these things. They created little ads. We won three Clios because our ads, they were very, very funny. They were very small. They only took up a portion of the screen. And I forget what-- there was a trio. But the ones that "our computers are so small you don't need the whole screen" won a Clio for this whole series. I cannot remember what the others said. But they had similarly clever language. So, we

were going to advertise on it. And they put the plan in front of me. And it was a lot of money at the time. And then I said okay, so let's go through the details as to where are the channels, what's the audience, what are the times. And it turned out it would be like four in the morning. It's like infomercials, four in the morning or Saturday morning at ten where most dads are out with their kids for soccer or some other activities and some areas in some channels or TV stations that just did not seem practical. So, I nixed it. I said, "We are not doing this. This is-- it's really a waste of money. It's bad money." So, we were up here in San Francisco. And I had just been on the cover of Inc. I walked out. And somebody came up to me and said, "Oh, aren't you Lore Harp?" And I said, "Well, maybe I am, but if I can't even use a bathroom, I'm not so sure I am." So, about an hour later, the same person came back and said, "Oh, the CEO and chairman of IDG would really love to meet with you." And I looked at Carole. And I said, "Oh my god, this is a sort of a thank the client lunch." And I said, "Do I want to do this? I don't know. But I said don't ignore the press." "Why don't we just do it, get it over with." So, we said okay, we would.

**Hendrie:** Okay, this is the two of you. Yeah, yeah.

**McGovern:** This is-- not just the two of us. But anyway, so we then go through the conference. We get to lunch. We're sitting at a big round table. And this guy goes around, shakes everybody's hand. And I thought it was unusual. Usually, people just say, "Oh, hi. I'm so and so." And just before he was shy of-- I think Bob Harp was there. Shy of Bob Harp, somebody came up to him and said, "Oh, you are up at the dais." And so, he went up and sat up there. And he gets introduced and said he is Pat McGovern, and he doesn't need an introduction. I said, "Who is Pat McGovern?" I had no idea because he didn't promote himself so much. He promoted the publications. And it wasn't IDG that he promoted. He promoted Computer World and InfoWorld and whatever they had at the time, PC World maybe. So, he didn't sit with us. Then the next day, we ended up with our lunch. And we were nine people. He had a whole bunch of his people there. He and I just happened to sit next to each other and just started to talk. And he was wearing his MIT ring. And I said, "Oh, you're an Eager Beaver, too." And he said, "How do you know?" I said-- my husband, who was still my husband at that time, went to MIT as well. "Oh, what class?" He said, "59." I said, "Oh, so was he." So, they were the same class. Anyway, that's how Pat and I met.

**Hendrie:** Wow.

**McGovern:** Then we just said, "if you come to Los Angeles, let me show you the company." "If you come to Boston, let me show you my company." And that's how he and I met. And then it turns out that I was a guest of honor for the opening of the Computerland in the financial district in Boston with Dan Bricklin and some other people cutting the ribbon. And in walks Pat. And he said, "I hear you were at the company, and you did an interview, but you didn't call me." And so, we met. And then about a year later, we were married.

**Hendrie:** Okay. So, you liked each other.

**McGovern:** Actually, I was only divorced for two days.

**Hendrie:** Really?

**McGovern:** When we got married.

**Hendrie:** Oh, my goodness. Okay.

**McGovern:** So, we were incognito for a long time. Now, I can talk about all this. It doesn't really matter. We were incognito for a long time. And it was at, I think at one of the COMDEX-- I think it was COMDEX where we were dancing. And suddenly, somebody said, "Is there something going on between Lore Harp and Pat McGovern?" And so, that's how we came out, out of our sort of hidden little relationship and got married. And we were married almost thirty-three years before he passed away. So, that's how I met him.

**Hendrie:** Okay. So, you started going together, and then you got married after it came out. Yes.

**McGovern:** Exactly. Yeah, and then he and I of course started the McGovern Institute in 2000.

**Hendrie:** Ah, yes. Well, now that's another-- we have to keep our stories one at a time.

**McGovern:** Oh, better keep our stories straight, exactly.

**Hendrie:** Yeah, got to keep our stories straight.

**McGovern:** Exactly, and we were-- it was funny. When we had our conversations about what he was doing and what I was doing because he was obviously talking about the kinds of things companies like mine and many others were doing. "If it weren't for companies like mine, you wouldn't be in business." I said, "How do you do that so brilliantly? How so you start these things and catch the moment and create these new publications," and the things he did, which he did so well.

**Hendrie:** He was such a master at that.

**McGovern:** Yeah, he was very good, yeah.

**Hendrie:** Okay, wow, all right. That's really interesting, good. So, after you-- so, let me just get the time-- I'm trying to get the time straight in my head. So, you've already. You didn't meet him until after you'd gone public and were at some of these conferences. That all occurred after--

**McGovern:** No, I went public in October 13<sup>th</sup> or 15<sup>th</sup> '81. And we have sort of a debate. Sandy Kurtzig and I both believe that we were the first woman on NASDAQ. So, we were either on the same day, within hours of each other, or off by a day. Now, she claims she was the first woman. I claim I was the first woman. But whatever it is, there were two women in 1981 within a day of each other who were the first women on NASDAQ. And I think that's a pretty cool story, too. But in terms of meeting Pat, I met him in March of '81. I took the company public in October '81.

