



Fairchild Oral History Panel: North American Sales and Marketing

Fairchild@50 (Panel Session # 8)

Participants:
Bill O'Meara
Elliott Sopkin
Lowell Turriff

Moderated by:
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Recorded: October 5, 2007
Mountain View, California

CHM Reference number: X4208.2008

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Bernie Marren: I'm Bernie Marren and I am the MC and I'd like to introduce the panelists tonight. Bill O'Meara on my right was with the company from 1969 to 1979, primarily in sales but also in product marketing. Lowell Turriff, our next speaker, was with the company from 1970 to 1978. And last, but not least, Elliot Sopkin was with the company from 1960 to 1972, if that's correct.

Elliot Sopkin: No.

Marren: What year, '66?

Sopkin: Sixty-five to '70.

Marren: Sixty-five, okay. I was with the company from 1960 until 1972. I'd like to tell a little story about Fairchild. In 1957, Fairchild was formed, and as everybody has read in various publications, the founders all came from Shockley Semiconductor. But the money all came from Fairchild Camera Instrument and the money from Camera and Instrument determined certain jobs. They didn't think anybody was qualified to be the general manager, so they wanted to name their own general manager, and they named Ed Baldwin from Hughes Aircraft to be the first general manager of Fairchild. They also wanted to make sure they could count the numbers, make sure they were accurate so they named their own finance guy. By the time I got there in '60 that was Larry Lansing who's also known as Lucifer. He was very tight with a buck. And then they also named the sales executive and that was Tom Bay. And Tom Bay, unfortunately many of you don't know him and he's been deceased this past year, started at Fairchild Camera as a salesman selling potentiometers. In the early days of computers they had things called analog computers, and Tom sold these analog pots, sign and cosine pots. First in the Midwest and then he took a job working in the Syosset office. He wanted to transfer to the west coast so he'd get complete U.S. experience but they wouldn't hear of it because he was doing a great job in New York. So Tom quit but they remembered him and they named him as the first executive in marketing and he took over as the director of marketing at Fairchild 1957. Fifty-seven was a great year, a lot of fantastic things came [along], but it also established a salary structure at Fairchild in marketing. Tom Bay's salary never went up much. He made \$16,000 that year and he made the same the following and the following year and the following year, but he also got [a bonus of] 1% of sales. So the first year Fairchild shipped \$300,000 and Tom got a \$3,000 bonus. This wasn't widely known, but it also kept a lid on salaries because you couldn't make more than the director of marketing. So the following year, Tom through his efforts and the efforts of a ton of people at Fairchild sales went up to \$6 million. So time made his 16,000 plus a \$60,000 bonus. The following year, they did 16 million, that's 1959. Tom got his \$160,000, plus his \$16,000. But they decided that enough is enough. No more bonuses, Tom, you've been paid well enough. So they gave him an offer, whatever it was, I don't know, but they bought him out of the rest of the contract. That's all he got except his 16-grand. Some other people that are long forgotten and deceased were very key in the early days of the company. The first sales manager of the company was very instrumental in getting the "Minuteman" contract for Fairchild was Howard Bobb. Howard was the first sales manager in 1959 and he hired these regional managers, Bob Dugan on the East Coast, Bill Conrad in the Midwest, and in 1959 they hired Don Valentine and Bob Graham as salesman out of Raytheon and they came to work for Fairchild and eventually Don Rogers was the sales manager in L.A. Don later got promoted to go into the factory as the diode person and subsequently he became the national sales manager when Howard resigned to found a start-up company called GME. Subsequently other companies that he founded included AMI and AMCC. Don Valentine became the national sales manager when Don Rogers moved to Italy to take over as the advisor to SGS on how to sell semiconductors. That, in itself, would be about a

three hour story but I won't tell it today. We're now going to start with the other speakers here and then we'll give a chance for the audience to relate some of the incidents they remember from the timeframe of 1957 to 1978. So I will turn this over now to Bill O'Meara, who's going to cover his era of the company and some of the things that he remembered from Fairchild.

