An Interview with

GRACE GENTRY

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Conducted by Jeffrey R. Yost

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Abstract

IT contracting pioneer Grace Gentry briefly discusses her education and early career prior to co-founding Richard E. Gentry, Inc., (later Gentry, Inc.) with her husband, and running this company for more than two decades. This firm was among the first IT services brokerages and was one of the founding members of that industry's trade association, the National Association of Computer Consultant Businesses (NACCB). Grace Gentry served as president of the NACCB and was active in the organization for many years. Primary topics and themes of the interview include: forming the company, early growth, marketing/selling, managerial strategies, industry dynamics, impact and changes with Section 1706 of the federal tax code, NACCB, business ethics, women-owned businesses, gender and entrepreneurship, and the sale of Gentry, Inc.

Yost: My name is Jeffrey Yost and I'm here with Grace Gentry in her home in Kensington, California. It's August 11th, 2008. Grace can you begin with some brief biographical information—where you were born and where you grew up?

Gentry: I was born February 15th 1938 in Dallas, Texas. I grew up in Highland Park, Texas, which is kind of a suburb of Dallas. Actually it's its own little town. I was ten when my mother remarried—my parents had divorced when I was eight—and relocated us to Gilmer, Texas, county seat of Upshur county and that's all that it's ever been known for. That and it's the yam capital of the world. Self identified as "The Yam Capital of the World. [laughs] I then returned to Dallas to attend high school. I was a boarding student at Hockaday, which was a girl's college prep school, and left to go east to Harvard. In my freshman year in college I married Richard Gentry. I guess I should have said my maiden name was Grace Marie Hill. Richard was just entering the Air Force for pilots training. He had just graduated from Texas A&M. That was in 1956. I guess the rest is history. [laughs] I don't know how much data you want at this time.

Yost: At Hockaday were there particular subjects that were of special interest to you or that you had special aptitude for?

Gentry: Well, quite frankly, one of the subjects I was most interested in was history. Also English. I took four years of math and had an excellent math education, thanks to a teacher, Mr. McNabb. I'm quite certain, he could have had—and I think all of the teachers at Hockaday were required to have a minimum of—a Master's Degree in their

subject matter, and a number of them had doctorates. Many of them chose to teach there because the classes were about eight to ten, maximum of twelve, extremely bright girls; and Mr. McNabb loved teaching girls and he got many girls very stimulated about math. Many of them went on and majored in math at the—back then it was called The Seven Sisters. It was the women's colleges on the east coast. Those were the schools that we were actually being prepped for, if you will. I didn't major in math; but I certainly was good at it and I always had a lot of confidence that I could be good at it, etc. And later I think that served me well when I ended up majoring in sociology and ended up taking a number of statistics courses that were required for that major. At Hockaday, I had four years of history, four years of English, four years of math, and four years of foreign language. That was it. We just took solids.

Yost: You started studying social relations at Harvard. Did you have an idea of what type of career you wanted at that point?

Gentry: Well, yes. I wanted to get my doctorate. I wanted to teach and do research in the field—sometimes it was called social psychology, sometimes social relations. Harvard was the only school at that time that called it social relations——and it was a little different than sociology, which was similar but not the same, and was taught at all the other universities. The primary difference was that social psychology or social relations had a little more focus on the interaction of the individual with the culture and how the culture affected the development of the individual—how the individual contributed an interface to the culture. I found that a little more interesting than sociology, which was

focused much more on tracking and analyzing cultural trends, etc. That's one of the reasons that sociology required a lot of statistics. But that interface between the individual and how the culture affects their lives, I find fascinating to this day.

Yost: Richard went into the Air Force; and you moved to Tucson and started at the University of Arizona?

Gentry: Yes. Well, the idea when we got married was that I would continue with my education and that we would not have children for at least ten years because it would take me that long to get my degree and get established in my teaching career and research. But in the pre-pill days, of course I had our first child two weeks before our first wedding anniversary. So I did finish one semester at the University of Arizona. His next assignment was San Angelo, Texas, for training in flying multi-engine airplanes. There was no university there anyway, but things were sort of put on hold because of the baby. And, quite frankly, I was devastated. I loved my baby, unplanned though he was, and he remains one of the lights of my life to this day, but I had never met a woman who both worked—I mean women didn't have careers back then but you could work versus being a housewife — and I had never met a woman who both had children and worked. So I was fearful that as much as I wanted—and as I knew Richard wanted for me because he was always very supportive—I was just fearful that it would never happen, that I was just going to be another housewife. Frankly, that just felt like failure. It felt like a failure to my father, too, who called me almost every weekend and asked me when I was going back to college. He had very high aspirations for me and thought I was extremely bright.