**Hendrie:** Okay.

**McGovern:** Yeah, so he was in that process, saw the process of--

**Hendrie:** So, you were already-- but you knew him.

**McGovern:** Yes--

**Hendrie:** Before you went public. Okay, I just wanted to get--

**McGovern:** Yeah, yeah, no that's the timing.

**Hendrie:** I wanted to get that, okay. Another thing I'd like to maybe talk about is the story of when you first-- of going public. And I'd start with when did you first think that maybe it's-- maybe we ought to be thinking about it, maybe it's time to start thinking about it. Of course, when you start, you always have a dream that you'll be a public company someday. But could you talk about that a little?

**McGovern:** Yeah, exactly. I think maybe I alluded to it a little bit earlier. I always want to do something where I can check things off the list of things I want to do. For example, before I talk about going public, I should talk about that I also raised a little bit of venture capital. Although, we absolutely did not need it. However, we were in a fast growth phase. And I think President Carter was in office. And they were talking about interest rates going up to fifteen percent and more. So, I went again to one of the meetings at American Electronics Association. And I met Art Beliner and Jean Deleage of Sofinnova who has unfortunately passed away a few years ago. Art Beliner was with Walden Capital. And they solicited an investment because I talked with them. So, I raised seven hundred and fifty thousand dollars because I'd never done that. And I thought let's just see what that feels like. So, I gave a teeny little bit away of the

company. But we had a nice stash of cash. And in those days, seven hundred and fifty thousand dollars actually meant-- was some money we could put in the bank and have there for a rainy day and for expansion and so on and so forth. So, going public was another thing I felt I'd always wanted to do and see what the process would be like and also IBM had come in. And I thought, wow, I wonder if we will have an opportunity to do that because you don't know how all this will evolve. So, and that's why during a board meeting, I said, "I would like to take the company public." I said, "We have a really great story to tell." I think when we went public, we were doing twenty-five, almost thirty million in annual revenue. So, this is in '81. So, if you multiply that out today, that's-- it's significant.

**Hendrie:** Yeah, yeah right, absolutely.

**McGovern:** Plus, in those days, you'd have real sales, real product, real revenue, as I said sales, and real profits over a consistent period of time, all of which we had demonstrated. We did not ever have a loss. We broke even in our first year, and then for the five years straight, we had just an unbelievable balance sheet and P and L. So, we were so well-poised. So, we worked with Shearson and H&Q, Tom Volpe.

**Hendrie:** Now, when had you met them?

**McGovern:** I had met Bill Hambrecht at the AEA meetings. He would be in Monterey. That's where I'd met him. And I had met Chris Covington there as well. He was, at the time, with I want to say Paine Webber. It may not have been Paine Webber. It was somebody else. And he would be at these meetings. That's how I'd met them first. And people were really vying for our business. The underwriters, they were just all over themselves trying to tell us why they would be the best. But H&Q was the boutique firm in the Bay Area for Silicon Valley. They were just sort of the gold standard. And I told Bill Hambrecht, I want you to do it not some underling. And he said, "No, I'll give you the best guy." Tom Volpe was the youngest CEO for H and Q. He was twenty-nine years old at the time. But I mean some superstar. And he's still a very good friend of mine today. And then I wanted an East Coast presence because they understood Wall Street. They understood what was going on there. And that's when I took Shearson and a fellow by the name of Chris Covington represented Shearson. And so, they came out. And we went through this painstaking process of preparing the red herring. And we had people there day and night. And I'll never forget one young woman from Shearson who was there, Laura Sullivan, who worked harder than anyone, day and night. And when we finally were done, we had pricing done and the road show started, which is sort of the icing on the cake where basically you just confirm what you're going to do because fundamentally, the money is already in the bank, or at least in those days--

**Hendrie:** Really?

**McGovern:** Oh, yeah, the thing is the deals are done. And I mean maybe not one thousand percent, but they are really close or else they wouldn't take you on the road show.

**Hendrie:** Yeah, if they're going to take you on the road show, it's going to happen.

**McGovern:** So, the thing I never forget was that after all this hard work, they did not take her on the road show. They took somebody on the road show who sort of-- I would say if she did ninety percent, that person did ten percent. But it was a guy. And I remember how annoyed I was, how frustrated I was that they would not give that kind of award to this hard working young woman. I thought, "Man, this is so unfair." But we did the road show. And it was interesting. We started in London at a breakfast meeting with all the various bankers. And, as you know, prospectus reads, the company does, the CEO. So, it's very neutral. There's no identifiers to who-- to gender.