Bill O'Meara: I'm Bill O'Meara, I joined in '69 as a field sales engineer in Minneapolis. I have to look at my notes because I can't remember. A year-and-a-half later I was transferred to Florida as the new regional sales manager down there, a year-and-a-half later to Mountain View as the MOS marketing manager, a year or so later I was director of distribution, and then in 1976 VP of IC sales. Jack Ordway was VP of Discretes. Between the two of us we ran the U.S. sales force. But during this span of 10 years, I thought there's a number of little vignettes and stories that I thought might be fun for you all to listen to. Those years were fairly turbulent times in Fairchild. Layoffs and riffs were fairly common, riff - reduction and force - I didn't know what that was until I did it four or five times. But there are a few stories to help put it into perspective. The first one has to do with arriving in Orlando as the new regional manager in Florida. It turns out that when the sales force in Florida found out that Bernie had hired this field sales engineer from Minneapolis to be the new regional manager, they all quit, the entire Florida sales force, five guys quit. So I arrive and there's not a soul there. Well, I start interviewing and I find this young sales man who just is a super guy, I'm really impressed. And I called Bernie, and I said, "I found a guy. He's going to be terrific. You're going to love him." And he said, "Fine, no problem." He said, "What did you have to pay him?" And I said, "We're going to have to pay him \$14,000." And Bernie said, "Absolutely not. He said we do not pay salesmen \$14,000." "Please, Bernie, please." He says, "All right." Finally, after about half-an-hour, he said "You can hire him, but if he doesn't make it you go too." About a year into my job as the regional manager in Florida I got a call that we were going to have a layoff and I was given the names of two people that had to go and one of them was a young lady, a secretary, very sweet person and I called her into my office, and I said, "Bad news, but we're going to have to lay you off." Well, she's on the floor, flapping her arms, flapping her legs and screaming, and I said, oh my god. And she's screaming, and she says, "I can't make it. I need this job. I can't make it." And I said, "Honey, you just, you have to get yourself under control." Well, anyway, all of a sudden she stood up, and she's looking me in the eye and she said, "I'm putting a hex on you."

M1: By God, she did?

O'Meara: And I said, "You've got to do what you've got to do." She said, "Five years of bad luck." And then she storms out of my office. Well, the next year, I've got to tell you it was pretty bad. And I get a call from this president of a bank, and he said, "Bill, I understand that Susie So-and-So used to work for you." "Oh, yes." He said, "Well, we've interviewed her. We like her, we're thinking of hiring her." He said, "What can you give me?" I said, "She's fabulous, young lady. You will love her." She gets the job. Two days later, she calls me. "I've taken the hex off, Bill." And this is true. So one night after I had been in Florida about two years, I guess, Friday night, I get a call from Wilf and he said, "Bill, we've been talking and we want you to come back to California and become the MOS marketing manager." And I said, "Wilf, I can't even spell MOS, you know, I think you've got the wrong guy." "No, no, no, we want somebody that can relate to the field sales force because we're really not selling the MOS product line and you're the guy." And I said, "Wilf, I appreciate very much your confidence but I'm not the guy. I just don't want the job." He said, "Bill, you're not listening. I want you go come back and take this job." And I said, "I'm listening, Wilf, I just don't want it." And he said, "Bill, I will see you in my office Monday morning", click. I showed up Monday morning. So anyway, I get out to California and I have a series of jobs, and I end up becoming VP of sales. We used to have our get togethers every other month and part of the deal was we