He used to say when I was younger that he wasn't raising me to scrub floors or massage a typewriter, meaning he wasn't raising me to be a housewife or a secretary, because he felt I was capable of much more than that. I finally told him one time, "I said I'm going back as soon as I can. Do not ask me anymore." And one of the sorrows of my life is that my father died of a heart attack at 62 and that was the year before I returned to college, so he never got to see that I went back. He never got to see that I had a career and that I was successful at it. And I know that he would, literally, practically corner people on the street and brag about me. So I kept saying I guess I spared the world because I think that he would have been a terrible bore about his wonderful daughter and people would have started fleeing from him when they saw him walking down the street. He was just a marvelous man. I was very fortunate to have him for a father.

Yost: After that you did return to school at Berkeley when Richard started graduate studies there?

Gentry: Yes, I had that semester at the University of Arizona and then well… At a certain point my brother came to live with us. In fact he came to California with us. He was entering college; but he didn't have the grades to get a scholarship and he didn't have the money to pay for it. So we said, "Come starve with us. Richard was coming out here to work on his graduate degree in physics at the University of California-Berkeley; and we'll all starve together." Back then, the fees at the university were quite affordable. I think it was $350 for an entire year. That didn't count books, but it counted health insurance, tuition, etc. While he was at the university, he had a stroke, a brain tumor—I

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won't go into the details—but as a result, when he was recovering from major surgery and x-ray treatment, etc, we were concerned that he start back in college and back to a normal life. So one of the ways that we supported that was I signed up for courses at the community college and he did too. That way I would go meet him from work, take him sandwiches, we'd both have dinner and then we'd go take our courses. So I picked up some courses there and then, Richard was at IBM and doing very well. He's quite remarkable. We knew that day that he was going to have a personnel review so the potential for a raise was inevitably a consequence of that. And he came home and said, "Well, I got the raise — and you're going back to college!" I burst into tears because I wanted to do that so badly and yet that was really the first raise that was going to make life affordable for us. But he had this whole argument worked out that I needed to go back because then, if god-forbid something should happen to him, I would be able to support myself and the children and we could save money on life insurance premiums because he wouldn't have to have as much life insurance. [laughs] He had worked out this whole logical argument so that it became very clear by the time he had done his presentation that I—really for the sake of the family—had to go back and do exactly what I was dying to do, which was return to college. And so I did.

Yost: What was the environment like at Berkeley? And did that have an influence on you?

Gentry: [laughs] Well, the Free Speech Movement started around then and that did have an influence on me… I already had been involved in civil rights politics down in the

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Richmond ghetto. I was politically very liberal, a tradition I had inherited from my father, but also I had spent quite a bit of time studying the issues. And it didn't influence me in that it changed my attitudes, but I guess it supported the attitudes I already had. In fact when they did the sit-in at Sproul Hall, I was dying to go sit-in with them. Richard, who was working at IBM at the time, told me that if I went to the sit-in and got put in jail, that he would not get bail and he would not feed my children until I got out. [laughs] We'll assume of course that he was not serious about the latter, but at any rate I did not sit-in. But I was very—we all were—very excited about what was going on. It was basically the first time that students had stood up and said, "Hey, we're not high school students, in fact some of us, myself included, are adults." I was twenty-seven. I had three children. I did not consider that the restrictions and controls that the universities—and of course, part of it, to be fair to the universities, was they felt they had responsibility for the children of the parents who were paying for the education. And that had been true probably up until the GI bill and all the veterans entered the universities. They were not children. They did not think of themselves as children. So I think it had been a change that had been a long time coming. And the shift happened in a more dramatic way perhaps than was necessary, but what can I say? It was a lot of fun! [laughs]

Yost: Were women students at Berkeley significantly different in terms of their aspirations and goals from those you encountered at Harvard?

