Oral History of John Toups

Interviewed by:
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John Toups

Conducted by Software Industry Special Interest Group

Abstract: John Toups, the former CEO of Planning Research Corporation (PRC), describes his early career as a civil engineer which led him to form the consulting firm Toups Engineering, which consulted to local government and private real estate developers in Southern California on water and land use issues. In 1970, Toups Engineering was acquired by PRC and Toups continued to run it as an independent unit within the corporate structure until 1973 when he put in charge of all of PRC's engineering companies.

In 1977 he was named President and CEO of PRC. He describes the multiple lines of business that PRC had been in as a result of multiple acquisitions and how, under his leadership, the company was restructured to be more focused, including an expansion of federal government business, and how their engineering work eventually was replaced by an emphasis on IT services. He describes the process of marketing to the federal government including PRC's approach to bidding and preparing proposals and also describes some of the work that they undertook for governments in other countries. He talks about how PRC itself went through a series of acquisitions in the 1980s and 1990s until it was acquired by Litton Industries which was subsequently acquired by Northrop Grumman.

David Alan Grier: This is an oral history interview conducted as part of the Government Professional Services History Meeting at CSC headquarters in Falls Church, VA. The date is April 1, 2009. The industry pioneer being interviewed is John Toups and I am David Grier from the George Washington University. This oral history is part of the Software Industry Special Interest Group's ongoing oral history project and will be transcribed and edited, and then posted on the Computer History Museum's website. We usually get started by having you talk about your parents and your birth. When and where were you born and who were your parents?

Family, Military Career and Education

John Toups: I was born in Wichita Falls, TX in 1926. My father was Sidney Phillip Toups. He was born in New Orleans and lived there most of his life. My mother was Alice Bryant, her maiden name. She was born in Lawton, OK and lived there through high school and part of college. I'm not sure where they met but my father worked in the insurance business in Texas. I was born in 1926. I had a sister by then who was two years older than I was. Two years later, another boy was born, my brother. Then, of course,

a year later in 1929, the Crash occurred of the financial world. My father lost his job in the insurance business and for reasons I've never understood, he decided to move the whole family to Chicago. We wound up on the south side of Chicago in a little town that's about 20 miles out of town.

Grier: What's the town?

Toups: Chicago Heights. One called Crete and one called Steger. The only work my father found was being a barber. His father was a barber and his uncle was a barber and somehow he had learned that before he got there. My father had had rheumatic fever as a child and that bothered him quite a bit as time went on. He died rather suddenly in 1938 and left my mother with five kids. I was 12, the oldest was 14 and the youngest was probably 2 or 3.

Grier: You went to high school in Chicago?

Toups: No. We moved to Oklahoma where my mother had a brother and she thought it would be better to go there. We lived there for two years and then we moved to California. Actually, I went out a year early and lived with my grandmother. I went out there in June of 1940. By then I was in the 10th grade and the next April, the rest of the family came out.

Grier: Where in California?

Toups: LA County, a little town called Maywood. I went to an adjacent high school called Bell High School.

Grier: Do you remember anything from high school that would sort of suggest your future career – an interest in science?

Toups: I was always good in math, all the way from 1st grade and that probably was the main thing.

Grier: Any experiences at the time that stand out?

Toups: Not really. I enjoyed the time. I played basketball in high school and I had a lot of good friends and enjoyed things. I worked all through high school. When I first got there in 1940 I mowed the lawn for a church near us and a few months later, they asked if I'd be the custodian of the church. So here I am, a 10th grader having the responsibility for cleaning up the church every week.

Grier: It's a good start. You graduated from high school in 1943.

Toups: Yes.

Grier: What happened at that point?

Toups: I joined an Army Reserve program and they sent me to Stanford University. The deal was you would stay at school until you finished the term in which you turned 18. So I was there for two terms and then in April of 1944, I went to basic training with the expectation of going back to college. But while I was there, D-Day happened so the college programs all got canceled. Then I was sent to an infantry division at Ft. Benning, GA. That division shipped overseas before I was old enough to be shipped. They had a ground rule that they wouldn't send kids until they were 19. So I was sent to another division, the 65th Infantry Division. As things would happen, I was shipped overseas on my 19th birthday. They didn't miss a day.

Grier: And you ended up in...?

Toups: I ended up in France. The ship docked at Le Havre, France. We went by one of those famous Forty and Eight train cars to Metz, France near the German border. We were committed to the line.

Grier: You were a foot soldier?

Toups: Yes.

Grier: You marched through France into Germany and then into Austria?

Toups: Yes. Towards the end, I was in an intelligence reconnaissance outfit. We were mounted on jeeps. By that stage of the war, the Germans retreated at night because we controlled the air and our job was to go out and try to make contact with them and then withdraw and let the line troops take care of the fighting. More than once, we found them rather suddenly and got into trouble.

Grier: Then you got wounded and were shipped home early?

Toups: Not really early. The war was over. V-E Day was May 8th. I got wounded on May 4th, so I got shipped to England where I was in a hospital in traction for two months. Then I was shipped home. I got home in July, to the West Coast, and was in a hospital there until December.

Grier: When did you resume schooling?

Toups: In January.

Grier: This was at Berkeley?

Toups: No.

Grier: Where was this?

Toups: It was at Compton Junior College. I went there so I could live at home. Even though I had the GI Bill, living at home was better. I got a good education there. I was there a year and a half and then I went to UCLA.

Grier: You entered UCLA in the fall of 1947?

Toups: Yes. Again, I lived at home.

Grier: What were you studying at UCLA?

Toups: Civil Engineering.

Grier: I assume at Compton it was general education and preparatory work.

Toups: Yes. Interestingly enough, at that time, UCLA did not have a senior year in engineering. So I had to go to Berkeley to graduate and I had my choice of getting my degree from Berkeley or UCLA and that was an easy choice.

Grier: What do you recall about the Civil Engineering program at either of the two places? Is there anything that stands out to you?

Toups: I think the Berkeley professors were more mature and experienced.

Grier: We forget that UCLA, when the war broke out, was a fairly small, still-quite-new university.

Toups: That's right. Berkeley was a relatively old school and UCLA was a fairly new school. They had good professors but they didn't have any of the labs that you'd need, the civil engineering labs, strength of materials, where you have to break things and test things.

Grier: What drew you to civil engineering as compared to one of the other fields such as mechanical or electrical?

Toups: I was doing mechanical and a guy I met at Compton said “Don’t do that. Do civil.” But it makes sense. Civil is the least technical in the engineering professions. In my mind, chemical and electrical are much more rigorous.

Grier: And certainly more mathematical.

Toups: Yes.

Grier: Did you do any projects, or were there any activities there that are particularly memorable?

Toups: No. We just were anxious to get out.

Grier: You told me that after you graduated, you went through a series of jobs. Walk us through those right now.

Civil Engineering Career

Toups: I graduated in June of 1949 and went to work for the California Division of Highways in the Los Angeles District and worked on the first freeway being built in Los Angeles.