**Hendrie:** Yeah, yeah, yeah.

**McGovern:** And so, I'm standing there in my suit. And suddenly, there's this British chap who was-- I mean okay, thirty-five years old at the time. And he was maybe-- well, he looked old to me. So, he was maybe fifty-five, sixty, which is now pretty damn young. Suddenly, he said to me, "Oh Ms., do you mind getting me a cup of coffee?" And I looked at him. And I said, "Sure, I'll be happy to." So, I brought him this coffee, standing around. And people were asked to please be seated. We wanted to start. So, one of the underwriters gets up and makes the introduction. He said, "And with us, we have the CEO, Lore Harp, and the CFO, Tom Herrican, and da, da, da, da." And so, and then he said, "We'll ask the CEO to make the presentation." So, I get up. And I look at this guy. And he's just looking there a little dumbfounded. Of course, I couldn't help myself but to ask, "Would you like another cup of coffee?"

**Hendrie:** Oh, oh, oh.

<laughter>

**McGovern:** And anyway, so he said, "Oh no, thank you, thank you." But so, anyway, I did the presentation, applause. Everything was fine. Then we get up, and the same guy comes back to me. And he says, "Ms. Harp, how does it feel to have so many men working for you?" I mean I was just so dumbfounded. And so, I allowed that that we hire people by competence. And if we would find a woman who was as competent as a man or even better, we would hire the best. If it's a woman, it's a woman. If it's a man, it's a man. I said, "Unfortunately, you don't find that many women who are VP of manufacturing." And anyways, so-- and I looked at him. I said, "You don't hold this one silly chromosome against me, do you?" And then, he just went on. And that was sort of a silly, silly thing.

**Hendrie:** Oh my goodness.

**McGovern:** So, in Paris-- from there, we went to Edinburgh. We did our thing. And then we went to--

**Hendrie:** You always go to Edinburgh next.

**McGovern:** Exactly, and then we went to Paris. And it was a lunch meeting. And it was crowded. It was jampacked. And I'm standing there talking. And everybody is chatting. I mean nobody is paying attention. But that's Parisian. So, I suddenly, I just stopped talking. I didn't say anything. I just stood up there. I quit talking. And suddenly, the whole room got quiet. And I said in my best lousy French, my French was not good anymore, I said, "I'd be happy to share my story and the story of the company if there was a general interest." I said, "But I know the food is really delicious." Everybody was quiet. I could finish.

<laughter>

**Hendrie:** I love it.

**McGovern:** So, these were just interesting little moments. And then the day we went public, I mean it was exhilarating.

**Hendrie:** Where else did you go on the road show?

**McGovern:** We were in Geneva, I think and then New York. And so, we did that. And we were in Boston, also. I think Boston, yes Boston and New York. And that was it. Then we went public. And suddenly, my god, there's millions of dollars that belong to the company. And all the employees got some stock. And then you suddenly realize, oh my god, you made your first million. And it was just-- it's just this weird feeling. It was just a strange feeling. And it was exhilarating and satisfying. And you felt there was an award for something you had done. You could put the money to really, really good use to expand and build the company. And so, no it was great. I mean obviously, I could go into many more technical aspects of this whole going public process of how we arrived at pricing. But those stories are all so well-documented, I don't want to go there. I feel these human stories are--

**Hendrie:** Are the ones that aren't documented, exactly.

**McGovern:** Yeah.



**Hendrie:** That's what I like to hear is the ones you don't-- okay, so after you quote retired from Vector Graphic, what d-- did you move up here? Well, you'd already moved up here full time.

**McGovern:** No, I moved up here. I had moved up here in '82, '83, right.

**Hendrie:** Yeah, '83.

**McGovern:** That's when I did that constant commute. No, I started two other companies, the first one in a completely different field. I mean it is so different. But, as I think one Business Week article said, Lore Harp is back on her feet. And it kind of relates a little bit to Vector Graphic because I traveled a lot. As I said, we had offices in seventeen countries. So, we visited a lot of people. And sometimes, you got into countries where sanitary situations were a little different to what we are used to. And also, long airplane rides and the sanitary facilities on planes also are not always so sanitary.

**Hendrie:** Yes, exactly.

**McGovern:** So, I thought there must be a better way for women to either not use a facility or to hover eventually cause themselves damage to their bladder and kidneys. So, I invented this little product called Le Funelle.