Gentry: Well, at Harvard at that time—in fact where women were considered, we got our degree from Radcliffe even though all of our classes, exams, papers, teachers etc were at

Harvard. And that changed shortly after my class graduated. We were, at that time, in all female dormitories. And at Hockaday it was very clear that we were being raised to be the wives of wealthy men. There were a lot of jokes about going to college to get your husband and I thought that was quite stupid. Frankly, I really looked down on that. At Radcliffe there certainly were a number of girls that I don't think would have said, and I don't know how conscious it was, but at some level fully expected to be married before they graduated from school and knew that their parents had encouraged or sent them there in order to get a Harvard man for a husband, or Yale, or you know if you couldn't get a Harvard man, there were some other pretty good guys hanging around. [laughs] By the time I got to UCBerkeley things were changing very subtly. Part of it is that I was older and I did not spend a lot of time with the young women who were there, so I probably can't accurately say. In fact, I probably spent more of my time hanging out with the young men there; and that right there may be an indicator that the girls were still joining sororities and had some thoughts along those lines. I remember there was a lot of controversy during the FSN that the leaders were male while the women that were part of that group and that movement were often relegated to a subsidiary role and supportive roles. I'm not sure they were upset about that at the time. I think it was just a few years later after *The Feminine Mystique*—Actually, now that I think about it, *The Feminine Mystique* came out before I went to UC and so in fact that may be why things were changing. I'm not sure people today realize the impact that Betty Friedan and that book had on the female mindset throughout America but especially in California. I recall long after I read it, loaning it to a friend of mine two doors down. She apparently read it practically in one long sitting — and it's a rather thick book— and came running out a

couple of days later and met me on the sidewalk and said,"That woman has been hiding in my attic all of my life!" She almost within a year had returned to get her degree at university and pursue a career as a librarian. Now that I think about it, I think that had already affected the young women at UC Berkeley. Things hadn't changed as dramatically as they did later when the whole feminist movement got organized and started having real impact, but I think peoples' mindsets were already changing.

Yost: You became disillusioned with sociology to certain extent, didn't you?

Gentry: Yes, I did. Because I was still active in political issues down in Richmond, I was appointed to the board of directors of one of the projects that was funded by Lyndon Johnson's "War on Poverty". I was distressed to see that a great deal of the funds had been spent with a professor of sociology and his graduate students analyzing the "before and after" picture. I could understand that that would have been an interesting thing to do; but as I looked at the surveys –they were asking things like "Do you wear black jeans or blue jeans?". I assume this was some cultural indicator that they were trying to track; but, quite frankly, my reaction was that that money could have been better spent on the programs that were intended to help the people rise out of poverty. I thought I just didn't want to be part of a field that wasn't helping people more actively. It appeared to me then that sociology was standing back and watching. I wanted to do something more invested. Now don't ask me why I decided statistics was more invested! [laughs] But in thinking about where do I go from here, I thought that statistics would be a good way to help

design and execute research; and I was thinking of more substantial research. So I decided I would go back and get my doctorate in statistics.

Yost: What were your career aspirations associated with that?

Gentry: Well, at that time, again I wanted to get my doctorate and probably teach. Also I was very aware that there were a lot of professors in various fields who could conceptualize and get funding for interesting research projects, meaningful research projects, but didn't have the background to structure the project, even design the questions. I knew that I could be good at that, and I thought that would be interesting because in a way it could allow me to get involved in a number of different areas and not just get bogged down into one field. One of the things I had observed happens in the academic world is to really to be successful you have to focus. So you pursue something very deeply. I've always kind of liked a broader approach. I get interested in something and I get to a certain point and then I go, "Oh, we'll leave the details to someone else." [laughs] And then I go over and study something else. I think I thought that would give me the ability to do a little more horizontal movement than vertical movement across different fields. That's how I imagined it. Of course I didn't bother to go ask a grown-up. [laughs] I just thought it up.

Yost: Richard mentioned the idea, the connection to programming?

Gentry: Oh yes, when I started to explain to him that I did want to switch fields and that I did want to pursue statistics, He pointed out, and he was certainly in a position to know, that in that case I should learn programming because all the research in the future was going to be done on computers. And of course history has only born him out. This was very insightful. I needed at that point to go pick up some math courses in order to pursue a graduate degree in statistics; and we agreed that it might be a good idea for me to go take a couple of years of programming. I mean, to get a job and program for a couple of years. And I could be picking up my math requirements and then I could go back and pursue my graduate degree. That's what led to my going out and looking for a job in programming. The first job that I got as a result of this search didn't end up having anything to do with programming. But ultimately I did end up working, first as a business analyst, then a systems analyst and then a programmer. I kind of went backwards instead of from programmer to systems analyst to business analyst.

Yost: You took tests for federal programs and programming in management?