would go to Max's Tea Room [in Los Altos] for dinner with all of the sales managers and Wilf. At one of these dinners at Max's Tea Room we all had a little too much to drink and I turned to Wilf, and I said, "Hey, look, you've given us our quota for next year, they're ridiculous quotas, you know it, I know it, they know it. But if we make that, if we make the number I want to be able to take these five guys to Europe for a sales meeting." He says, "You got it." We made the number. So about February of the next year, I said, to Wilf, "Hey, Wilf, I'm setting things up. We're going to take the five guys to Monaco." He said, "What are you talking about?" And I said, "You remember the deal, we made the number. I could take the five sales managers to Europe." He said, "Oh for Christ's sake," he said, "Nobody knows about this deal, the finance guys haven't put it in the budget. No you can't do that." And I said, "I'm doing it." And he said, "You've got to keep it under the radar screen. Nobody can know about this sales meeting." So we all take off, nobody knows about it. We get over there. Perry Constantine's taking photos of everything. He's sending them back to his secretary. We return back and everybody in the entire company knows we've been in Monaco for a sales meeting. So anyway, those are a few stories about my time there. I'll turn it over to Lowell.

Marren: Lowell.

Lowell Turriff: To start I would like to give you a little bit of my resume. When I got out of school I worked for some military companies. ITT working on telecommunications for the missiles at Cape Canaveral and at Vandenberg Air Force Base and at harden missile silos at various locations in the US. I then went over to AC Electronics in Milwaukee and where we designed missile guidance systems and that's where I really got into semiconductors and found out of what the semiconductor companies were doing. I was recruited to go into applications engineering by Raytheon and later asked me to go into sales and run the Minneapolis office. I thought it was kind of ridiculous for me to go into sales but I decided to go for two years. I was successful and was still there 4 years later. In 1967, my last year in sales, I did \$7.2 million. That was a great number in those days. I moved back to Mountain View since that is where I wanted to get back to in the first place. This was the Mecca where most of the semiconductors companies were located. After a while working in product marketing at Raytheon, I thought, man it's time to go to the big time. All I had to do is go across the parking lot to talk to Fairchild. I visit Fairchild for an interview and I can't believe all of the managers and people in their marketing organization. In DIC there were at least seven or eight groups, such as TTL, DTL, special circuits, Micro mosaic, military, God-knows-what, product planning, applications, the whole bit. So I interviewed most of these groups and I come back with an offer to manage the DTL group. A friend of mine says, "Gees, you don't want to take a job like that with so many levels of management above you." I said, "Not to worry. Give me a year or two. I'll be the boss of the guy I report to. When I get there, I find I have \$22 million sales, six people, two reqs. At Raytheon I did \$13 million by myself. Later I'm walking down the hall with Bob Gentles, who was the head mucky muck of all of marketing at the time, when he says to me, "Things are looking at little tough out there and they want us to stop hiring and maybe cut back. I don't how we could survive. "What do you think?" And I looked at him and I said, "I don't know what the hell we are doing with all of the people have. I'm not used to having all of these people running around. I used to working in bare bone organizations." I was a little brash at that time and that didn't go over too well. When I'm back in my office, I talk to my boss, who tells me "Personnel are real upset with you because you're not interviewing anybody to fill the two reqs." I said, "I don't know what the six guys I've got are doing, let alone hire two more. Give me a chance to figure out what's going on." A little while later, he comes back, "We're having a layoff." Now, I know he's pulling my chain, right, "Go hire" and now we're going to have a layoff. I said, "What the hell is layoff? The only layoff I ever heard of was General Motors when they did a model change." He says, "No, everybody has to get rid of 10 percent." I said "How do you do that? I don't know how to do that." His answer is, "Throw in a req." So I threw in a req, and when