Grier: Is this the one up to Pasadena?

Toups: No. No, you’re right. That’s the first one. That was built before the war.

Grier: So you did the first post-war freeway?

Toups: Yes. It would be what is now part of I-5. But I didn’t intend that to be a long-time career. I was mainly on a survey crew, a five-man survey crew, and I was the low man on the totem although I was the only graduate. A headhunting firm that specialized in civil engineers, HA Beal Associates contacted me and wanted to know if I’d be interested in a job for an oil company in Ventura, CA. I said yes, so I went up there and worked for about 18 months. The same headhunter came after me again and wanted to know if I’d be interested in a job in a local water district. I said yes, largely because it had a world-renowned manager/engineer.

Grier: Which water district was this?

Toups: Santa Paula Water District in Ventura County. The job was mainly to investigate the feasibility of building two new dams on local rivers. We spent six months investigating that and

determined it was feasible, but had a bond issue which failed. So the dams didn't get built and we didn't have jobs, so we all left. Then I went to a consulting firm in Long Beach.

Grier: This is about 1952?

Toups: About 1952. I was there about a year or so.

Grier: What were you consulting on?

Toups: Municipal-type work, storm drains, sewers, pumping plants.

Grier: So water issues, basically. Water and sanitary.

Toups: Yes, pretty much. One of the people I met at that time was a guy who had just been elected to the city council in Seal Beach. He wanted to know if I'd be interested in being city engineer in Seal Beach. I said sure. So I became city engineer in Seal Beach probably in the early 1953 time frame. It was sort of a crazy job. They'd had gambling in that town previously and everything revolved around whether you were for or against gambling.

We were paving the alleys about six months later and the father of the young man in charge of the construction crew for the contractor was the city manager in Fullerton, CA, a much bigger city. We became friends and he said "My dad's looking for a new civil engineer. He just fired the one that we had." So I went up and talked to his dad and I got the job.

Grier: So you became city engineer.

Toups: City engineer in a pretty good-sized city. I had that job for about a year and a half or less and I was asked to become assistant city manager and give up the city engineer's job, so I did.

Grier: Why would you be asked to go from engineer to city manager? Or is it the same kind of work?

Toups: The city manager was a civil engineer to start with. In fact, at one time in this country, most city managers were civil engineers.

Grier: That makes some sense because they all have roads and bridges and storm drains.

Toups: Civil engineers are generally more management-oriented and more people-oriented than other engineers. If you're going to construct a building, you've got to have some management capabilities and that's not necessarily true of electrical and chemical engineers.

Grier: That's actually true. So you now got to be assistant city manager. What was your portfolio? What sorts of things did you oversee?

Toups: The main focus was to encourage industrial or commercial development in the city. During that time, Kimberley-Clark came in and built a great big building, which was desirable.

Grier: Kimberley-Clark?

Toups: The Kleenex people. However, I didn't have that job very long, until the general manager of Orange County Water District contacted me and wanted to know if I'd be interested in going to work for them. I thought about it and said yes. This was in June of 1956. The big attraction was that about June 15th of 1956, they were starting a trial, a court hearing. The Orange County Water District did not deliver water to anybody. They were a protector of the underground basin and they had sued Riverside, San Bernardino, Redlands and Colton on the upper Santa Ana River for taking too much water out of the river system.

We had 115 trial days, which I got to sit in on, and every water rights expert – hydrology, geology, land use, whatever you want to call it – testified and I learned a lot. The primary consultant that Orange County had always used was going to retire as soon as that trial was over. So the deal was that I would become their primary consultant with a promise that if I stayed for two years, I could then go out on my own as a consultant and have other clients. But I would be their primary consultant and I'd get a lot of work from them. So that's what I did.

Grier: What were the basic tasks that were given to you to work on?

Toups: Making sure that the water that we were buying for the Colorado River and released into the river actually sunk underground. We had to build dikes and things. That was one issue. The other issue was there were about 3500 wells in Orange County at the time because there were orange groves. We had gotten a law passed called a pump tax for short that every guy who pumped water out had to put a meter on and pay us three bucks an acre-foot. And we'd take that money and buy Colorado River water, sink it underground.

As Orange County developed, more and more pumping occurred in the underground and it would draw it down below sea level and the geology was such that in the northern part of Orange County, any rainfall or water that comes falls on the surface sinks underground to the water table. On the lower part, the part closest to the ocean, there's a clay cap so rainfall there doesn't go down to the water table. And the

aquifer itself that's underneath the whole thing outcrops in the ocean. So if you draw the water table down too far, you get seawater intrusion. So one of the things that we wound up doing – and my firm designed all of this – was we took secondary treated sewage from Orange County Sanitation District, gave it a whole lot more treatment, and then drilled a series of wells along the coast and injected this treated water into those wells to artificially raise the water table along the coast.

Grier: And keep the ocean out.

Toups: Yes.

Grier: Clever.

Toups: And that's been copied, if you will, in several other places around the world including LA County. It's effective.

Consulting Career

Grier: One of the things I'd like to explore a little bit, in addition to the projects, is that you took this job with the anticipation that you were going to be a consultant in two years. What made you think, at that time, that you wanted to be a consultant? Why did that appeal to you?

Toups: I'm not really sure but I suspect just the sense of doing something.

Grier: You felt that you could do it, clearly.

Toups: Yes.

Grier: Were you married and had a family by this time?

Toups: Yes.

Grier: Children?

Toups: Yes.

Grier: So you would be going off and starting a new business with kids?

Toups: By that time, I had three children; three years later I had a fourth.

Grier: Clearly you were confident.

Toups: Yes.

Grier: Consulting involves a lot of different skills. Obviously the technical skill is important but managerial skill and sales skill as well. You felt comfortable that you had all those pieces?

Toups: Yes.

Grier: And you had the contacts.

Toups: Yes, I had the contacts.

Grier: All right. You started your consulting business in 1958.

Toups: Yes.

Grier: Did you have a name for the firm?

Toups: Toups Engineering.

Grier: That operation ran until 1970, correct?

Toups: It ran after that but in 1970, it was acquired by PRC.

Grier: Who were your clients? What did you do?

Toups: We worked for land developers, water districts, cities. We became special city engineer in two or three cities at one time or another.

Grier: Which cities?

Toups: Dairyland and Cypress.

Grier: You basically were augmenting or supplementing what city engineers would do in those regions?

Toups: Both of those were new cities. They hired a city manager but no other staff. So we did it all.

Grier: So you served as the engineering staff?

Toups: Yes.

Grier: How many people did you have working for you?

Toups: By 1970, I had probably 150.

Grier: When you started in 1958, how many did you have?

Toups: Just one.

Grier: When did you hire number two?

Toups: Pretty quickly.

Grier: What was number two? An engineer? Office staff?

Toups: What happened is in 1958, almost as soon as I started doing this, a major developer bought a large tract of land in the city called Buena Park, which was right next to Fullerton. I knew the land fairly well. He didn't want to deal with the city engineer and the city departments, so he asked them to appoint a special city engineer and we got that job. So I was able to hire 10 people, maybe more, to plan, inspect and check on that project.