Gentry: Yes, at that time the easiest way to be trained to get a job as a programmer trainee, as opposed to an already experienced programmer, was with the government because it was considered to be the training ground for the industry. And to get a job as a programmer with the government you went and took a programmers aptitude test. Actually, now that I think about it, when Richard originally suggested programming, my reaction was, "Well, no. I'm into soft sciences: sociology, social relations, etc." Even statistics I thought of as "not computers". He had had his degree in physics so I was

thinking of computers as engineering, that type of background and interest. So he in fact brought home IBM's Programmers Aptitude Test and gave it to me, and I did quite well on that. I said, "Well, OK. You've proved to me that I could probably be good at it." He assured me I could be because I was one of the most logical people he knew; and it was more logic than it was science, physics, engineering, or even math. I said, "But what's to say I'll like it?" So he got IBM to let me sit in on a programmer training class that they were giving to some company or companies. He was teaching at the IBM Education Center at the time. So I took the class, and I said, "OK, that was interesting." I guess it didn't convince me, but after I had that evidence, that was when I went into the federal FSEE, I guess it was called. And also took a county aptitude test with Alameda County. When I went and took the FSEE, the federal entrance exam to any federal position, I stood up and was about to leave when the fellow who'd been sitting next to me, we'd had a little chit chat—"Hi, how are you, what are you here for?"—he said, "aren't you going to take this one?" I said, "What?" He said, "Well, this is for the management intern program that the government has, and it's a very hard test. Most people actually flunk it." I was told later that three hundred thousand take it and, I think, only three hundred or so pass the test, but then there is also a whole interviewing process. They sit you down at a table and track your leadership ability as you wrestle everybody else to the ground and take control of a meeting. I'm really good at that. [laughs] So I hadn't signed up for the test and I wasn't sure they would score it; and in fact, later, I thought what a stupid thing to do. But because he said it was hard and not many people pass it, I sat down and took it. [laughs] Richard had expected me to call for him to come pick me up before lunch. And this test kept us there until two thirty or three so when he came to pick me up, he said,

"What took so long?" I explained that I had sat down and taken this test just because it was hard. And I said, "But I can tell you one thing, I either flunked it or I aced it because I thought it was an easy test." So I either didn't have a clue as to what I was doing or I was really good at it. As I was walking out to get in the car, I could tell there were all these students that had their doctorates in management, etc, and they were discussing different answers—"Well, question number ten, what did you do about that?"—and I could tell that they were discussing some very complex theories. I realized that in fact, later my theory was that one of the reasons I did so well on it—because I scored extremely high on it—was that I didn't have my brain filled up with competing theories or trying to figure out which theory applied to which situation. I really just looked at them the way you would manage children or the way you would intervene when three kids are fighting in the backyard—you know, "OK, guys, this is what we're going to do." I don't think the exam was written with a bunch of theories in mind. Maybe it was just wanting you to have good horse sense and good people skills. So that ended up serving me well in that situation. Sometimes too much education can be too much of a good thing.

Yost: I'd like to move back to the IBM programming course for a minute. Can you describe what was covered in that course, how long it was, and what was the gender mix of the people in the course?

Gentry: Well, it was an Assembler course; and I think the course was probably two weeks. Eight hours a day, including homework or the assignment and exams. And this

would be because corporations were sending their staff to be trained as programmers. I don't remember the gender mix for that specific class, but both in government and in corporations at that time, many women were trained as programmers. This was because with both government and corporations, among the first applications that they converted to the computer were things like payroll. Payroll clerks were going to be out of work. Payroll clerks knew how payrolls were supposed to work, and payroll clerks were quite often women. So female bookkeepers were actually, certainly in government they were, prevalent and perhaps in corporations, too—I'm not as sure about that. Initially in the computer industry there were a lot of women that were taken out of their jobs that were about to be eliminated. They were never eliminated, of course; but there was this fantasy that they were going to be eliminated. And they were trained as programmers to take advantage of their experience in that particular field. Programming at that time was not looked up at by men, they weren't quite sure if this was really a career, or if this was really a step up or where this whole thing was going. So they weren't going to step forward and necessarily volunteer. For the women, it looked interesting and maybe they were going to get paid a little more. So, initially, there were a lot of women being trained in programming. The consensus in the industry was that women made very good systems analysts, sometimes better than men, because systems analysis at that time involved first going out and interviewing the future users for a system and determining what they needed, how they were doing their job now and how that could be automated so that people could continue to interface and support it. Women were just a little more sensitive and intuitive at that type of interviewing and documenting and at interpreting that into a set of specifications that a programmer could work off of. So women really didn't have

that much difficulty advancing to the level of systems analyst. The hitch came in going to the next step of being project leader. Well, maybe project leader wasn't a big problem either, but at some point there is a management level that is maybe overseeing several projects or several teams and that was where the first hurtle for women would kind of show up so that you didn't see women in the higher levels of management at that time. But you did see them in programming analysis, etc. That changed later when there were fewer women involved, interestingly enough during the feminist movement; but initially, there were a lot of women.

