International Computer Programs (ICP)

Company Details

Name: International Computer Programs, Inc. (ICP)
Sector: Media and Communications

Description

Lawrence A. (Larry) Welke started ICP in Indianapolis, IN in 1967 with two partners and a total capital investment of $750. The objective was to publish a catalog of software packages available for sale which would be sold by subscription to data processing managers. His two partners dropped out very quickly when subscription sales were slow to develop but Welke persevered and the ICP Directory became an extremely successful publication relied on by hundreds of software product vendors as a major vehicle for getting information about their products into the hands of their customers. In 1971, Welke began the annual Million Dollar Awards ceremonies which recognized successful software products and was instrumental in bringing credibility to the emerging software products industry.

Facilitators

Statistics

Contributors (0), Events (14), Stories (3), Documents (5), References (2), Discussions (0 threads, 0 posts)

Entered By: Luanne Johnson
February 19, 2010

Contributors

There are no contributors for this company in the collection

Timeline

1966

Milestones

Larry Welke attends an ABA convention and gets an idea from the Swap Room (June 1966)
Larry Welke, a vice-president with Merchants National Bank in Indianpolis IN, attends an American Banking Association convention and visits a Swap Room where people have listed computer programs they are seeking and programs they have available to swap. This gives him an idea that there may be an opportunity in providing a listing of available software programs to banks and other companies looking to acquire programs they can convert for their own use.

Related References
Founding the ICP Directories
Related Stories
How the ICP Directory Began
Related Documents
"One for the History Books" Workshop
Oral History of Lawrence A. Welke

ICP (International Computer Programs, Inc.) founded in Indianapolis, IN (August 1966)

Larry Welke and two colleagues (both of whom withdraw from the venture shortly thereafter) found International Computer Programs, Inc., a software product information service. The firm's principal activity was to publish the ICP Quarterly, a catalog of software products in which vendors could list their software packages free of charge.

Related References
From Airline Reservations to Sonic the Hedgehog: A History of the Software Industry.
Founding the ICP Directories
Related Documents
Oral history interview with Lawrence Welke
"One for the History Books" Workshop
Oral History of Lawrence A. Welke

1967

Milestones

First ICP directory published (January 1967)

In January 1967, Larry Welke publishes the first ICP Quarterly, a catalog of software programs available for sale.

Related References
Founding the ICP Directories
Related Stories
How the ICP Directory Began
Related Documents
"One for the History Books" Workshop

1968

Milestones

Welke resigns from his position at the bank and begins full time with ICP (1968)

As the result of a mention in the Kiplinger Washington Letter, ICP receives more than 500 subscriptions. Welke brings in some outside investors and resigns his position with the bank to devote full time to ICP.

Related References

Founding the ICP Directories
Related Documents
"One for the History Books" Workshop

Welke travels extensively to locate potential companies to list in the ICP directory (1968 ca.)
In the early years of ICP, Welke aggressively pursues locating software product vendors to list their products in the ICP Directory. He travels throughout the US, looking up potential candidates in local phone books, and as a result knows and is known by the founders and CEO of hundreds of software companies.

Related Documents
"One for the History Books" Workshop

1969

Products and Services

Nine% of programs listed in the ICP Quarterly were developed specifically as software products (1969)
In 1969, ICP estimated that 9% of the programs listed in the ICP Quarterly were developed specifically as software products. By 1973, that had increased to 43%.

Related Stories
How the ICP Directory Began

Welke develops seminar on buying and selling software (1969)
Concluding that the marketplace needed to be educated, Welke develops seminars in buying and selling software which turn out to be very successful. The seminars, rather than subscriptions to the ICP Quarterly, result in 1969 being a profitable year for ICP but the faltering economy in 1970 greatly reduced the demand for the seminars.

Related References
Founding the ICP Directories
Related Documents
Oral history interview with Lawrence Welke
Oral History of Lawrence A. Welke

1970

Milestones

ICP begins the Million Dollar Awards program (1970)
In 1970, ICP begins sponsoring an annual Million Dollar Awards program to recognize software products which had sold at least a million dollars worth. The press coverage of these events contributes substantially to increased awareness of the credibility and viability of the fledging software products industry.

Related References
Founding the ICP Directories
Related Stories
How the ICP Million Dollar Awards Got Started
Related Documents
Oral history interview with Lawrence Welke
Oral History of Lawrence A. Welke
Oral History of Lawrence A. Welke

Welke organizes a meeting of software vendors in Denver (1970)

In 1970, Larry Welke organizes a meeting in Denver for the founders and CEOs of 25 software companies. This is the first time many of these people have met their counterparts and leads to the organization of a software association which is ultimately merged into ADAPSO.