Grier: During this time, you are in the position of managing other engineers?

Toups: Oh, yes

Grier: How did you get financed?

Toups: I was able to get $3,000 from the bank.

Grier: And the rest came in on contracts?

Toups: Yes.

Grier: How long did that particular job last?

Toups: Probably three years.

Growth of Toups Engineering

Grier: What work came next?

Toups: Other water districts, other land developers and I added people. In probably 1962 or 1963, we got a major break. A man named Ross Cortese, who developed what today is called Leisure World, built a small one in Seal Beach. Then he built a fairly large one – a very large one in fact – in Laguna Beach. He hired us to do the water and sewer part of it because that was our expertise and he had another firm doing the land planning. He got mad at them somewhere along the line and hired us to do the whole thing. Big job. We probably had 50 to 60 people on that project.

Grier: How did you get that business? Was that a competitive bid?

Toups: No. I got the water and sewer because of my association with Orange County Water District. People knew I knew water.

Grier: Was there an advantage of having worked for Orange County?

Toups: Yes. And the fact that I had been a city engineer made them realize I knew how the politics of all the cities worked. Back in those days, when a developer bought a piece of land, he could be building houses within 90 days, the processing was so quick. Today, it takes three years. That increases the cost and the risk.

Grier: Because you're sitting on borrowed money basically.

Toups: Yes. Let me get back to Ross Cortese. He then built a project in Northern California so we opened an office up there and served that project and had that office up there for quite a while. He then built a project in Phoenix, AZ. We had a major office go in there to serve that and other clients. He then built a project in Maryland, in Montgomery County. We opened an office there and staffed it and did a lot of his work.

Grier: So you grew with him?

Toups: That's right.

Grier: In terms of growing did you self-finance?

Toups: Self-financed.

Grier: When you went looking for new staff and engineers, where did you go?

Toups: I don't think we ever put ads in the paper. It was probably contacts. Back there, we hired a guy who was experienced and worked for two other major firms. I'm not sure how we found him but we found him.

Grier: Again, you'd be looking for someone with knowledge of counties and their engineering systems and how they worked?

Toups: Yes.

Grier: Was Leisure World the big client that helped you grow or were there others?

Toups: Leisure World was probably the biggest. We did a lot of work for some of the national builders headquartered in California – K&B, Kauffman and Broad, S&S, which was Shapell and Shapell (Once you get with a developer, he sticks with you usually. He doesn't use one engineer for this project and one for that and one for the other.

Grier: They get used to working with you and trust you.

Toups: Yes. And most of that work is fixed price. It's interesting.

Grier: Fixed price?

Toups: Yes. You say "Let's see. This is a hundred lot subdivision. We're going to charge you $90 a lot," for which you do the tentative map, the final map, the street plans, surveying, the whole nine yards.

Grier: Did you move out of actual engineering work right from the start? Were you a manager or continue with engineering work?

Toups: I continued work for Orange County Water District myself, with some of their special needs, and for some of the cities where I became special city engineer. I would do some of that.

Grier: At some point you must've moved out of it because you had a company to run.

Toups: I don't know. I still did some of the work.

Grier: Still kept your hand in it.

Toups: Yes.

Acquisition by PRC

Grier: What was the process of selling to PRC?

Toups: Somebody had contacted us about buying us and we weren't interested but that sort of triggered something.

Grier: What were the benefits of being bought?

Toups: Money. At that time, PRC had a standard process. They gave you stock up front at closing and then more stock at the end of a four year earnout period. I got 60,000 shares down and 40,000 shares earnout and the stock, when I merged with them, had been selling in the high to mid 40s, so four and a half million dollars, give or take, is what I got. And that was a lot of money in those days.

Grier: Did PRC contact you or you contact them?

Toups: A person who worked for a company that had recently been acquired by PRC contacted me, a person I knew who said "Hey, we've done this with our firm. Would you be interested?"

Grier: At this point, you need to explain what PRC is.

Toups: Planning Research Corporation.

Grier: Headquartered in California.

Toups: Yes.

Grier: They did similar work as you?

Toups: PRC was founded by Dr. Robert Krueger in about 1954, a physicist who had worked at the Rand Corporation and they were doing what you would characterize as systems engineering, systems analysis, that type of stuff.

Grier: Do you remember any of the other founders?

Toups: I remember their names but I don't remember what their specialty was. One was an economist Phil Keff who had been at UCLA, Stewart Krieger who had been at Rand, Stan Gendler and Alex Wylly.

Grier: And they were headquartered in Los Angeles?

Toups: In Westwood.

Grier: They approached you. You sold your firm in 1970. What was your role in PRC at that point?

Toups: To continue running my firm so I would make the earnout.

Grier: Was your firm basically operating the same way but like a subsidiary with you being the contact?

Toups: Yes.

Grier: Did they take over accounting or any other aspect?

Toups: No. There was a corporate G&A costs, about 2%, that they levied on us but they didn't provide any real service for us. They set my salary.

Grier: Which changed things.

Toups: Yes.

Grier: That started in 1970. What happened in the next couple of years?

Management Shake-Up at PRC

Toups: For the next three years, I ran my own firm and in 1973, there was turmoil in management at PRC mainly because there were seven guys like me who had been acquired when the stock was at 40 or 50. PRC had started to invest quite a bit of money in what was called an international reservations system. You may recall that American Express or somebody, back in the mid-1970s, if you wanted a hotel reservation in Chicago, you'd call up their number and they would get it. We were trying to compete with them and we didn't have deep pockets. We lost something like $40 million on that.

Grier: Why did the firm think they could do that?

Toups: I don't know.

Grier: But it wasn't your branch of the firm obviously. It was the group that came from Rand and had some experience with computers.

Toups: That's right.

Grier: Did they acquire any firms that had computer expertise or did they just tend to acquire firms like yours?

Toups: No. They acquired some that had some computer expertise.

Grier: Do you recall any of them?

Toups: No. They did acquire Logica, which was English based and I can't recall the others. They were all smaller. They acquired a wide variety of them. They had industrial psychologists. They had one firm that had a theater completely wired. Each seat was wired with a button and so forth and they would show ads or other things to the audience and test them.

Grier: So there was a wide variety of technical and engineering services?

Toups: Yes. But they acquired several fairly large engineering companies and they did not acquire, other than Logica, any large companies in computers. They acquired HB Maynard, which was a management consulting firm which was quite large. The PRC founding people were pushed out.

Grier: Who did the pushing?

Toups: The seven of us.

Grier: How?

Toups: There were one or two outside independent directors on the board. We told them about our unhappiness.

Grier: You were not on the board I assume.

Toups: No and neither were any of these seven guys.

Grier: You were all basically the same level within the company?

Toups: We didn't have any corporate office; I didn't have a corporate title. I was just president of my own company.

Grier: They were all roughly the same?

Toups: Yes. We had to talk to a lawyer and we were going to do a proxy fight.