Yost: You were offered an internship with the government?

Gentry: Yes, I took that test and did well and went through the whole process. The government was already being sensitive to recruiting and including more women and hiring them into management positions. The position that I accepted — because once I had qualified for the management intern position it was a really very dramatic. One day I was told that I had qualified; and the next day I received twelve job offers from twelve different government departments. Interestingly enough, one of those was with a very small group that was like "Women's Economic Issues" or something. It had just been set up. I was quite interested in the issue and interested in participating in meaningful work, but one of the things that I had noticed was that the head of this small group was a woman — and it was only a part time assignment for her. It was a very small group; and it was woefully underfunded. A lot of the women doing the work were doing it at lower government grades for less money because they were passionate about it. But it didn't

look to me as if there was a clear career path there, or if even it was still going to be around in a few years, and it involved moving to Washington, D.C. So, even though Richard and I had discussed when I took one of these management intern positions that if I could get one on the west coast then, in a couple of years, he could apply for a transfer with IBM if going to DC seemed important to pursue the career, we really didn't want to relocate the whole family east and certainly not for an opportunity that didn't look as if it might ultimately go anywhere. So I did take the position with the Department of Health Education and Welfare and within that, the Social Security Department. The way the program was set up, you entered at a G9 and in two years you became G12.And a G12 was paid about twelve thousand dollars a year back then, which was considered a good salary for a man and stupendous for a woman. In fact, my mother apparently saw some statistic somewhere that said only one percent of the women in America at that time made twelve thousand dollars a year. She came out and visited me around then. And we were walking on Telegraph Avenue — I was probably showing her the campus or something — and we ran into a friend. He inquired what was going on; and she very proudly told him that I was going to be in this program and I was going to be making twelve thousand dollars a year and "only one percent of the women in America were making twelve thousand dollars a year!"[laughs] So she was very impressed by that. So I did work in that program. Basically, what they did was, they took you in and put you into positions, accelerating you through higher and higher levels of responsibility, etc. But you were in each position for roughly six weeks to three months max, instead of the several years that you would normally spend. The whole idea was that it would get you to

the G12 level and then you're on your own. From then on, your advancement would depend upon your abilities and performance, etc.

Yost: In what year was this? Do you recall?

Gentry: Yes, fortunately I thought about this before, 1967.

Yost: You had to complete an overload of classes?

Gentry: Oh, yes! I was notified that I had been accepted into the program in — I believe — July or August, probably July, because of the way that federal budgets work. They probably, as of some time in July, knew that they had so many positions. I was supposed to start the new position in January, after the first of the year. I had to have my bachelor's degree in order to start the position. I didn't think that was a real problem because as I went back and counted the units I had earned at Radcliffe, University of Arizona, the community college, and UC, it seemed to me that I only had one semester left. About fifteen units, which would be a heavy semester because I think UC — at the time you took four three-unit courses in a typical semester for twelve units. Well, to my shock when I went up to double check this with the registrar, it turned out that at Harvard each unit was a five unit class and this was because we had three lectures, two three and a half hour sections — where you met with a smaller group — and one ten to twenty pages typed paper per week. At UC you had three lectures and one paper per semester per week. Harvard wrote out this whole thing about "please give this student credit for all

five units." Well, of course, UC Berkeley, which always hated Harvard anyway, took an unholy glee in marking all my five unit courses down as three units. Now I would go back and argue with them; but at the time I was young and just accepted that as "OK, that's what they are going to do"; but, as a consequence, I needed thirty units by January. The problem was that it just wasn't possible. UC at that time had switched to a trimester system so it wasn't possible to get thirty units in one semester. And, as I began looking at alternatives in the Bay Area, most of the schools in their catalog required that you be in residence for two years. But I did notice that San Francisco State, which was a college at the time — I think it's a university now, only required that you have thirty units there, but not that you be in residence for any specific period of time. And I did reread that part of the catalog multiple times. I did take ten classes and get my thirty units. I made an A average. Richard cooked every night and all I did was study pretty much around the clock. I had a girlfriend who helped type my papers, which was good because when I was young my father had specifically refused to pay for me to take a typing class. He said if I learned to type, I would end up being a secretary; and if I couldn't type, I would have to be something else. And he was right. He was very right. I ended up in sales. I even sold things door-to-door because I couldn't type. And that served me well because what did I end up doing in the computer industry as the president of our company? Sales! It's an important thing to do.