Related Documents
"One for the History Books" Workshop

1972

Milestones

ICP begins to publish an advertising based publication, The Skinny (1972)

In the early 1970's, ICP begins publishing a catalog supported by advertising revenue from software vendors instead of subscription fees from customers. Because it is a smaller version of the ICP Quarterly, it is originally called "The Skinny".

Related References
Founding the ICP Directories
Related Documents
Oral history interview with Lawrence Welke
"One for the History Books" Workshop
Oral History of Lawrence A. Welke
Oral History of Lawrence A. Welke

1973

Products and Services

Forty-nine% of the programs listed in the ICP Directory were developed specifically as software products (1973)

By 1973, 49% of the programs listed in the ICP Directory were developed specifically as software products, up from 9% in 1969.

Related Stories
How the ICP Directory Began

1974

Products and Services

ICP lists 2,928 software products from 740 vendors (July 1974)
In July 1974, the ICP Quarterly lists 2,928 software products from 740
vendors.

Related References
From Airline Reservations to Sonic the Hedgehog: A History of the
Software Industry.

1975

Products and Services

ICP introduces industry-oriented publications (1975 ca.)
By 1975, "The Skinny" is no longer skinny and has given way to ICP's
entering the magazine business with the introduction of a half-dozen
industry publications.

Related References
Founding the ICP Directories
Related Documents
Oral history interview with Lawrence Welke

1995

Products and Services

ICP publishes platform specific listings of applications (1995 ca.)
In the early 1990's, ICP began publishing in print, on CD-ROM and on the
Internet, catalogs of applications written for specific platforms such as
Autodesk and Oracle.

Related Documents
Oral History of Lawrence A. Welke

Stories

Title: How ICP Solved My Biggest Marketing Problem
Author: Luanne Johnson
Created: 1997
Cataloguer:
Copyright: Luanne Johnson
Story:
How ICP Solved My Biggest Marketing Problem
by Luanne Johnson

When I started my software company, Argonaut Information Systems, Inc., in 1971, one of the first things that struck me was how different selling software products was from selling programming services. I had worked for a company that sold system design and programming services and I had several friends who had become consultants, meaning that they were selling their programming skills on a contract basis to several different clients. I was enamored with the idea of software as a product and acquired the rights to a payroll system and an accounts payable system for IBM 360/DOS computers which I believed could be sold off-the-shelf without any modification and with a minimum of installation and support services. I rather naively thought that this would allow me to make good money on a part-time basis so that I could spend more time with my family.

The company that had originally developed the application systems I acquired had been selling them for a couple of years so I also received a list of potential customers who had already received sales materials and, to my surprise, the list included companies from all over the United States. This was completely different from the experience of my friends who were selling system design and programming services. When they entered into a contract with a client, it required their physical presence at the customer's office for several weeks or months, so proximity to the customer was important both from their and their customers' point-of-view.

Companies that were looking to buy a payroll or accounts payable software product, however, didn't consider proximity to the vendor to be an important factor and as a result I had a prospective customer list that was all over the place. All of the sales that I made the first year that I was in business came from that initial prospect list and they were all over the country. I didn't have a customer that was close to home until I had been in business for over a year.

I did have to make some adjustments to my expectations regarding how much service I would have to provide to my customers. The systems I had acquired weren't as easy to install as I thought they would be. But the installation process rarely took more than a couple of weeks, so it was still very feasible to sell our products to customers anywhere in the U.S.

As I worked my way through that list of prospects and began to think about where my next prospect list was coming from, I began to understand the difficulty of generating enough prospects locally and why the predecessor company had to market country-wide. My friends who were selling services could focus on getting repeat contracts from the same clients or word-of-mouth referrals to other companies because they could sell their programming skills to work on whatever programming projects a company had going at the time. Most of their sales efforts consisted of networking with data processing managers to find out which companies were gearing up for big development projects and needed extra programming staff.

I had to find companies that 1) needed a payroll or accounts payable system, 2) had business practices that fit with the functionality of the systems I was selling, and 3) had the purchase of a payroll or accounts payable system in their budget in the near future. It didn't do any good to find a company that needed a payroll system if there wasn't a fit between their business procedures and my software or if they had postponed buying a payroll system to next year's budget cycle. Or to find a company that was a perfect fit to my software if they had just finished writing their own payroll in-house. It didn't take me long to figure out that I had to contact hundreds of companies in order to find the dozens of companies that I needed as genuine prospects to be able to make several sales a month. No wonder the predecessor company hadn't limited itself to a local market.