Grier: Because you all had stock shares.

Toups: Yes, although maybe not enough to do it. Anyway, one of the outside directors, who was a great guy – I can't recall his name...

Grier: The California investor?

Toups: No. He'd worked in the mining world all of his life. He went to Bob Kruger, the CEO, and said "This is going to get nasty. These guys are going to force you out. You might be better off to resign," and he did, along with all the other founders.

Grier: What kind of deal did they get to resign?

Toups: Very little. Kruger may have gotten a little bit. I don't think the others got anything at all.

Grier: Basically they didn't waste their resources on a fight, or their reputations.

Toups: Yes. Anyway, Bill Hodson, who had been the CEO at HB Maynard, became the CEO and President and Chairman and that went along for a while and we were happy, doing fairly well. Then in mid-1977, the thought was that we ought to move our headquarters back here [Washington, DC area]. We had not too many operations on the West Coast but a lot in the DC area.

Grier: What happened to your West Coast operations?

Toups: We never had too much there. There were only three or four companies headquartered on the West Coast. They had been acquired by PRC.

Grier: You just happened to be one of them.

Toups: Yes. They acquired probably 20, maybe 25 other companies.

Grier: They were doing engineering work and other things?

Toups: And other things, yes.

Grier: Were they in Virginia or all over the East Coast?

Toups: All over.

Grier: In 1977, you were talking about moving back here.

Toups Appointed President of PRC

Toups: We decided to move back here and Hodson wanted to retire and stay on the West Coast. So we moved back here in 1977 and the board named two guys, one as president and one as chairman, but neither one as CEO. That was in the middle of 1977. Those two guys never got along before and they really didn't get along then. In November, I remember it very well; the main outside directors called me about 5 o'clock in the afternoon and wanted to meet with me. They said that things weren't working out with the two they'd put in there and they were going to appoint me to be president and CEO, and it was up to me as to what I would tell those other two. I was given the job of telling them that they no longer had those titles.

Grier: You got to move in as an employee of theirs in theory and tell them that they had been fired?

Toups: Yes. They weren't fired. They were moved back to their old jobs. They'd both been in prior positions.

Grier: They had positions similar to yours?

Toups: Yes. Along the way, we organized all the 20-odd companies we had into two groups, with the groups' heads having no authority at all.

Grier: A way of neatening up the chart.

Toups: Yes. I had that meeting at 5:00 PM with the outside directors. I got called again at 11:00 PM to come back down and meet with them. It was still my choice as to what to do. That was the night before the annual shareholder's meeting the next morning. The two guys who I was supposed to talk to at lunch, the president and the chairman, they conducted the shareholder's meeting.

Grier: As if nothing had happening.

Toups: They didn't know anything about it yet. So at lunch, I got them one at a time and told them that they longer had their titles, but that they could step back to their old jobs.

Grier: Were the shareholders a small number of outsiders or a fairly widely held company at this point?

Toups: Fairly wide. We were on the New York Stock Exchange.

Grier: Was it listed when it bought you out?

Toups: Yes. As you could imagine, the SEC jumped all over us. After the shareholders meeting, we announced that the chairman and the president were no longer in their positions.

Grier: What were the SEC concerns?

Toups: We should have told the shareholders what was happening.

Grier: I can understand that.

Toups: Let me just finish this. I talked to those two guys. One of them had been at PRC for almost his whole career. He said okay, he'd step back. The other one, a guy named Harrison Price, said "Normally it's up or out. Let me go home, talk to my wife and I'll let you know." He went home, talked to her, and decided to leave. That night, we had scheduled a cocktail hour for the board and management at his house at the Watergate.

Grier: And he just decided he's out.

Toups: Yes.

Grier: Oh, my. At one point, one person who you used to report to is now reporting to you.

Toups: Yes.

Grier: Did that last long?

Toups: Not too long, maybe a year and a half.

Focus on Federal Government Work

Grier: At this point, how much of your business was with the federal government and with state governments?

Toups: I didn't have any state government work.

Grier: Did you ever grow into state government work?

Toups: I think the federal government probably represented maybe half of PRC, half of the total.

Grier: It was civil engineering work?

Toups: No. It was the IT-related; it was the old part of the company, systems engineering and that type of stuff.

Grier: This is 1978?

Toups: Yes.

Grier: Where was that work, what units were you engaging?

Toups: The original units we called Government Information Systems. They had work at the Air Force headquarters out in Omaha. They did WWMCC, the World Wide Military Command and Control system. They did a lot of computer-related work. They had a lot of work at the Defense Mapping Agency in St. Louis. And we had a very large job at Kennedy Space Center. We had 1200 people at the Kennedy Space Center.

Grier: What job was that?

Toups: We were the ground support engineers on the site there.

Grier: That was providing manpower instead of an information system.

Toups: Yes.

Grier: But those were the major government contracts that PRC had at that point?

Toups: The best I can remember, but they had a lot of contracts.

Grier: PRC had your business obviously. What other business did the company do?

International Clients

Toups: One of the other engineering companies did ports and harbors and things like that. It was Frederick R. Harris, which had been formed by an admiral who came out of World War I, Frederick Harris. They did a lot of transportation work here in this country and elsewhere.

Grier: Transportation -- highways?

Toups: Yes.

Grier: What else?

Toups: Ports and harbors.

Grier: It was designing but also staffing them?

Toups: No, just engineering and supervision of construction. They were working in Iran quite a bit.

Grier: In 1978?

Toups: In 1978 they were in Iran, yes.

Grier: Did the Islamic Revolution in 1978 affect operations there at all?

Toups: Yes. We had a contract there to design two new naval ports, Char Bahar and Bandar Abbas. We got a 20 million dollar fee for that. We'd received a $2 million advance payment. We had to give them a $2 million letter of credit. When the Shah got kicked out, we were essentially done and left. At that time, we had a $2 million receivable, so we sort of waited on what was going to happen.

Grier: And the assets are frozen at some point in this period, 1979 maybe.

Toups: Yes. But they could still call the letter of credit. If they call the letter of credit and don't pay us the receivable, even though we have a $2 million advance, we now are down $2 million. We waited and about three weeks after the letter of credit expired, it got called, but the bank said too late. So at that time, we were even. We've got their advance payment to offset the receivable and the letter of credit's gone. The thing I don't know to this day is why they waited and called it late. Was the guy who

was responsible for calling it was in such a turmoil because of the general turmoil going on in the country? Or did he like us and said “Hey, we’d be unfair not to pay them the receivable,” but he couldn’t get that done so he said “I won’t call the letter of credit.” The third possibility, somebody bribed somebody.

Grier: All of those are possible and it will probably take more digging than we can do right here.

Toups: I know that. I don’t even care.

Grier: I assume that says you didn’t do any work with them after that period.

Toups: We did not. But we did a lot of work with Saudi after that. They built those two new cities over there. They had a royal commission that was in charge of them. Bechtel built one and Jacobs or somebody built the other. We were the government’s engineering arm to oversee those and we had a large computer that ran the big datacenter for them.