Yost: After you did the rotations in the internship program, what position did you ultimately take?

Gentry: Well, after I had gone through that, one of the last positions that I served there was when they transferred me to the Regional District headquarters. And I helped do, oddly enough—well, there's a whole story there, but it doesn't have anything to do with either computers or gender so maybe I should skip it. But at any rate I ended up over in the Regional District, helping assemble statistics and other types of information to support the directors as they negotiated with the federal government for budgets, etc. And that wasn't because they knew that I had any particular background or interest in that, it was just the next assignment for a management intern. It had become apparent to me by then, that to be successful in Social Security… that one, I could be successful in Social Security because I had already attracted the attention of some fairly highly placed people who were basically saying, "Go to Baltimore. You've got a career here." But it had begun to look bureaucratic. It didn't look as if I would be making enough of a contribution or having enough fun to justify relocating the family. Richard was reluctant to relocate; and we all were, frankly. We loved California. We love California. So I was thinking about resigning; and just about then, a friend of mine, that I had worked with in civil rights politics in Richmond and who was at UC statewide, recommended me for a position, actually as an Administrative Assistant to the Director of a new department that was being created there, which was statewide data processing for the University of California. Each campus of course had its own computer center; and they had many problems every year in somehow merging the nine campuses' figures into one budget or one general ledger report to the board and the public, etc. So they had come up with this idea that they would create a statewide department that would develop one payroll system that all nine campuses would use. Well, it never really worked quite like that. As one of the long-term

employees there advised me when I reported aboard, he said, "Think of the nine different campuses as nine different Indian tribes, and each tribe has its own chief. Some chiefs have more powers than others — and all the chiefs are very jealous of their powers. And if you keep that model in mind, that will help you a lot as you work here." Fortunately, they did not offer me the position of Administrative Assistant. I would have turned it down. It looked too much like Secretary. It looked like a secretary position with more money and a fancy title. But they were impressed enough with me and the interview to offer me a position as a Business Analyst. Business analysts were the ones that interviewed the users, determined the needs, etc., and then turned that into a set of users' needs that were interpreted by a systems analyst and into programming specs that were sent onto the programmer, etc. I accepted that position. As I said, that's why I kind of went backwards; I went from business analyst to systems analyst and then I learned the programming rather than working my way up. I did a lot of things oddly, but you just did what you had to do.

Yost: How long were you in the business analyst position?

Gentry: Well, the business analyst role…I was there I think for a total of six or seven years; and I probably worked as a business analyst for two years. Then I was given the assignment of converting the University Press to automation, automating their inventory and accounting systems. To do that, I really had to become a systems analyst and work directly with and manage a programmer. Then we had some sort of emergency in that all the analysts who were not programmers were required to quickly learn and execute RPG2

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programs. I can't remember why we had to do that, but I do remember that RPG2 is a fairly simple language. Then I was given an assignment for the Admissions Departments of the nine campuses, to develop a system that would allow them to take the applications from the students and enter them into a database and begin to look at them in that way, as opposed to plowing through piles and piles of paper as they had always done. I can't recall why I ended up being the programmer for that, whether they just didn't assign a programmer or whether I wanted to do the programming; but UC Statewide had agreed to be one of the pilot sites for PL1—a language that failed dismally, as you probably know. It managed to combine COBOL and FORTRAN and guess what? People only really needed to use the scientific subset, i.e. FORTRAN, or the commercial subset, i.e. COBOL; and the compiler took forever to compile back when seconds were precious and expensive. So, inevitably, people abandoned PL1 and ended up using the two separate faster compilers. That was when I taught myself to program in PL1 and wrote my first programs and discovered "variable paragraph labels" and almost killed myself. [laughs]

Yost: You did all that training yourself? You didn't take any classes?

Gentry: No. I'm not even sure I read a manual! No, I'm sure I must have read a manual. It wasn't that—it didn't seem that hard. I'm not sure why it didn't seem that hard. Later they actually sent me to a programming class. I think I asked to be sent to one because I didn't like my own code. Richard would look at it and say it was perfectly fine; but I didn't think it was as elegant as his. He always wrote beautiful code, very elegant code.