the lay off is over and nobody left the company. So they cancel a lot of reqs, and tried another layoff. This was the start of several layoffs and consolidation reorganizations over the next two years. When this was over all the DIC marketing groups were consolidated into one group. DIC marketing still had 90 people which I managed. While these reductions were going on we were pushing hard for sales. Getting then was not easy. For an example I'm out trying to drum up sales with the second generation of computer manufacturers and I go out to Florida to visit Modular Computer. So I sit down and make a nice presentation and the head buyer at the end says, "Sorry! But we just can't buy from Fairchild." The director of materials says he will never, ever have the company buy a part from Fairchild as long as he lives. What happened were several years before he had severe delinquencies with Fairchild who was not responding. At the time Fairchild was having a sales conference in Puerto Rico, so he flew over there on his own to talk to Tom Bay. Well Tom, put him off, because he was too busy, but finally talked to him. And he said, "What are you paying for these devices?" When he told him, and Tom said, "Well, you're not paying enough, that's why you're not getting any parts." The buyer replies, "I'll pay more money but you'll never get another order as long as I live." So now we got this aggressive rep salesman out there working had to break into this account which he's not going to do. After about eight or nine months I see an order in the backlog for 60,000 hex converters. So I call him up and I said, "What the happened? How did you get this order?" And he said, "The head guy had a heart attack. He's in the hospital." He says, "If we hurry up and ship we'll probably get qualified and we'll get some more business." So we start scheduling the order, a few weeks later the order is canceled. I call, "What the hell happened now?" He said, "He's back at work." So this goes on and then almost a year later I look in the backlog and now there is another nice order. So I get on the phone and I call the salesman up and I said, "Tell me he's dead." And he says, "He dead." A little cruel, but we were a little brash in those days.

Marren: Thanks, Lowell. Before I introduce Elliot to you, there's one story that we've had around for many, many years. When I was a sales manager working for Don Valentine, Jerry Sanders and I and Jim Barton and Marshall Cox all reported to him. We had a guy we shared by the name of Bill Herzog. And Bill operated out of San Francisco and his job was entertainment. In the early days of the '60s we were buried with people visiting from the Midwest and the East Coast and they needed to entertained. And it got kind of tough to go to San Francisco every night and be up at eight o'clock in the morning back at work. So we hired this guy Herzog and his job was to arrange the entertainment, take the guy to dinner, get him to a show, whatever was appropriate. But Bill had a great propensity to really spend big bucks, I mean really big bucks. So Don decided we'd put him on a budget and his budget was 250 bucks a week. He could spend 250, after he spent 250, he couldn't entertain anybody. So Bill was very frustrated with this. He couldn't understand how he could do his job properly if he only spent 250 bucks a week. So Don would check the accounting. He'd write me and the other three these notes in green pen, "Would someone please explain to Herzog that August was a not a 13-week month?" Elliot.

Sopkin: I'm really not sure how I got here. I'm the guy who used to write this stuff for other people. But so here's a two part answer, the first is the quick smart-ass answer, Don Valentine, that's Mr. Valentine to you - he dropped off the panel. He had a golf game or something so here I am. Part of my role, I was told, is to tell funny anecdotes about the early days of the semiconductor business, you know, Wagon Wheel stories, sex and silicon. After all it was the '60s and if you remember 1967 was, indeed, the summer of love. A few years ago I did jot down a few of these stories and I had a book proposal to Random House and they were very interested actually. But I realized I could make a lot more money selling them one at a time. Silicon Valley is innovation and so here I am the inventory of silicon blackmail, but back to Fairchild. I was there, as Bernie said, from 1965 to 1970. I was the public relations manager. After Fairch, I went on to 18 years at AMD as a vice president of communications. I worked for none less than Walter Jeremiah Sanders III. That's Jerry to many of you, Mr. Sanders to me. Anyway, my wife got