Grier: How did you get those contracts?

Toups: We made a practice of having a partnership with a local engineering firm, very capable people.

Grier: How big was PRC at that point?

Toups: I think somewhere around $150 million.

Grier: I have a number of 8,000 employees. Was it then or later?

Toups: It probably was a little later. That means the revenue may have been more, although revenue per employee, that was not like it is now.

Grier: Right. And you had offices on the East Coast and the West Coast and in the Middle East. Did you have any other offices at this point?

Toups: Chicago, probably some other smaller cities around because we bought some small local firms.

Grier: How much of your revenue came from the US federal government or other government entities, other national governments?

Toups: Two-thirds probably, maybe a little bit more.

Grier: Was all the expertise in dealing with governments started at PRC and you grew and you built on it? Or did you acquire other companies that were experienced in dealing with governments?

Toups: HB Maynard was probably experienced in dealing with government. They worked all over the world. Frederick R. Harris was experienced in many management type issues.

Grier: That's of course an older firm.

Toups: Yes. We acquired a firm in Chicago, Consoer Townsend, which was a water, sewage and sanitation firm. They had done some work overseas. We also had a company called Engineering Consultants, Inc, out of Denver and they designed dams and major water systems outside of this country. They did very little work here. We had a company called PMS, Public Management Systems, and their specialty was writing the software and selecting the hardware to support the 911 systems, police systems, including the stuff in the cars. We did that kind of work in many countries. We did a national system for New Zealand

Grier: At this point, are you keeping all these small firms intact or merging them under the big umbrella?

Reorganization of PRC

Toups: That gets to what happened when I became CEO. That was in 1978. I realized two or three things. One, the board was made up of all insiders with three exceptions. That was not healthy and I realized that even though I didn't have a lot of experience. So I asked all of the insiders to get off with one exception, the guy that ran Frederick R. Harris. I left him on. But I asked the CFO and all these other guys to get off the board, so there were probably seven that I asked to get off. That created a little bit of turmoil.

Grier: Who did you replace them with?

Toups: Over time, with outsiders.

Grier: What kind of people did you recruit?

Toups: For the most part, people who had been CEOs of other companies. They weren't necessarily in our business, although one had been a VP at United Technologies and he understood government contracting.

Grier: Did you recruit most of the board people with an eye to government services, or was it toward broader technical and engineering services?

Toups: A combination. The other thing I was going to say is I also realized that this two group thing we had where the groups had no power, wasn't going to work. So I organized into four groups and gave them absolute power to hire and fire anybody in their group.

Grier: What were the four groups?

Toups: Government Information Systems, Commercial IT, one called Systems Services. I'm not sure what they did but it was essentially all federal government work but not focused so much on computers; that's the group that had the work at Kennedy Space Center. The fourth group was PRC Engineering.

Grier: In deciding this, did you look at lines of business? Were you looking to get equal sized units?

Toups: Mainly at lines of business so there'd be some compatibility and they could work together. They were not equal in size. The Commercial IT was fairly small. The engineering part of it was the most profitable at that time.

Grier: And this you started work on this in 1978 when you became CEO?

Toups: Yes.

Grier: You've talked about how you were fairly new to being a business leader at that point, certainly at that level. Whose idea was it to make these changes? Was this your work or advice from others?

Toups: A combination. I found an article out of Business Week, January 26, 1981, that sort of addresses that a little bit.

Grier: This is an article entitled "Corporate Strategies: When Consultants Tackle Their Own Problems." It is indeed *Business Week*, January 26, 1981, pages 126 and 127. This is actually about PRC. PRC is one of the examples in it.

Toups: The picture beside me is Robert Sarnoff who was on our board at that time and became chairman earlier.

Grier: Robert Sarnoff as compared to David Sarnoff?

Toups: It's David's son.

Grier: David's son. So was he with RCA at this point?

Toups: He had been. He'd been running NBC but he'd retired from it.

Grier: Robert Sarnoff had retired from NBC?

Toups: Yes.

Grier: So he was on your board. How did you recruit him?

Toups: Another board member knew him quite well.

Grier: This suggests you hired a consultant to help you think through this problem.

Toups: Yes, Gutoff

Grier: Was it a good process?

Toups: It was a good process, yes.

Grier: Did it end up where you thought you were going to be?

Toups: More or less. You've seen these charts where you draft whether this line of business is growing or not growing, is it low profit or high profit. We went through that with all the guys in detail and then we put the right people, the right units together and we got rid of some units. We just said "Hey, forget them."

Grier: They're not profitable enough, nor big enough.

Toups: And they'll never be.

Grier: How easy was it? Was it a group of leaders who saw that it was the right thing at the right time?

Toups: Ninety percent of them saw it that way. Some didn't and they left.

Grier: At that point, the structure that you had flourished and where you had been, in effect, the head of your own little unit, that was gone? Or did that remain in some form?

Toups: It was gone.

Growth of Federal Government Business

Grier: The time period when you were in charge of PRC was between 1978 and 1986? And we've gotten to the point of the division of the company into four units, and I just wonder if you could talk about the success of those different divisions over your roughly one decade as CEO.

Toups: The government information systems grew the most I believe. It did federal government work almost exclusively.

Grier: Okay and can you identify some of the projects at this point?

Toups: Not really. I mentioned some earlier and they were still going on a lot of them.

Grier: Okay, and with clients primarily in the defense side of the government.

Toups: Yes.

Grier: Air Force.

Toups: Yes. We had on staff two or three Generals, retired Generals, who were effective in helping us. We may have had one or two ex-government people who knew the ropes from the contracting side.

Grier: We talked a little bit yesterday [Ed. Note: at the meeting of Government Professional Services pioneers sponsored by the Software Industry Special Interest Group of the Computer History Museum], about the role that Generals play in helping companies do business. And I wonder if you could talk about that a little bit. The standard rumor is that Generals provide you access to a specific program or a specific division. But what do they do? How do they help a company in dealing with the government?

Toups: They know a lot of people both in the military and in the government and know ex-military and ex-government people and can help in your recruiting in some cases. They can help in getting you

introduced to the key people in the various agencies. I think the right ones that we found were very helpful. None of them did we put in an operating role.

Grier: They were not managing projects or managing divisions.

Toups: Yes. For a brief time General Jack Morris had been head of the Corps of Engineers. He ran our engineering group of companies. Good job, good man, very sensible. He had run for the Corps all the work that we did in Saudi Air Force bases and so forth and so he knew that.

Grier: He knew that aspect of it. And of course running a Civil Engineering group like that is very similar to what he had been doing.

Toups: Right.

Grier: Now, during this period was your strategy as it had been for PRC earlier, of acquiring small companies to grow, or did you do it by pursuing new projects and then hiring staff to expand?

Toups: After I became CEO we only made one acquisition.

Grier: Okay, and what was that?

Toups: It was an IT-related company in Texas. It didn't turn out very well but we did it. It was a fairly good size.

Grier: Okay so your interest was in pursuing business a different way.

Toups: Yes.