On the other hand, that company had gone broke trying to set up sales offices all over the country and I knew I wasn't going to try that approach. I had to settle for advertising in national trade publications but I didn't really have enough money to even do that properly. I couldn't afford big display ads in Computerworld or Datamation and the response I got to classified ads in those publications was minimal.

I do not know how, or if, I could have solved this problem if it hadn't been for ICP. The ICP (International Computer Programs) Quarterly was a catalog of software products published by Larry Welke in Indianapolis. It originally cost me nothing at all to put a listing describing my software products in the catalog which was sent to hundreds of data processing managers who subscribed to it because it was such a good source of information. The ICP Quarterly quickly became our primary source for sales leads.

As Welke expanded ICP's product line, he added publications that were distributed at no cost to data processing managers and began charging the software vendors to list their products. These publications, too, were a very cost-effective way for a small company like Argonaut to advertise because the leads they generated were so highly qualified. A data processing manager who took the time to read through the descriptions of all the payroll systems listed in an ICP catalog was someone who had a serious and current interest in buying a payroll system. Furthermore, he or she had already determined that our system was a good match to their requirements or they wouldn't bother to contact us for more information. Throughout the 1970s, over 80% of our sales were generated from leads that we got initially from our listings in the ICP publications.

It's hard for me to imagine what form the software industry would have taken if Larry Welke hadn't started publishing the ICP catalogs in 1967. He certainly made it possible for a small company like Argonaut to compete on a very effective basis with much larger companies with a lot more financial resources. By the mid-1980s, when Argonaut was finally sold, the massive consolidation of the software industry was well underway. I think, however, that it would have had to happen much sooner if the small companies hadn't had a marketing resource like ICP.

(This anecdote was submitted to the Software History Center website in 1997.)

Entered By: Luanne Johnson
  February 19, 2010

Title: How the ICP Directory Began
Author: Larry Welke
Created: 1998
Cataloguer:
Copyright: Luanne Johnson
Story:
How the ICP Directory Began
by Larry Welke (as told to Luanne Johnson)

I started publishing the International Computer Programs Directory, a catalog of computer programs that were for sale, in January of 1967, two and a half years before IBM announced unbundling, the event that supposedly created a market for software products. I've been told that I was really prescient to anticipate that there would be customers willing to buy software products at a time when most users expected to get software for free from the computer manufacturers, but it seemed like an obvious idea to me at the time.

I was in charge of customer data services at the Merchants National Bank in Indianapolis and kept selling services that our customers needed but we didn't have. So I'd go back to the programming staff and say I need this by the end of the month. And they'd say two years. And nothing I was selling was new or different or unusual. Banking in those days was heavily regulated and basic banking functions were done literally by the book so every banking application was done exactly the same way by every bank. And I knew that other banks had computer programs that would do the things that our customers needed.

I started to compile a list of the programs that other banks had available and then in June of 1966, the American Banking Association Automation Conference had a swap room. If you had something to sell, you put it on one wall. And if you had something you wanted to buy, you put it on another wall with your requirements. It was the most popular room of the conference. I mean, there were more bankers there than in the bar.

The ABA said that they were going to come out with a catalog as a consequence of the popularity of the room. But we figured anything that was a volunteer effort, within an association, had no chance of ever happening, so two of the fellows at the bank and I formed a general partnership to do it on a private basis. We each kicked in $250. And after 30 days, literally 30 days, the other two figured it wasn't going anyplace and they pulled out.

So I started publishing the catalog on my own and ran it part-time for two years, doing the work at night on my dining room table. It turned out that, not only were customers willing to pay to get their hands on computer programs that they needed, they were willing to pay for a catalog that would tell them what was available.

Most of the computer programs that were listed for the first couple of years hadn't been written as software products. They were in-house programs written by companies that were trying to recoup some of their development costs by selling copies of the programs to other users. I started with the list I had of programs that were available from banks and began writing letters to any company that I ran across in the trade press that looked like it might have a computer program of some kind that could be listed in the catalog. A lot of the companies that listed in the early issues of the catalog were service bureaus that had developed generalized versions of programs to run basic business applications like payroll or customer billing so that they could sell their computer processing services to a lot of different customers without having to do a lot of expensive new program development.

But people very quickly learned you can't take somebody else's program and make it into a product. You can take a hotel room and make it into your living room, but you can't take your living room and make it into a hotel room. It just doesn't work. There were many horror stories of people who tried to take somebody's program and turn it into a product. The architecture was wrong. The programming was unstructured.

So it wasn't long before companies began to show up that developed software specifically for the purpose of selling it as a generalized product to lots of different users. We estimated that in 1969 about 9% of the programs we listed were developed specifically as software products. By 1973, that number was up to 49%. And the idea of selling software as a product was no longer considered to be some kind of crazy, hair-brained scheme.