pregnant with David Jeremiah Sopkin and I left AMD for fatherhood. You did hear my son's middle name, David Jeremiah. In those days, you'd do damn near anything to get your stock options extended. After a few months of diapers and I finished building my kid a cradle, necessity knocked quickly and I went back to work. I became a communications consultant. My first gig was part time with the Perlegos brothers at Atmel. I was there about 10 years and then I put in a few years including with a company called Summit Micro. Now back to Fairchild and why me. Unlike most of you, I got to Fairchild because I could write three somewhat coherent sentences in a row, a severe challenge I'm happy to say to double Es, well, with the exception of Rob Walker. So here's a couple of more biographical tidbits. In 1961 armed with a Masters in journalism from Colombia and an unabridged Webster's dictionary and an MG car, I moved from Atlanta to the beach in Oxnard, California. Oxnard is about 60 miles from Los Angeles. I had taken a job as a reporter for the local newspaper. My neighbor on the beach was a salesman. Ed Turney. He sold something that he explained as being transistors. Many of you know Ed. One day I came home about noon and there's Ed on the beach and he's kind of in a little of valley in the sand dunes. He's got a 100-foot extension cord on his phone. He's got pencils and papers. So I said, "What are you doing?" He says, "I told you, I'm a salesman." He's sitting there in his bathing suit. A few days later, it's seven, eight o'clock at night there's Ed wearing a suit. Drunk. I said, "Ed, I've got to ask you, just what did you today?" And he said, about one o'clock he went into a bar in Santa Monica with a buyer, and it was topless bar of course, and he spent the afternoon there drinking. So I said, quite a job. He said, well indeed he wrote \$40,000 worth of orders. Anyway, in 1965 after a stint with a weekly newspaper near Phoenix I was looking around for work and I moved in with Ed and his wife Bev. Ed says, "You really got to look at Fairchild." I said, "What are you kidding me? I don't even know what a transistor is." "Not to worry," says Ed, "Most of the most people in marketing services don't either." So Ed gives me a couple of books and I read them on the beach and I fly up to Mountain View for an interview. Fairchild PR in those days was run by a nice Jewish boy named Dick Molay. He was clever and he had really a sweet writing style and he was fairly creative. Working for him was an ex-sports writer, a jock type with a Bachelor's degree in journalism from San Jose State. And there was a second guy that just walked around all day long with a cup of coffee in his hand. So I figured this was really the place for an aggressive Jewish guy. A couple of years later I was head of the department. I worked for a very bright guy who most of you remember named Gene McClenning. I don't remember him, but you might. He reported to Mr. Valentine and then to Mr. Sanders. Obviously, coming from a background of small newspapers, I was amazed at the whole corporate shtick. There was a lot of noise, speakers in the ceilings, people being paged. I remember one day two guys standing over their cubicle having a discussion. They talked to each and then they sat down and each called a secretary in to take memo to the other one to explain what the meeting was about. I just couldn't figure that. And then the memos would all be put in a file and they'd come around and everybody would get to read them. Here's an example, "Herb, per our meeting today," says one to Herby, "You will have the following work done on Gifford's op amp brochure by a week from Tuesday, et cetera, et cetera, et cetera." I found the whole memo culture a bit unbelievable, but let me tell you what's important; it took a while to get there. Marketing technology was a new sport. It was the frontier. It indeed was the Wild West and I was lucky enough to be right in the middle. You bet we all met at the Wagon Wheel, where else would you have all of these frontiersman meet to tell their stories. No one had ever done technical marketing like this before. Somebody, somehow, maybe, Mr. Bay, maybe Mr. Valentine, had decided that transistors and then integrated circuits could, indeed, and should be sold like soap, like cereal, just like any retail product. Now the circuits that Fairchild was making were, indeed, important, but not necessarily obvious to those who would use them. Contrary to what the designers thought, Western civilization could, indeed, make it for another day or two without these circuits. An integrated circuit had no inherent value unless someone else put a value on it and was willing to pay for it. So this guy McClenning hired a hot shot Los Angeles retail advertising agency, their name was Faust Day and he turned them loose. Faust Day branded Fairchild. And after a while, we became Fairch. For those of you who don't remember it started out with big letters - an F with red bands and underneath [it said] Division