Grier: And it was pursuing contracts, pursuing projects, then you would expand it by hiring people for the project?

Toups: Even when Bill Hodson became the CEO I think we only acquired one company while he was CEO and it was the large company, Consoer Townsend, in Chicago. We were not acquiring the small ones anymore.

Grier: Okay, and it just seemed a better growth strategy or a better business strategy?

Toups: Yes.

Grier: What were you looking to establish as a company? A large stable company that was growing so much per year?

Toups: Yes, and I think we realized that government IT was the market of the future. In the commercial world we had really started something which we called Realty Systems which was providing realtors with a desktop computer that they could use.

Grier: Sort of like the multiple listing service?

Toups: Yes, the multiple listing services were our clients.

Grier: Ah. So your relationship with multiple listing was you provided the IT system behind it?

Toups: Yes.

Grier: And designed it too and programmed it?

Toups: Yes. We first introduced that. Nobody else had that.

Grier: It's now a national service. I assume you rolled it out regionally?

Toups: Yes, but it was national eventually. The thing that's interesting about it is that the realtors liked it very much, but they couldn't do without their printed book. So we bought an outfit that made printed books and made them more efficient by computerizing them.

Grier: I think that day of the printed book is over.

Toups: I think it is too, now.

Grier: Okay, but you had talked about how the commercial IT was sort of your smaller group, but that to me sounds like a very successful project.

Toups: It was. It was. The other commercial business we acquired was a small firm. This is contrary to what I said but the small firm that had a very good IT package to sell into doctor's offices. They were 20 years ahead of their time, I think. But they were very successful and we acquired them and grew them quite well.

Grier: Okay, and then you obviously had the services group that did things like the Kennedy Space Center. What other operations did that group do?

Toups: I can't really recall but they had quite a few other smaller operations.

Grier: Smaller ones than 1200 employees.

Toups: Oh yes.

Grier: And then the engineering group was largely serving local and state organizations and private developers?

Toups: Yes.

Grier: What were the problems that you faced at that point in doing business with the government? Anything that particularly stands out as a challenge during those six years?

Toups: Well, back then we were seeing a lot more companies in the marketplace. They were smaller so there was more competition.

Grier: You faced a recession around 1982. Did that affect business at all?

Toups: Some, yes. Even a lot of the bigger companies started locating in the D.C. area. That's when EDS opened an office, SaIC opened an office and others. But still the game didn't change. You got to get to know your client and do a good job.

Grier: And your offices at this time were in Washington?

Toups: No, really in Northern Virginia. When we were headquartered in Los Angeles, we had a lot of small local offices here, and in 1971 we built a major building back here and put a lot of people into that. But we still had people all around. We had people down in the District, and we had a major office down there when the riots occurred in the 1960's.

Grier: Nineteen sixty-eight.

Toups: We closed that office and moved out here [Ed. Note: To Northern Virginia] because of that. And then when we moved our headquarters back here, the headquarters were temporarily downtown at 18th and K, but we contracted to have a major facility built in McLean, a 600,000 square foot building. We occupied that in 1980 and consolidated a lot of offices into that building.

Grier: Okay so that was during your first years?

Toups: First two years, yes.

Grier: This is also the period when the PC was coming out. Did your company think of it at all during this period or since you were dealing with mainframes was it just another technology but not one of interest to you?

Toups: We were probably slow but I don't really know the answer to that. Over time laptops became used because they were portable.

Grier: By your engineers in the field and all the rest?

Toups: Yes.

Divestiture of the Engineering Group

Grier: As the CEO, you obviously had to think ahead. What were you looking at in the future as both the problems and the opportunities for your business?

Toups: Which of our lines of business were declining and why was the opportunity really declining and therefore should we deemphasize it or get rid of it?

Grier: Were there any in particular that at this period that stood out?

Toups: Over time I became convinced that the engineering group, particularly the part in this country, wasn't a good one to have.

Grier: Was return on investment the issue? Declining business opportunities?

Toups: Well, partly that, but engineering, engineering for local governments, is very politically oriented. In general, a city council will give a local engineer preference over somebody from out of town even though the company from out of town might be more qualified technically. So we could see that there wasn't the continuing growth in a lot of those areas.

Grier: My impression of county engineering in particular is that during the 1980's and 1990's, most of the interesting work was getting contracted out, and the county engineer had become largely a contract manager. Is that not the case?

Toups: That is the case in the smaller cities.

Grier: In Chicago, Los Angeles, even St. Louis and Dallas?

Toups: I don't think so. I happen to be on the board of an engineering company today in California, and their work is just what you describe. They outsource the city engineer position, and that's been a good business for them but today because of the decline in housing that's diminishing.

Grier: There are no new engineering projects or limited new engineering projects?

Toups: Yes.

Grier: Interesting. That must not have been too easy since that was the division you came from.

Toups: I know that. Let me jump ahead. In 1985 I opened a dialogue first with Fluor who was interested. They made us a tentative offer, and then at the last minute something internally must have happened since they backed off. I had a dialogue with Joe Jacobs of Jacobs Engineering in California. I was trying to sell him the engineering group and he said "No, but I'll buy the whole company." I said "No, we don't want to do that."

Grier: So these contacts were to sell the engineering side.

Toups: Yes. An outfit, Ashland Oil Company had started something called Ashland Technology. It acquired a major firm in California, basically an architectural firm whose name I can't recall although I know it very well. So I entered into a dialogue with them and one of the last things I did as CEO was to sell our whole engineering group to them.

Grier: So this was roughly 1986, 1985?

Toups: 1986.

Acquisition by Emhart

Grier: How did the purchase by Emhart come about?

Toups: In the summer of1986, ConTel, the phone company, came after us and made us a lowball offer.

Grier: Was this expected or was this just out of the blue?

Toups: Sort of out of the blue.

Grier: Were you interested?

Toups: Not at the price they offered.

Grier: If that had not been the issue, would the company have been interested?

Toups: We might have.

Grier: Why would it have been attractive to have been bought out at that point?

Toups: I'm not sure, but we had some other people poking around. Our stock was being sold at 22. They were offering 25. We got concerned that they might try and do a proxy fight and you don't know what would happen. And Peter Scott, who was the CEO of Emhart, was on our board. He had been at United Technology a good part of his life and he understood government contracting. And so he and I talked.

Grier: Where was Emhart headquartered?

Toups: Connecticut.

Grier: In Connecticut, as is United Technologies. Okay.

Toups: Emhart was not in the IT world at all. They were an old line manufacturer of manufacturing equipment. And also they were the world's largest producer of golf club shafts.

Grier: Interesting combination.

Toups: Yes. Anyway, Peter made us an offer of 32 bucks and we accepted that offer and closed in October of 1986.

Grier: And with that sale you ceased being a CEO?

Toups: Yes, I retired. I was 62. I went on the Emhart board. And a man who had been a president under me, a guy named Wayne Shelton, continued as the CEO of PRC.

Grier: Okay. What interesting issues did you see while you sat on their board?