(This anecdote was submitted to the Software History Center website in 1998.)

Entered By: Luanne Johnson
   February 19, 2010
Related Events

First ICP directory published
Forty-nine% of the programs listed in the ICP Directory were developed specifically as software products
Larry Welke attends an ABA convention and gets an idea from the Swap Room
Nine% of programs listed in the ICP Quarterly were developed specifically as software products

Title: How the ICP Million Dollar Awards Got Started
Author: Larry Welke
Created: 1998

Cataloguer:
Copyright: Luanne Johnson
Story:
How the ICP Million Dollar Awards Got Started
by Larry Welke (as told to Luanne Johnson)

In 1970, I had been publishing the International Computer Programs Directory, a catalog of software products, for four years. But the general perception still was that there would never be a big market for software products. The assumption was that, except for the systems programs provided by the computer manufacturers for free, users' requirements were so unique that programs would have to be custom-written for each installation in order to be useable.

One afternoon I was in New York so I stopped in to see a guy I knew, a consultant named Jim Stone. He worked for Quantum Sciences, a major market research firm at the time. We went to some saloon for a drink and he said, "Are you still fooling around with that software crap?"

And I said, "Wait a minute, wait a minute."

He said, "That's not an industry. That's not going anyplace."

I asked him to defend himself on that and he said, "Name something, name anything that has sold a million dollars. You got a million dollars in sales then you've got a product. There's nothing that's done that."

I said, "Bullshit. I know that there are."

So I went back to the office and counted up 29 products that had sold over a million dollars worth. I went through the companies that listed in our directory that I knew were having some success and I called them up and asked them how much revenue their products had generated.

Once we had the list compiled we concluded, well, if we didn't know this, nobody else knows it either. And we're in the business of pumping software products and the marketplace, so it's up to us to tell them. Let's go tell the business press. Let's do something about it. Give these people an award and promote the hell out of it. So that's what we did.

That program became an annual software industry event for over twenty years. We added a $10 million award category and a $100 million award category and a $1 million in 1 category for software products that sold $1 million worth in the first year after they were released. Today, the software industry is a multi-billion dollar industry (the third largest in the U.S.) and the belief that it couldn't be a viable industry seems ridiculous in retrospect. But that belief was very real at the time and I like to think that the ICP Million Dollar Award program had a lot to do with changing that perception.

(This anecdote was submitted to the Software History Center website in 1998.)

Entered By: Luanne Johnson
  February 19, 2010
Related Events

ICP begins the Million Dollar Awards program

Documents

Title: [Notes from research into early ICP publications]
Author: Luanne Johnson
Created: February 1986
Publisher:
Donated By: Luanne Johnson
Filename: doc-4b7eb209c23e4.pdf (Size: 3.51 MB)
Pages: 10
Cataloguer:
Copyright: Luanne Johnson
Description:
Notes taken during research into early ICP publications done at the ICP offices in Indianpolis, IN
in February 1986.

Entered By: Luanne Johnson
February 19, 2010

Title: Oral History of Lawrence A. Welke
Author: Luanne Johnson
Created: April 7, 1986
Publisher: Computer History Museum
Donated By:
Filename: doc-4cb35bead6a38.pdf (Size: 11 KB)
Pages: 23
Cataloguer:
Copyright: Computer History Museum
Description:
Larry Welke describes the founding of ICP (International Computer Programs, Inc.) to produce a
subscriber-based catalog of software products in 1967, how he expanded into advertising-based
publications in the early 1970s and how he established the Million Dollar Awards program which
recognized successful software products. He covers the environment for software product
vendors in the late 1960s and early 1970s including the challenges of finding the right pricing
formulas for software products, the resistance of users to buying standardized products, and the
factors other than IBM unbundling that led to the creation of the software products industry.
Accession: 102658249

Entered By: Luanne Johnson
October 11, 2010
Related Events

ICP (International Computer Programs, Inc.) founded in Indianapolis, IN
ICP begins the Million Dollar Awards program
ICP begins to publish an advertising based publication, The Skinny
Larry Welke attends an ABA convention and gets an idea from the Swap Room

Title: Oral History of Lawrence A. Welke
Author: Luanne Johnson
Created: 1995 ca.
Publisher: Computer History Museum
Donated By:
Filename: doc-4cb35c99dd067.pdf (Size: 10 KB)
Pages: 34
Cataloguer:
Copyright: Computer History Museum
Description:

Larry Welke discusses his personal and career background prior to founding ICP (International Computer Programs, Inc.), how the ICP business model minimized the need for venture funding, how he developed both the product list and the subscriber list for the ICP Directory, the shift from subscriber-based to advertising-based publications and how ICP refocused its business to adapt to changes in the software industry. He discusses the origin of the services he provided to software product vendors in the fledgling software industry such as the Million Dollar Awards program, The ICP Software Newsletter and seminars on how to market software products. He cover his role in bringing software companies into ADAPSO and the benefits he derived from ICP's ADAPSO membership.
Accession: 102658258

Entered By: Luanne Johnson
October 11, 2010

Title: "One for the History Books" Workshop
Author:
Created: September 24, 2000
Publisher: Software History Center
Donated By:
Filename: doc-4b8546e055c69.pdf (Size: 286 KB)
Pages: 48
Cataloguer:
Copyright: Computer History Museum
Description:
On September 22 and 23, 2000, The Charles Babbage Institute sponsored a conference in Palo Alto, CA, on the impact of IBM's decision in 1969 to unbundle the price of software from the price of hardware on the emergence of companies selling software as a product. Many of the attendees at the conference were people who had founded software companies in the 1960s and early 1970s, so The Software History Center decided to take advantage of the congregation of so many people who had participated in the early software industry to organize a workshop for the following day. The purpose of the workshop was to ask people to recollect their experiences in founding their companies and especially to discuss factors other than unbundling which affected the early growth of their companies. Conference reporters were on hand to transcribe the conversations that took place. The following is a transcript of that meeting.

Entered By: Luanne Johnson
February 24, 2010
Related Events

First ICP directory published
ICP (International Computer Programs, Inc.) founded in Indianapolis, IN
ICP begins to publish an advertising based publication, The Skinny
Larry Welke attends an ABA convention and gets an idea from the Swap Room
Welke organizes a meeting of software vendors in Denver
Welke resigns from his position at the bank and begins full time with ICP
Welke travels extensively to locate potential companies to list in the ICP directory

Title: Oral history interview with Lawrence Welke
Author: Paul Ceruzzi
Created: May 3, 2002
Publisher: Charles Babbage Institute, University of Minnesota
Donated By:
Filename: doc-4b7ec12284ecc.pdf (Size: 12 KB)
Pages: 24

Cataloguer:
Copyright: Charles Babbage Institute, University of Minnesota
Description:
Lawrence Welke played a critical role in helping to define and advance the early software industry through publishing ICP (International Computer Programs) Quarterly, a subscription-driven catalog of software products that soon evolved into an advertising-driven software directory. Welke discusses his early work at IBM and in the banking industry, and how these experiences led him to form ICP. He reflects on advertising and marketing in the early software services and products industries, and the evolution of these trades in the mini and microcomputing eras. He also details the growth of ADAPSO and its significance to the software industry's development. He concludes with remarks on societal impacts and the future potential of computing technology. This oral history was sponsored by the Software History Center in conjunction with the Center's ADAPSO reunion (3 May 2002).
Citation: Lawrence Welke, OH 335. Oral history interview by Thomas Haigh, 3 May 2002, Washington, DC. Charles Babbage Institute, University of Minnesota, Minneapolis.

Entered By: Luanne Johnson
February 19, 2010
Related Events

ICP (International Computer Programs, Inc.) founded in Indianapolis, IN
ICP begins the Million Dollar Awards program
ICP begins to publish an advertising based publication, The Skinny
ICP introduces industry-oriented publications
Welke develops seminar on buying and selling software

References

Title: Founding the ICP Directories
Author: Lawrence Welke
Created: January 2002
Publisher: IEEE Annals of the History of Computing
Cataloguer:
Copyright:
Reference:
Welke, Lawrence. "Founding the ICP Directories." IEEE Annals of the History of Computing, Vol. 24, No. 1 (Jan-Mar 2002): 85-89.

Entered By: Luanne Johnson
  February 22, 2010
Related Events

First ICP directory published
ICP (International Computer Programs, Inc.) founded in Indianapolis, IN
ICP begins the Million Dollar Awards program
ICP begins to publish an advertising based publication, The Skinny
ICP introduces industry-oriented publications
Larry Welke attends an ABA convention and gets an idea from the Swap Room
Welke develops seminar on buying and selling software
Welke resigns from his position at the bank and begins full time with ICP

Title: From Airline Reservations to Sonic the Hedgehog: A History of the Software Industry.
Author: Martin Campbell-Kelly

Entered By: Luanne Johnson
  February 19, 2010
Related Events

ICP (International Computer Programs, Inc.) founded in Indianapolis, IN
ICP lists 2,928 software products from 740 vendors

Discussions

There are no discussions for this company in the collection