of Fairchild Camera and Instrument. And it continued to progress over weeks and months bleeding out a letter at a time, half a letter to the right until we became indeed, FAIRCH. It took a while but there we were in big letters. The art guy was a fellow named Mario Donna and his copywriter was Paul Kye and they both worked at Faust Day The Fairch campaign was magic. Semiconductor advertising would never be the same. By the way, a few years later, this same Paul Kye and the same Mario Donna teamed up with a nice Jewish boy named Lenny Pearlstein and they formed a very hip boutique Los Angeles agency called Kye, Donna, Pearlstein. They were going to be a consumer advertising agency. Their first major account, of course, was Advanced Micro Devices, you all know Advanced Micro Devices I'm sure. The second major item is the product of the week campaign. This was really bold stuff in those days. Of course, it was the engineers that had to do all of the work. They had to develop the products; they had to get them built. But it was marketing that sold the deal to the world, and let me tell you the product of the week campaign did a lot for the worldwide reputation of Fairchild as a solid and reliable manufacturer. It was such a great idea that a few years later we did it again at Advanced Micro Devices, of course, we had fewer flaws in the program by then. So what more can I tell you? I will tell you this, the semiconductor business was and hopefully still is a hell of a ride. It was a great life and I was very happy to have been a part of it.

Marren: Thank you, Elliot.

Sopkin: Thank you, Bernie.

Marren: Before we get another couple of comments from our speakers, we have this microphone available for anybody who would like to relate some incident. Mr. Welling would you take it and pass it on to the next person?

Welling: Bernie, you and I had Dinner with Ed Turney recently and you told a story about Ed bringing you down to Los Angeles to help interview a candidate, could you tell that story?

Marren: Oh, yes. I was traveling down to Los Angeles, and Ed was a regional manager for Computer and he was also the regional manager for Consumer. So he asked, would I interview this sales candidate. And I said, "Well what are we going to hire him for? Who is he going to call on? Do we really need another salesman?" He said, "Oh yes, we need another guy." I said, okay. So he introduces me to the gentlemen, He was dating one of the girls in our office. His name was Grant Woods. So Ed introduces me to Grant Woods and he says, "Grant would like to be a salesman." I said, "Grant, what do you do right now?" He says, "Well, I'm a part time actor." So he gives me his resume, and I go in the office and I sit down and I look at it, totally different name. So I get up, I go see Ed, I said, "Ed, I've got the wrong resume." "No, that's the same guy." So I come back in and I look at the resume, and his name is Earl Titsworth. So I said, "Do we call you Earl or do we call you Grant?" He said, "If you had a name like that you wouldn't want to be called Earl Titsworth. They keep asking, 'How much are your tits worth?'" The interview went downhill very quickly from that. Jack Gifford you're on

Gifford: I'm going to tell a Jerry Sanders story. I had Hughes Aircraft as a salesman. I was an engineer and I thought they were asking me to be a prostitute when they asked me to be a salesman. But they told me that everybody that had ever had that account went up in the company and they named Jerry Sanders and Jim Martin. And they said, by the way, if you take the job, you get to go to Hawaii with us

next week, and that did it. But the story I want to tell you was that Jerry Sanders had that account before I did. So I inherited a position from a legend. Jerry lived in Hollywood because he just loved being around these starlets. He would wear the most amazing suits. I mean he had yellow suits, purple suits. He was a sight to behold but he knew these products like you wouldn't believe. We would be carrying around in our briefcases like \$100,000 worth of samples. And when Jerry would show up at Hughes Aircraft, and this is, a true story. I didn't do this but he would do it. He would have them announce on the loud speakers in the company, as Elliot was talking about, "Fairchild is here. If you want to see them they're in this lobby." Hundreds of engineers would flock to this lobby. They would flock to the lobby because it was Jerry Sanders. And Jerry Sanders in his purple suit and his high button shoes would get up on the receptionist's counter and he would do a song and dance or whatever. It was like a vaudeville show, him and his transistors. And it was the most amazing show that you had ever seen. It was a legend in our industry. And Motorola and TI, I could tell you more stories but they hated Jerry Sanders because they couldn't replicate him. He was the most amazing guy for me to follow as an engineer coming into Hughes Aircraft.