As I said, I guess I went business analyst, systems analyst, programmer and then programmer trainee. [laughs]

Well, I'll tell you one joke that is a little gender related. One assignment I was given was to develop a report writer for the admissions departments and the campuses to use with this database that I'd helped them to develop. Then they could generate simple reports by themselves. They were very angry because they had a fast turn around time but every report that they needed at that time had to be programmed, hard coded, and they were limited to very few reports budget-wise and it always took forever to get the program tested and in their hand. Someone came up with the very good idea that if we gave them a simple report writer then they could generate some of their own reports, and this would basically get them off the backs of the statewide data processing department. So I did a better job of this than I think anybody was imagining; and, as a result, I went to the campuses and trained them on how to use this report writer. The first week that they were allowed to use it, instead of generating the ten or fifteen reports that normally were generated for them in an entire school year—I can't remember the figure anymore — but they generated for themselves fifty reports. And they were calling and saying, "Oh, thank you, thank you, thank you, this is wonderful! Grace Gentry is wonderful." And so…let's see how did that happen? I was walking past, not just my boss but my boss's boss's desk or office, and he said, "Oh, Grace, good job. I hear you did a really good job." And I said, "Oh, where did you hear that?" And he said, "Bjorn told me about it when we were in the men's room." I said, "Well, see, that's one of the problems. You guys go in there and you piss together and you chat and you yak — and how are we women ever supposed to be successful as managers when we can't go in there with you?" And so a couple of days

later, I was walking by and this guy said to me, he said, "Hey, Grace, would you step in the men's room with me? I have something I want to tell you." [laughs]

Yost: How large was the UC Statewide?

Gentry: There were a little over sixty-four employees and managers, etc.

Yost: And what was the gender mix there, and at what levels were women generally at?

Gentry: There were very few women managers although one of my friends—and we are friends to this day—was one…was she the only one? Delores. She later went on to become the first female controller for any UC campus. She was the controller for UCLA fairly early. She has ended up doing many remarkable things in the field of education. I think maybe there were a third women programmers and analysts. But UC statewide ended up contributing to Gentry, Inc., in an unanticipated way. After I had been there for about seven years — and I had stayed that long not because I saw a lot of opportunity within that organization, but because Richard had left IBM to join Bill Millard's first company, Systems Dynamics. Then when Millard kind of tanked Systems Dynamics, Richard had been asked by Ron Forsey, who was heading up a bi-weekly payroll project at the County of Alameda to come consult with them in designing the payroll project. So we finally—during this period while he was working for Systems Dynamics and then as a consultant—we had agreed that with three kids and a mortgage, etc., I would stay at UC Statewide because it was a steady salary and there were benefits, etc. But at a certain

point, even though things were not that much more certain, but Richard did have this payroll project at Alameda that looked like it was going to go on for a couple of years, we agreed that I could consider leaving UC. Around then I was recruited by a fellow for a management position in Bank of America's EDP Auditing Department, which was a very new department. They had always had auditing and of course they had a lot of data processing; but they had never had a department that was focused specifically on using the computer to enforce auditing practices or, more importantly, trying to figure out how to make sure that the computer wasn't used for embezzlement and other defalcations, etc. And so I left UC and went to Bank of America. I was only there for about six months; and it was very apparent that I could have a good career at Bank of America. They were trying to be very innovative about recruiting women in the management positions. Because — as they explained it, they had been the last to hire minorities and they had only ended up with the dregs; and they didn't want to make the same mistake with women. You understand you would only make this statement if you believed there were just a few good women out there; and after the good ones were gone, you were just going to have a bunch of dregs. [laughs] So that was part of the attempt to avoid a repeat of this error in judgment. After I had been there for about six months — it was a very interesting time, and I ended up with a great deal of respect for Bank of America as a result. But again it was just beginning to look like a lot of politicking and this and that. I wasn't really thinking about leaving, but the County of Alameda was asking Richard to provide more people. At first he was a little reluctant to do so; but he investigated it and determined that it might be to his advantage because he could set up a retirement fund. There was some payback for it in addition to the hassle of trying to provide the extra