**Hendrie:** Nice French word, yeah.

**McGovern:** It's not a French word at all. It's totally made--

**Hendrie:** It sounds like it.

**McGovern:** Yeah, of course it does. It was the intent. It's Funelle. It's phonetically funnel. But it's basically, le is the male article. And fun is fun. And elle is she. So, it's like his fun for her. It was kind of this made-up word. And it became-- it's a urinary funnel that you used while traveling. And I have two patents on it, one for design, and one for the paper we developed because it was something you used that stayed dry while you used it. And then -- when it gets disposed, it decomposed like toilet paper. And you could-- it was biodegradable and--

**Hendrie:** Very good.

**McGovern:** But the problem with that product was trying to change human behavior is very difficult. Being able to advertise was nearly impossible. I mean I could not advertise because people were just uncomfortable with the topic. And so, we-- I did a lot of radio shows, radio stuff. And I almost got onto Phil Donahue. It got canceled the day before because there was some big falling out with something else that he needed to document. So, I thought that could have been the breakthrough. Somebody would have bought us and put it next into feminine hygiene products. And it could have been fine. But anyway, so I did that. And sold the product eventually to a marketing company that sold and made it for many years and sold it through travel catalogs. And so, I got royalties on that. And then, by complete default, got involved in an educational publishing company that I wanted to transfer to technology platform. The company here in Silicon Valley called Behavioral Research had product from K through 12, every subject, every topic, and it was programmed learning, where it is very rigid, very regimented, and it was self-policing, where the student did the work and graded himself, so cheating was an option, but not encouraged and basically the students who eventually did very well are the ones that did not cheat. Anyway, the company, for a variety of reasons, didn't make it because I think the methodology changed. We went to whole language, we went to whole math and all these new ways of teaching, and the company kind of imploded. The only people who still were buying it were the nuns in the Catholic schools, and those kids probably learned more about phonics. They learned more about all this stuff, so I had served on a board called Peregrine Ventures, which was part of Montgomery Securities. For many years, I was sort of their tech person and one of the VCs-- GPs, I should say, a friend of mine, asked me if I would take a look at this company that he had invested in and he said they were not sure where it was going. I said, "Frank, I know nothing about educational publishing." "I cannot be of any help." He said, "Just go and judge the guy." I said, "Okay, I'll go."

**Hendrie:** Okay, so who was this Frank? Who?

**McGovern:** This was Frank LaHaye. Yeah, and so I went to see the company, met with the CEO, then I said, "I want to see a place where they're actually using this product," so I went to a little Catholic school in the Mission District in San Francisco and could not believe how kids were drawn to this one teacher. "Mr. Ringel, Mr. Ringel," holding onto him, "Mr. Ringel." He did all these little phonics games with them and I said, "Wow, this is all borne out of this product. You know, there is some way-- there's a pony here somewhere," so I called my friend back and I said, "I think I see something, but the guy who's running is," I said, "he's not going to do it, make it happen." He came out of a educational publishing company, so everything was very much geared to the way education works and how the trade shows like ITSA and so on see the world, how you deal within the machinery of education. It's very tedious, very slow, very complicated. So I said, "I have some ideas I would like to run by you," and so I said, "I'll take it over." So that's how I ended up getting into this and the interesting thing was-- now, this company had been bankrupt for I don't know how many years, but they had a warehouse in Sparks, Nevada, which is the warehouse capital of the US, with thousands and thousands and thousands of books of each topic.

**Hendrie:** Of each type, yes.

**McGovern:** They had a full time warehouse manager, so that he could ship a hundred books to the nuns a month, and I said, "Are you kidding?" I said, "This is a gigantic, colossal waste of money," so I said, "But how do we get rid of the books?" because nobody wants them on a dumpster, because they're bound. They have glue and all this, so I said, "How can I do this?" so I decided I would call the Mississippi school authorities to see if they would be interested in this product, because it's really good. They're very poor. They never responded. Then I sent a note to the Vietnamese embassy or consulate in San Francisco, one to-- one other one and one to the Chinese, and the people who immediately responded were the Chinese. They came down. We displayed the books. They were interested in a whole variety. They sent their containers up there. We loaded the books and we shipped them to China at no cost to me. We kept 10 of each so that we would have a referenceable assortment and so the books went to China, to the elite school, and I came to China. I never forget that. Oh, they did a little thank you dinner at the Chinese consulate. Then I went to China and they said they wanted to me-- wanted me to see the school, so I \_\_\_\_\_.

**Hendrie:** Yes, of course you wanted to do that too.

**McGovern:** I went to the school. I mean, I was not prepared for anything. There're all these students in their little uniforms. "Good morning, Teacher," they said to me and they had all the books on display, I tell you, I was almost in tears. I could not believe it and I thought, "My God, here's a people that is so interested in knowledge and to be able to get access to these materials, and utilize them, even though they have fallen out of favor here," but they still have really good content. They really teach and I mean, I was so thrilled, and yet I felt a little bit Machiavellian in the way I did it because they took the books off my hands. I paid nothing, so anyway, so I built this company. We created new products which-- at the time there weren't any tablets. There was nothing like that, so we used still cassette recorders and I created these characters and I used a baseball theme, like Home Run Reading, and Home Run Reading was reading and understanding, and built this and sold it and it was always with singing and I thought, oh-- cab driver and I were talking and he said, oh, he composed this music and I said, yeah, we are looking for some themes. Would he be interested to talk to me and he said, yeah, he would, and a hundred dollars later, we had our theme music. And then he had such a good sonorous voice, he became some of our voice over. Then we took kids out of the Mission who were in this school and they became the people who, you know, the kids who the voice stuff, and I mean, it was amazing and we sold quite a few of that, but again, educational products are very, very hard to sell, and that company-- I sold that company to an outfit in the Midwest and it wasn't millions of dollars, but I got some of the money back to the investors and...