Marren: Thanks, Jack.

M2: I couldn't resist adding to Jack's story because I used to go occasionally out to Delco in Kokomo, Indiana, that's in the United States. And when Jerry was marketing manager and he'd be making a sweep through the country he'd stop off at major customers. Delco was a major customer and after his first visit, which wasn't quite as flamboyant as Jack has described down in Southern California, Delco management sent an official letter to Fairchild's management asking them never to send Jerry Sanders to Kokomo, again.

Marren: Okay, anybody else? Bill Welling, another one?

Welling: Fairchild had a number of sales meetings in a number of places, and early on it was the Altamira Hotel and then it got more flamboyant than that. We went to San Diego to the Del Coronado and then we went to Bermuda. The entire West Coast sales force and marketing group was on a TWA aircraft to New York City, they were on a red eye, and then on to Bermuda. Well, things got rowdy on that aircraft and some of the sales guys distracted the stewardesses - at that time they served the liquor in little cruets, they didn't have individual bottles - so they got the key and they broke into the thing and absolutely destroyed themselves before they got to New York. And subsequently, they got a letter from the president of TWA asking that Fairchild never fly on TWA again.

Marren: Bill, what year was that?

Welling: Bermuda was '63. After '65, we had one in Puerto Rico and following that we had this [deal with] SGS that was a joint venture with Olivetti to sell our products in Europe. And so Jim Martin, Bob Graham and I were invited to their sales meeting. They wanted to out do us in these exotic places so they had a sales meeting in the Canary Islands. We flew to the Canary Islands, first to New York, then to Lisbon, then on TAP airlines that landed in a storm on Madera Island. All of those those runways are sawed off volcanoes. Finally we landed on Gran Canaria . And then we were going to take a plane the next morning over to Tenerife. Well, Tenerife was in the clouds and so we were drinking sangria all day to keep up our spirits. And that night, they finally decided that it wasn't going to clear. So we took a red eye

boat from Gran Canaria to Tenerife. The sales meeting is a day late. And we get off the boat after a red eye trip, get in the taxicabs and we're driving around the mountains on one lane roads and the taxi cab keeps honking his horn. So we say, "Why are you honking your horn?" He says, "Well, the person who honks his horn has the right of way."

Marren: Anybody else back on this side have any comments?

Gifford: So when we left Fairchild to start AMD, I had a heck of a time getting any money because number one they didn't know what the hell I was talking about and there was no venture capitalists. And secondly, I wasn't old enough and I had not had an important job. So I recruited Jerry Sander and we went out to raise money. So we're hitting the various venture capitalists and one of the criticisms they had of me was that I didn't have a credentials so they couldn't find out anything about me or what I was talking about or the company or whatever. So I thought, well with Jerry, he was senior to me and that would solve that problem. So we make the rounds. You can just imagine he and I stepping on each other's lines. I mean neither one of us could wait for the other guy to finish a sentence before we interrupted each other. Other than that, the bigger problem we had is after we finished this round, which took about two weeks, we wanted to find out, why isn't anybody investing? And the message that came back was with me, they didn't know me. I didn't have a reputation. With Jerry, they called Motorola and they called TI and these companies just vilified him. They just hated him. And those two companies virtually killed our ability to raise a penny because they weren't about to have Jerry out there with another semiconductor company dancing on any more tables.

Marren: Anybody else?

M4: I was in Chicago, Jerry had placed me there. And he came back to Chicago one day and he went to his favorite place, the Drake Hotel. And they only would give him a room for one night. So he took the room for one night. Being very assumptive, the next day we came back to the hotel and he says, "I've got to take care of my room." So we went up to his room and I said, "What are you going to do?" And he said, "Watch." And he took his clothes and threw them all over the room knowing full well that nobody would come in and disturb him and that's how he kept the room for two days.