Toups: Basically I saw what was happening to their business as an old industrial firm. I think they manufactured a machine that was involved in the shoemaking business.

Grier: How much of their work was government contracts?

Toups: None.

Grier: So PRC was the only business they had in government contracting.

Toups: Yes.

Grier: So this may make my next question entirely moot, but I wanted to probe to what extent the end of the Cold War and the restructuring of the military that followed 1989 affected your business.

Toups: I don't think there was any significant effect. I asked Wayne Shelton that too yesterday and he didn't think there was any.

Grier: You don't seem to have the lines that would be specific weapons or specific management projects that were targeted.

Toups: Yes.

Grier: How long were you on the Emhart board?

Toups: Just two years because in 1988 they were put into play. The Fisher brothers from New York who had a lot of money, made an unsolicited bid to buy Emhart, and Peter Scott knew the guy that was the CEO at Black & Decker. So he went down and talked to him and Black & Decker made an offer of 40 bucks for Emhart which was a good premium.

Grier: And since Black & Decker made small machines, there was a similarity in lines.

Toups: Yes, it was a better fit there. And Black & Decker knew that PRC didn't really fit their game plan and almost at day one they announced they were going to sell it. I don't know this for a fact but I have a feeling that their investment advisors put a higher than justified price on the value of PRC so when they went out into the marketplace to try to sell it, they couldn't. But they subsequently did. I'm not sure when. They sold PRC to Litton.

Grier: Which had a big government contracting arm.

Toups: But you know Litton then was bought by Northrop Grumman.

Grier: I thought it was Lockheed Martin.

Toups: No, Northrop Grumman.

Toups: Yes. The interesting thing there is about BDM and Earle Williams.

Grier: Right.

Toups: Earle and I had some serious discussions about combining PRC and BDM at one time, but it didn't go anywhere. And then BDM got bought by Ford Aerospace. Ford Aerospace then sold off part of its business to Loral and there was a major conflict between one of the big jobs that BDM had and one that Loral had. And Earle Williams screamed loud enough that Ford Aerospace sold off BDM to the Carlyle Group.

Grier: Right.

Toups: And then eventually Carlyle sold BDM to TRW. And TRW was bought by Northrop Grumman. So PRC and BDM were now together.

Grier: Were together.

Toups: Yes.

Proposal and Bidding Process

Grier: To what extent did you work and cooperate with other government contractors? What kind of community was there? You clearly knew a number of the people at this meeting yesterday from prior work.

Toups: Yes.

Grier: How much of it was collaborative? How much of it was being part of the same community? How did you all work together?

Toups: It was fairly common to team with your, quote, competitor.

Grier: What are the benefits?

Toups: Between the two of you, you have more capability, technical expertise, and perhaps marketing expertise. If you thought the client was going to choose one or the other of you, why not split the work?

Grier: We talked a little bit yesterday about marketing expertise, about the process of preparing proposals for getting work. How big a part of your business or overhead or whatever you want to call it was that work? Was it particularly hard and difficult?

Toups: In the large government projects you've got to have a very sophisticated proposal team, and so we always had in that part of the business very well-qualified people to put together the proposal, and they were assisted by technical people, obviously.

Grier: And where did you get the people who did the proposal work? Is this a long term investment in people that you hired?

Toups: Yes.

Grier: Did you tend to hire them from government?

Toups: Yes. Sometimes at a certain stage there were outside firms that specialized in doing that kind of work. You might hire them occasionally to help.

Grier: And when you went after jobs knowing that this was going to involve a substantial investment in the proposal, how was that decision made? Did you have an operating committee? Was it a board decision? Was it in between?

Toups: It was never a board decision and by and large it did not come up to me.

Grier: Right. There would be an operating committee or something some place?

Toups: Within that unit.

Grier: Within that unit. Okay.

Toups: Yes, I did have twice a month management meetings with my direct reports and sometimes it would be discussed there as here's a business opportunity that's going to cost $X to go after it. What do you think?

Grier: And you're figuring a one out of three chance of getting it or something like that?

Toups: Yes.

Grier: So in terms of managing these units, you primarily set a your target growth rate? This is the amount of business we think you need to bring in for the coming year?

Toups: Yes.

Grier: And they basically went off and identified the business and found it and brought it in?

Toups: Yes.

Grier: In terms of financing the bids and financing the start-ups of it, did they have a certain amount allocated from a central pool? How did you get something started? They had to sell finance?

Toups: They had to sell finance, yes. One of the successes we had – and we were starting to do more of it, I believe – was cross-selling. You know, one unit helping the other get a job. Conzer Townsend from Chicago had a young man who had a doctorate in environmental engineering and was working for them, but we brought him back here, because that was about the time when the Clean Water Act was popular. We introduced him around and he got a lot of work. I mean we grew that part probably to forty million dollars. Big work.

Grier: This would have been early 1980's roughly?

Toups: Yes. When I left PRC and retired, our revenue was $400,000,000.

Grier: So this is 1986 and four hundred million. I want to do something that sort of gets at the challenges particularly from your perspective of running these different units and interfacing with the government. If there was one thing that you could have fixed over your term and never were able to do in terms of making business easier or more efficient for your firm, what would that have been? Or don't you quite think that way? And then the other side of it is what thing did your firm do particularly well in dealing with the government?

Toups: I can't think of what I would have changed or fixed, but I think what we did well is we maintained long-term relationships with a group of clients and got a lot of repeat work. We were, as we called it, the underground at SAC. We were in there probably for ten years with major activity.

Grier: And SAC means Strategic Air Command?

Toups: Yes.

Grier: What kind of activity?

Toups: IT support.

Grier: And when you say getting to know a client obviously for a long-term period, it's more than just a single individual or a single contact.

Toups: Oh yes.

Grier: You're learning the whole organization.

Toups: Whole organization.

Grier: And how would your firm approach learning or getting contacts with an organization like that? Would you have one, two, five people involved on your side? Would you have people targeted?

Toups: I think it varied. There wasn't any special one way or the other. We did have a couple, three guys in each unit marketing government information systems.

Grier: Right.

Toups: A guy named Austin Yerks was a marketer. His dad was in there. He was a marketer. They were both graduates of the military academy. His dad probably served for quite a while in the military and may have been a high-ranking officer, I'm not sure. Austin, the young one, brought in Kenny Johnson who was a West Point graduate. He was young but they were out in the marketplace trying to find out what they could find. Austin Yerks' uncle was a Commandant at West Point at one time and was S-2 in the military for the army, so we tried to exploit all of that the best we could.

Grier: There was a discussion yesterday about the extent to which firms like PRC would develop new ideas for business and present it to the clients and to what extent the clients came to them and said "We've got this problem." I wonder if there's any light you can shed on that.

Toups: Not really. I'm sure it happened but I don't have any specifics about it.

Grier: In terms of your day-to-day work in managing this firm that did work with the government, what was sort of unique about that relationship that would affect the CEO? Did you have special government contacts you had to maintain? Or was it basically keeping units in line, tracking the finances, making the strategic plans?