**Hendrie:** ...that had been invested, yeah.

**McGovern:** Yeah, exactly, so that worked well and, you know...

**Hendrie:** Wow.

**McGovern:** So then I invest in startups and mentor a lot of companies. I just had one of my companies exit, which was very nice. We had a nice return and so stick with technology not direct level, but on a peripheral level by nurturing and helping and making sure other young people can...

**Hendrie:** ...and doing some investment and then...

**McGovern:** Exactly, exactly.

**Hendrie:** And do you tend to join the boards too of the companies...

**McGovern:** I do.

**Hendrie:** ...you invest in?

**McGovern:** Yeah, I do.

**Hendrie:** Yeah.

**McGovern:** Yeah.

**Hendrie:** Okay, that's always-- that's good.

**McGovern:** Yeah, so life has been good. I can't complain and I'm delighted you took the time to want to speak to me about some of my experiences.

**Hendrie:** Well, I'd like to ask you-- I have two other sort of questions I'd like to ask. One is, you mentioned your love of going and seeing other cultures. Tell me a little bit about what you've been able to do, since you certainly didn't have very much time to do that when you were running Vector, but since then.

**McGovern:** I did travel quite a bit, actually, because we were in so many different countries, so-- but oh, I have been to many places. I went to Iran last year for 10 days, which everybody said, "Oh, my God, be careful, be careful." I found it to be the most delightful experience with the wonderful people and amazing culture incredible food, very polite people and big entrepreneurial spirit. The thing that struck me was, here's a country where you really can get in on it. I mean, you really can't access anything and yet, there's so many entrepreneurs. We came out of-- I think it was some mosque or museum and suddenly,

couple of people came up to say, "Oh, where are you from?" and I said, "Oh, we are from the US." "Oh, my God, you're so lucky," and he said, "Well, where you from?" meaning me and I said, "Oh, I'm from San Francisco." "You mean Silicon Valley? How exciting! My God, I wish we could go!" and he said, "We started a social media company." I said, "Are you kidding?" I said, "Social media," I said, "Nothing is allowed here." "Oh," he said, "we all have VPNs and we get stuff and we are doing it, and in fact, we are going to a conference in Berlin called The Bridge," which was something that was started at Berkeley, I think, a year earlier, and-- where they bring entrepreneurs from Iran and other places together to talk about what they want to do, and there was a big conference that year. I was there in April a year ago now, and this conference was in June in Berlin, and supposedly, some 2,000 attendees, and I felt, "My God, once this whole mess in Iran is over, whoever is the first venture capitalist there is going to do so well," because the drive by people struck me, in other conversations, the duality of living. On the one hand, I wore a hijab and I had to wear a coat and all this, but once you get out of the public eye, you get into somebody's house, which I was able to do as well, everything comes flying off and people wear dresses that are cut down to here. They have five earrings. They have makeup galore, tiny little jeans, and they look completely Westernized, and yet you feel there's always-- there's truth and lie. It's almost like two lives. It's a truth and a lie, truth and lie, truth and lie, and I think it must be really hard on the psyche how you reconcile these two, because at some point, you cannot always make that division. Okay, here's my public persona, here's my private persona, and I wonder what that long term impact is going to be, but I loved it. I've traveled in Africa, South Africa, and Zimbabwe and places which are also so downtrodden and horrendously sad on so many levels because of what the governments did there to those places, because-- I mean, Zimbabwe, it used to be Rhodesia, was the breadbasket of Africa, and you see these huge farms that were there just lying sort of in complete disrepair. You see railroad ties [sic] and tracks and all this just lying there, grass growing over them, but the worst to me was when you saw sort of the evolution of child growing up. Now, you see a little two-year old, they still jump around. To them, everything is new. Everything is learning. Their eyes are really bright and oh, everything is new, everything is knowledge, but then you see a 10 year-old and you see already that dull look because there's a hopelessness because schooling is poor and then you see the 15 year-old. They kind of sit there with, you know, just drawing in the sand and so whatever else can we do? There is nothing, and yet people want change. They want things to improve, but unless that dictator Mugabe is out of there, I think it's gonna be so, so tough. And the thing is, you should not forget about these places. I mean, we go there. I went there as a tourist and I stayed in nice enough places and all this. The poverty and all this is really so hard and yet, we go home-- I mean, I see myself talking about it, but I personally really have not done anything individually to help make change. Yeah, I support some kids and so on, but it's not-- so we take a deeper stand toward helping, so I think that's what I always feel coming back from some of the places that I visit. I've been to Uzbekistan, which-- that was interesting. Again, it's one of those places where you have a lot of Western stuff and then you have a lot of really old, old, old, old traditions, but it's just the juxtaposition of these cultures that I love explore-- love to explore, so yeah.