Marren: We had a gentleman working for us that came in from corporate during one of my regimes at Fairchild. His name was Dick Henderson. Dick was an ex typewriter salesman from IBM. So he calls me into his office and he says, "We've got a problem in sales." I said, "What is it?" And he says, "Well, we're just not very efficient. We have these guys doing all of this business and these guys doing no business." I said, "Well, it depends on the sales territories they have." So he says, "No, I've ranked all 125 of your salesman in order of sales." And he says, "What we're going to do is we're going to take the lowest 65 and lay them all off." I said, "You're what?" "Yes, we're going to lay them all off. But then we're going to replace them with a brand new 65 people, plus I'm going to give you 20 more people." Now these new 65 will do the same sales as the average of the top 65 on average, so that'll increase your sales by 23%. Then I add these other 20 guys and now you've increased your sales by 47%." I said, "Really, how did you come to that conclusion?" He said, "He said, well see this guy here, we've got this one guy he did \$33 million last year, his name was Bob Hoffman." He said we're going to put four guys on that account and we'll increase the sales to \$128 million." I'm baffled," I said, "No, you don't understand, Dick, that will not work." If I put another guy on Hoffman's account we'll probably do about the same amount of

sales. We need additional customers.” He couldn't get it through his head. We finally had to ease him out of the company. Anybody else have any comments to make, Lowell? Bill?

Turriff: Well, I guess I could talk a little bit about Henderson. The first time I met him, he walks in with the usual handshake, I'm so-and-so, et cetera, et cetera. And I look at this at this guy, and I say, “Wally Cox. This is Wally Cox.” [Editors note: Cox was an American comedian and actor, particularly associated with the early years of [television](#)] And I got this in my mind and I can't get rid of it. You know, this guy is Wally Cox. He doesn't know anything about semiconductors that proved to be obvious. So the first encounter is that Linear wants to sell die to military hybrid accounts. That was a no-no. So they call a meeting to get Henderson to wave that requirement. So they go through the whole presentation, a very nice presentation. They got all of the marketing people in there and it's well organized, et cetera. They get done and it's just a hush. And they ask, “Well, is there any question?” And Henderson said, “Yes, just one. What's a die?”

O'Meara: Bernie, I have one just maybe to end it. Seeing Connie Pasqua sitting here in the audience reminds me. When I started with Fairchild I was a salesman in Minneapolis and Control Data was one of my accounts. And one day I was going over to Control Data, I had a meeting at one o'clock. So I stopped off at a restaurant in St. Paul called Maslax, you might remember that Connie. They were famous for their roast beef with garlic, and it was more garlic than roast beef. But anyway, I had this lunch of roast beef and garlic. And I show up at Control Data from my appointment with one of the guys that worked for Connie. And I'm sitting across the table from him and trying to get him to give me an order and his eyes start to water. And finally he says, “Hey, Bill, if I give you an order will you leave?” Anyway, he gave me an order for three million diodes that day. He was one of Connie's guys.

Marren: You've got something to say, Elliot?

Sopkin: Well, I can find something, I'm sure, Bernie. Everybody keeps talking about just the salespeople. Early on, when I walked in there, this fellow McClenning calls me in to say, he says, “Do you know where Washington is?” And I said, “Well, I'm such a smart guy Mr. McClenning, I know where two of them are.” He says, “I want you to go to Washington.” I said, “Fine, is there anything in particular you want me to do there?” I had worked for the company two weeks and the truth of the matter was I had been to Washington once in my life, both of them. So he said, “There's a solid state circuit's conference there.” And I figure, well that's terrific. I'm in the company two weeks and now I'm going to be a presenter. He says, “No, I want you to take so-and-so to there.” And I really couldn't figure out why a Fairchild person needed an escort. So I pick him up, we get on the plane, we go there, we get off the plane, we're walking down and I look, and I said, “Vic, didn't you have a briefcase when we left?” And sure enough I realized why I went to Washington. So I run back on the plane and I did retrieve the briefcase.

Marren: I thank you all for attending.

END OF INTERVIEW