Toups: Yes, I knew some of the government people but I didn't do that a lot.

Grier: That really wasn't your job.

Toups: Yes.

Grier: You could have been a CEO of anything else.

Toups: I don't know about that.

Grier: But you had CEO skills and there wasn't anything that defined that position specifically.

Toups: I have a sort of philosophy on CEO skills. Probably the most important thing is to learn to listen and if somebody comes to me with an idea even though I might think it's asinine, what I should do is to say back to him that I understand what he is saying so that he knows that I do understand and that I'm listening. So many CEOs don't do that. You tell them something they think is asinine and they say "That's crap. We're not going to do that,"

Grier: But the question is what are you rejecting? Are you rejecting that idea or are you rejecting something that you heard that was slightly different?

Toups: Yes.

Grier: What kind of ideas would come to you?

Toups: All kinds: acquire this company, or go after this job, or get rid of this person.

Grier: At this point I just wonder if you have some stories and ideas that would sort of describe your time in business that you'd like to share with us now. I'm opening it up to you at this point.

International Projects

Toups: Yes, I understand. Well the most interesting job or story relates to Nigeria. Our engineering company sent a guy to live there to try to get work. This was when I was not CEO. I was a VP in charge of the engineering companies so that would have been probably the 1975 time frame.

Grier: So would this have been oil work, offshore drilling work?

Toups: No, Nigeria wanted to build a lot of new military barracks outside the city so they could get the troops out of the cities. And you know, Nigeria had been a British colony, if you want to use that term, and there was a fight of some kind.

Grier: The Biafran Civil War.

Toups: Yes.

Grier: Right in the midst of this.

Toups: No

Grier: And the Biafrans held an awful lot of the high posts and the other three tribes hated their guts.

Toups: Yes. Anyway our guy eventually made contact with three people who were working as a team: a Greek guy, a Nigerian businessman, and the father-in-law of the Nigerian Head of State. They may have been the ones that told him about this opportunity for all I know, how to go after it. And they start making some rounds, meeting with some officials who are important and it looks promising.

So our guy calls me and asks me to come over to further move it along, and I go over there and I meet with the Secretary of Defense, General Basilla, and some other people and it looks promising. One morning the guy from Greece comes to my hotel room and tells me there's been a coup and that the Head of State's been assassinated. And that the coup people have taken over all the TV, radio stations and they don't know what else. The coup people say "Be calm, folks. We've taken over. Everything is going to be all right."

Well, the assumption was that either the Brits or the Americans were behind this thing, the Brits especially. And so we were sort of quarantined, if you want to use that term, in our hotel room for a couple of weeks.

Grier: So you weren't able to leave.

Toups: I was able to leave after about two weeks. About three weeks later, our guy calls me and says "Come back, John. They're serious. They're ready to sign a contract." That was because the coup really didn't happen. Within 24 hours it was clear there had not been a coup. They'd killed the Head of State and taken over the radio stations but that's all they had been able to do.

Grier: Okay, so the government comes back.

Toups: So the government comes back and so General Basilla is still in and I negotiate with him. A few days later we were in our hotel room typing up the final contract which reads Nigeria, represented by General Basilla – he was the Defense Minister – and John Toups representing Planning Research.

And then the evening newspaper comes in. Headline says “General Basilla and 15 others were executed on the beach today for their part in the coup.”

Grier: So that job didn’t go anywhere.

Toups: No, but less than two years later, we got a contract to master plan the new federal capital for Nigeria. They moved it from the coast to inland, and we did the master plan design of that.

Grier: Okay; that is not unlike laying out Leisure World if you think about it.

Toups: Yes.

Grier: You know the book *Anthills of the Savannah* by Chinua Achebe?

Toups: No.

Grier: That’s the fictionalized version of that story.

Toups: Really, what’s the name of it?

Grier: *Anthills of the Savannah* by Chinua Achebe. I can email it to you when I get back.

Toups: I’d love that.

Grier: Yes. I would sort of describe Chinua Achebe as the Minister of Information for... I forget which side. I want to say the Biafran side during the Civil War. That was a pretty tumultuous time there.

Toups: Oh yes.

Grier: You talked about doing the Middle East, particularly Saudi Arabia and a little in Iran before the Iranian Revolution. What other international projects were out there? Any work in Latin America?

Toups: No we did that project in New Zealand, and we did similar work for Singapore.

Grier: Most of this is civil engineering work?

Toups: No, New Zealand and Singapore were the police 911 police system. We had offices in London for Logica, but also Maynard had an office there. Frederick R. Harris had an office there. Frederick R. Harris had an office in Holland, Spain, in Madrid, and in Milan, Italy.

Grier: So there was a fair bit of European work, obviously.

Toups: They had a partnership in Iran with an Arabian engineer who was quite good and they also had a partnership in Saudi that was good. One of the other companies we had which was interesting was a company called ERA, Economics Research Associates, formed by two guys, Harrison Price and Bill Lund. They both worked at Stanford Research Institute in the mid-fifties. And Walt Disney contracted with Stanford Research Institute to help him decide what Disneyland would be like.

They did all that work on Disneyland and it got built. They then both left SRI and formed their company called Economics Research Associates and thereafter did all of Disneyland's work, the stuff in Florida, etc.

Grier: And when you say "What Disneyland is going to be like" do you mean the physical layout?

Toups: The physical layout, the rides, the concept. Because up until then all of the theme parks, -- that's a misnomer –were dirty, ugly, not well kept. And Walt Disney wanted to change that.

Grier: And doing it particularly in moving people seamlessly from one attraction to another. What was the expertise they brought to it? Was it civil engineering?

Toups: No.

Grier: Was it architectural?

Toups: No, just economics. Economic analysis.

Grier: So how much each unit would produce in funding, if you will?

Toups: Yes, and what would be the traffic and how much land would you need to make it work, and what could you exploit. Disney learned a lesson in Anaheim. He didn't buy enough land so that people surrounding him were making money off of him. In Florida he bought a lot of land so he could control it and make the money off of the hotels and other things that relate to it. But, anyway, this unit was acquired it in 1969 just before I was acquired. And over time, they did a lot of other economic type land uses here in this country, but they became the world dominant theme economic people, Six Flags,

everybody else. And the guy, Buzz Price, Harrison Price, is the one that I mentioned earlier who said “up or out.”

Grier: Right, and so what did he do once he went out?

Toups: He started that kind of business over again, fairly good size, and sold it again.

Grier: It’s interesting. It’s something you don’t think of but obviously that would be a key part in making that successful, how to use the land well, how to make sure the different units work together efficiently.

Toups: Yes.

Grier: What other stories do you have that are sort of memorable but also illustrate what you did at this time over your career?

Toups: I don’t think of any right now.

Grier: Okay well there’s always a time and I can assure you that Burt Grad would always take a note to him that says “I just remembered this and you should know it.”

Toups: Yes.

Grier: Well it’s been a delight listening to you.

Toups: I enjoyed it.

Grier: And I think we are done.

Toups: Good.