**Hendrie:** That would be fascinating, yeah, exactly.

**McGovern:** Yeah, so what else do I have-- where do I have to go? One place I've never been able to go is Israel, which I want to go to. I've tried now I don't know how many times and every time, something

happen. One year, it was Passover, Greek Orthodox Easter, and our Easter all at the same weekend and I couldn't get a flight out of Paris. I was going to go with my daughter and we couldn't get out of Paris. So we ended up in Paris, which is not what I wanted to do. In 2000, we were going to go as our entire family, with-- I hired an art historian and somebody who could take us to different places and show us things and then I forget what war was going on. I said, "I'm not going to stay at the Star of David Hotel. I want to go to these other places where we really learn about history and culture and..."

**Hendrie:** Yes, out in the...

**McGovern:** ...in the boonies.

**Hendrie:** Out in the boonies.

**McGovern:** Exactly, so yeah. India, I mean, you know, I've been pretty much-- I've been Vietnam numerous times and China I've been many times, over a hundred since '82.

**Hendrie:** Can you tell me a little bit about how you-- the two of you got interested in the brain-- in brain research? Tell me-- can you tell a little bit...

**McGovern:** Oh, yeah, certainly.

**Hendrie:** ...of that story?

**McGovern:** Oh, I would be delighted to tell that story. Pat and I, because we traveled so much, we were always fascinated how people in one country could talk so ill about people in the other country. Romania Vs the Hungarians. The Hungarians Vs the Romanians. You're in Hungary, it's absolutely delightful. You go to Romania, it's absolutely delightful, and my thing was, where does this prejudice come from, because it goes beyond wars and things like that. So where does prejudice resonate in the brain? That's what always was something I was absolutely fascinated by. For example, you go through a dark alley and somebody who's not of your racial makeup comes toward you and you feel, "Oh, my God. Is this going to be dangerous?" You get a little weird feeling. Why is that? Where does it come from? Does it go back to our primitive brain when we were really fighting for food, clothes, and shelter and all that? And Pat had been really influenced by Giant Brains and Machines That Sing was a book by Ed Berkeley...

**Hendrie:** Yes, way back.

**McGovern:** ...way, way back and he was always fascinated by that, and when we decided to give back, because we had done very well, we did not want to do something that increased our material enjoyment, but to do something where we could really help benefit a lot of different people and because we both were fascinated by the brain in addition to what I just talked about, but how we learn, how we process information, how we derive decision making, but all the neuro degenerative diseases that cause so much havoc emotionally, financially, and on so many levels. We decided that we wanted to get involved in brain research, but in basic research and so we understand first how the brain works and why it breaks and what can we do about it. So we put a consortium of a few people together, headed by David Baltimore, who was then the president at Caltech, he's a Nobel Prize winner, and \_\_\_\_\_ three or four other people to help us think through what we wanted to do, and where the best universities are that already do neuroscience, and then Pat and I - we're looking at a business plan, went to these different universities because the only thing we had told people was, "Put everything aside. Let your wildest imagination drive you. What would it mean or take, for you to have the best neuroscience institute? Don't worry about anything else, and then come up with your dreams and plans," and so we went to Stanford, we went to Berkeley, we went to Rockefeller, we were at Caltech, we were at UC San Diego and a whole slew of universities, and narrowed it down as to where we thought there was the biggest intellectual thoughtfulness about how to achieve that, and then it really came between MIT and UCSF. And UCSF is a fantastic school and-- obviously, as you well know, Pat was a MIT grad. He was a member of the corporation, but that really was not the driving force. I think in the end what was the driving force is that we knew that technology would play such an enormous role in driving research and we see it now with all the equipment we use, with the technology, and UCSF was a medical school, although they will tell you, "Oh, we have Berkeley and we have UCLA," well, but they're not part of the dough. They're over here, they're over here, and they're over there. At MIT, everything is together and you can draw on this incredible resource of different departments, and we work with so many different departments. That's how we ended up at MIT and what was interesting-- because we really brought of a corporate culture to it about collaboration, talking to each other, departments. Engineering talks to Marketing. Sales talks to Engineering, Marketing. You kind of all talk to each other because what struck...

**Hendrie:** Well, if it's going to work, yes, you better do that.

**McGovern:** ...what struck me was, when we had our-- we had our first six faculty members that came out of Cal-- out of MIT who were involved in neuroscience, from computational to systems to cognitive to many different disciplines. These people really didn't know each other. They had all been at MIT for many years, but they really didn't know each other. They're all in a silo. They're all working on their product (research, I should say) and they were all raising money for what they were doing, and so we tried to change that and say, "Let's all talk to each other. See what you're doing in your research, how it may overlap, how it may fit, how we can collaborate," and so we brought in a real big sea change, so our Institute today has this complete feeling of family, where people talk to each other. We extended that beyond our Institute into different departments. We work with the media lab. We work with chemical engineering. We work with material science, because another thing Pat and I did is, we put together-- together with the enormous gift we made, we put together another little fund, which is called MINT, which is the McGovern Institute Neurotechnology Initiative, and so where people can apply for a grant for a

crazy idea and it's maybe \$50,000 or maybe \$100,000 max and it doesn't necessarily need to come from within neuroscience. It can come from different places, and then people can test crazy ideas and if it works, well, then we have something good to show for and NIH or NSF can fund, because you can never take NIH money - that's already in a box - and say, "I want to test something." That's not what you got the grant for, and if you do that, you won't see another grant, so this has been enormously successful in the way we did that, and the other thing we did is, when we made the commitment, this very, very large commitment to fund the institute, we did it in perpetuity. We did not put the money immediately into play at MIT. We have done it over a period of 20 years and in its 20<sup>th</sup> year, which will be in four years, the rest kicks in as the endowment, which is a multiplier of the last big contribution. Now, we have about 20-- we have 19 PIs and all the other people too. We have about 400 people, so it's a lot of bodies, so it's going to be a nice big endowment to get started with, plus we raise additional funding for specific purposes: obsessive-compulsive behavior, for autism. We're trying to set up centers within that get funded by major donors.

**Hendrie:** Yeah, I read about it. I get the newsletter, so I-- yeah, I've read about some of the autism work, yeah.

**McGovern:** Yeah, yeah, so it's-- in fact, I was at UCSF on Monday night for what they now call the Neuroscience Academy, which is a once a year event because Sandy Weil made a very large gift to UCSF, so they have that now, but as I was talking to a couple of the top people there, they said, "McGovern Institute has become the gold standard in how something should be run," and I feel very proud of that.

**Hendrie:** Wow, you should be. I mean, that is the thing that struck me was the interdisciplinary idea about it, that you took people from all different fields and got them working together as opposed to the classic silos of universities.

**McGovern:** Right, yeah. Well, this is-- that's what's so interesting. When we look for new faculty positions, we don't go in there and say, "Oh, we are looking for somebody who works on language with finch birds." We don't put any job description into the-- when we do faculty search, you put no job description in. We want to find the people with the most unique and new and fabulous idea, and that's what we bring in, and we just add it on. Yeah, I mean, it's neuroscience related, it's brain related, but we are not looking for anything specific. We are not necessarily looking for a person that specializes on autism or...

**Hendrie:** Yeah, well, what you-- yeah, if you're really going to build a great institute, just like building a great company...

**McGovern:** Exactly.



**Hendrie:** ...what you really want...

**McGovern:** ...is the brightest.

**Hendrie:** ...are the brightest and best.

**McGovern:** Exactly, and that's what we are doing. We work...

**Hendrie:** The A's of this world that are just unusually able.

**McGovern:** Exactly, and we actually reject a lot of people. I mean, we have huge cadre of applicants every year, but we don't take everyone. There's a narrowing-down, and yet very few people don't accept when the offer is made, because a lot of people...

**Hendrie:** That's pretty good.

**McGovern:** ...get multiple offers. Oh, I think it's tremendous. I mean, you saw a little bit the feel of our institute last week when we did the installation of the sculpture. There is just something that is joyous and together and wonderful, yeah.

**Hendrie:** People are really enjoying doing what they're doing besides they're very good at it.

**McGovern:** Yeah, exactly, exactly, and everybody...

**Hendrie:** You gotta have fun with what you're doing.

**McGovern:** And although research is one of those endless kinds of things, because research is so complicated, but everybody is driven toward finding solutions and with an institute like that, you absolutely can never, ever go in and say, "Okay, in two years, we will have achieved that. We will have a solution to that." It just-- the brain is just too complicated. But to be driven toward finding a solution and maybe you say within 10 years, if attainable, but nobody goes in there, so "Okay, here's a product and here's a life cycle and then it's done." It doesn't work this way, but everybody is so focused on finding things and how can we work together and how can we work with different places who are working on similar things? Maybe they have slightly different outcome, but how can we bring these together, and that's sort of the big drive I have right now: collaboration among different institutions so that money can be spent in a much more effective way, because what really drives me crazy at times is when I look at funding that comes

from NIH where everybody applies for very, very same research piece. Why not say, "Look, let's bring it together and see how you collectively can work together. Work with UCSF, where they're doing things that are very close to what you are doing. Let's work. Have these scientists talk to each other, work with each other, and people really respond to that.

**Hendrie:** Yeah, well, NIH could do that if they got it into their head to give grants to teams as opposed-- that are not necessarily in the same institution.

**McGovern:** Right, and...

**Hendrie:** That would be a way to do it.

**McGovern:** ...that's a completely different way of thinking, and in fact I'd brought one of the key scientists, the head of a department at UCSF, to MIT to McGovern Institute, and he did a talk and meetings and all this and it was fantastic, and he and one of our scientists applied for a common grant and that was rejected because they could just not get it into their head that, oh, my God, these two people could actually, as a composite, make more of...

**Hendrie:** Yes, they're gonna do more...

**McGovern:** ...something that...

**Hendrie:** ...working together...

**McGovern:** Exactly.

**Hendrie:** ...than they will achieve working separately.

**McGovern:** Right, yeah, and that's why philanthropy becomes so important. I mean, we just need to find people who get that and who have resources to give to that kind of philosophy, to that kind of thinking, to give it to the best of both or three institutions, where you form this triangle of...

**Hendrie:** Where it isn't about the institution. I think that's where-- that's what has to be the mental swap. It's about the people and their abilities...

**McGovern:** That's true.

**Hendrie:** ...and they happened to be over here. That's fine. They happen to be over there, they want to work together, so...

**McGovern:** Yeah, so-- I mean, and we are doing that...

**Hendrie:** Yeah, I think it's too institution oriented, is probably one of the problems.

**McGovern:** Well, anyway, I think we are trying to solve those problems and I just hope...

**Hendrie:** That's wonderful.

**McGovern:** I can't believe it. I'm 72 now, which is-- when did that happen, but it happens-- hopefully, there will be many, many more years where I can complain about getting old, but I just would love to-- I would just love to see a few things really getting solved, because there are diseases creeping up. I mean, it's just unbelievable, like autism and MS. Why? What is happening here to our human condition, and to maybe genetic mutations and what are they caused by, and to find solutions to that, and so I'm hopeful we can answer some of those...

**Hendrie:** Answer some questions, yes.

**McGovern:** ...big questions and being at MIT, I think we have a lot of access to tremendous resources, tremendous ideas, tremendous brains, and...

**Hendrie:** Tremendous people, yes.

**McGovern:** Yeah, I mean, it's just a fabulous place. I love it. I was at the kickoff. Are we still on?

**Hendrie:** Yes.

**McGovern:** Oh, my God, we're just chatting here. I thought...

**Hendrie:** Yeah, we're just chatting here.

**McGovern:** <laughs>

**Hendrie:** No, I figure-- I'm not sure everybody at the museum will necessarily be interested, but I bet anybody who reads this will be fascinated by this conversation.

**McGovern:** Oh, okay. Oh, my God.

**Hendrie:** So I don't have a problem with that.

**McGovern:** Oh, okay. I thought the machine had been turned off a long time ago.

**Hendrie:** Is there a red light in the front? I haven't checked.

**McGovern:** Oh, there's no red light.

**Hendrie:** There is no red light. I think there's a way to turn the red light off so you don't know when I'm recording.

**McGovern:** Oh, yeah, because I thought we were off. Ha, ha, ha, oh, my God!

**Hendrie:** I love it.

**McGovern:** Okay, so I better get back in position.

**Hendrie:** You've been fine, you've been fine.

**McGovern:** Yeah, no, no, no, I think-- I mean, it's been delightful. Do you have any other questions?

**Hendrie:** Yeah, I have one other. I always like to ask people who have been successful and been through the wars what advice they have to a young person, for instance, a young woman who is-- (let's be gender specific) a young woman who has entrepreneurial spirit about her and thinks she might want to go and do something and start something.

**McGovern:** Okay, I have two words for her: be fearless. I mean truly, be fearless. Go for it. You can't really say anything else but really, be fearless and go for it. That's all I can say, and just believe in who you are. Just, you know, if you have a dream...

**Hendrie:** Believe in yourself, yeah.

**McGovern:** ...believe in yourself, be fearless.

**Hendrie:** Very good. Well, I really like that...

**McGovern:** Good.

**Hendrie:** ...and I think the-- I think I've-- I wanna thank you for doing this oral history with the Computer History Museum. It's been delightful.

**McGovern:** Well, thank you, Gardner. I had a terrific time, even if I thought the machine had been turned off a while ago, but yeah, this has been fun. I'm sure I left certain things out, but I think I have said enough and told enough. It's been a delight and as I said at the beginning, I wanted to do this because so few women were there in the '60s, in the '70s and early '80s. Even today, when I look at the number of women in real top positions, it's still not very, very big. You look at number on corporate boards, it's still very-- not very big. If you look at the women who get venture capital, it's still a small percentage compared to men and the other thing is, really, I'm doing this for my grandkids. I think it'll be terrific to see their grandmother, who they think "She makes me Omi pancakes," is somebody who was actually sort of a different side to her as well, so...

**Hendrie:** That's good.

**McGovern:** ...thank you.

**Hendrie:** All right, well, thank you.

**McGovern:** Thank you.

**Hendrie:** Thank you.

END OF THE INTERVIEW