people. He had to incorporate because Alameda County couldn't hire individuals, they could only hire corporations. Once he had decided to incorporate, again Ron Forsey said, "Well, now I want to hire more analyst programmers." Richard said to me, "Well, where am I supposed to find them?" Well, I knew where to find them because UC Statewide at that time was sort of imploding. There had been an acting director whom everyone had very little respect for and the rumor was ripe that he was about to become the appointed, permanent director; and as a consequence, people were starting to look for how to get out because they simply did not want to stay under his direction. So the first people that Richard E. Gentry, Inc., which is what its original name was when it incorporated in 1974, hired were women that I knew that were still at UC Statewide while I was over at Bank of America. In fact, the first people that worked for Richard E. Gentry, Inc., outside of Richard E. Gentry himself were all women; and they were all women that came from UC. At a certain point a project came up and I left Bank of America and worked on that project myself as one of the contractors. After — of course — I went up and down the management ladder at Bank of America, getting their promise to rehire me if it didn't work out. Not sure they would have done that, but at any rate they did promise me. And they also predicted this would ultimately lead to divorce because we would fight over running the company. Fortunately, that didn't happen. The joke at Alameda County was that we were "Wonder Women Incorporated" because these were all very, very good women. One of the reasons that this was attractive to women at the time and that we really didn't even seriously talk to men was that it was a contract. Well, what did that mean? We were paying ten dollars an hour. The contractor was a self-employed business person and had to handle their own social security, any benefits, taxes, etc. They weren't

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a corporation, but they were a business person. There were some deductions that they could take in that tax status. So it looked insecure for a man. Nobody really had heard about working in this particular format that much and what was going to happen after that project was over? But for women, at that time all the women were married, their husbands had benefits and they had benefits as spouses and dependents. And so from their point of view, this was just terrific money because a good programmer analyst back then made around twelve, fourteen thousand dollars a year, but at ten dollars an hour — since they were going to get paid for every hour they worked — they could easily estimate they'd make twenty thousand a year. You just assume any programmer is going to work two thousand hours a year. Most of them — from things that they said to me — made me aware that in their mind they were going to work really hard on this project, save a lot of money and then maybe take off for a while. Of course, that's never how it works. Many people entered contracting originally with that in mind; but inevitably you live up to your income so you never take that time off. And when you do take that time off, it's surely unplanned and unwanted and then you use up your savings just to live until the industry comes out of that recession and things get better and you get another contracting job.

Yost: In the first year or so, with the first contract with Alameda County, how many women did you hire?

Gentry: I think ultimately there were about seven. Well, Richard would be one and then I would be one, and so there would be five. I knew things were changing when, at a certain

point, one of our senior analyst programmers, Barbara Lorber, mentioned to me that her husband, who was an ex-IBMer and at that time had joined some smaller company that he wasn't happy with, that Ray had said that if another contract came up that he would be willing to consider it. At the time what crossed my mind was, "Oh, he's noticed that this is a good deal. That maybe this isn't as fly-by-night, insecure, or off the wall as it originally looked." Then at a certain point I realized that my husband and I and our friends were all employed by this one employer, Alameda County. Now we were employed in different sections working on different types of applications. It wasn't that everybody was on the payroll system because in fact once the other project managers realized that for twelve dollars an hour they could get real talent and then at the end of the project that person wasn't part of the civil service system, wasn't in their pension system. It's very difficult in the civil service system to dismiss someone, even if you no longer need their high level talent. We received requests for analyst programmers to work on many other projects—voter registration, personnel, etc. So our people were in different application areas but still for one employer. So that was when I screwed up my courage and made my first sales call. It was very scary. Even though I had done another type of selling, it was very scary to me.

Yost: How long were you working just on the contract before you switched to focus on managing the operation?

Gentry: Before I shifted over? I think maybe about two years that I was working on the Personnel System and that… Again, because it was government, they had all these

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different pay levels attached to each position. So it sort of fed into the payroll system, and so I was working on that when another opening would come up. By then I'd run out of girlfriends at UC. We'd taken all the women out of there. I had started to recruit; and originally, it was friends of friends. I remember at one time I had a manila folder with twenty-five resumes in it. Everybody was working on IBM mainframes. I literally knew the name and the background in fair detail of everybody that worked for us. So when I talked to a client, I knew who was about to become available and who would match the job that I was discussing filling for them. But at a certain point I felt that I did need to pursue new business not to grow as much as to ensure that our people had continuing work. I felt responsible. We had basically persuaded them to walk away from the salaried world; and it wasn't clear whether contractors would be welcomed back into the salaried world and they didn't want to go back into the salaried world. They liked being paid for every hour they worked. They liked being self-employed business people with the tax advantages. They liked the variety, quite frankly. Working on one project as a salaried personnel, typically you'd get to design and implement a system and then you'd be assigned to maintenance of that same system unless there was some other related system that you could be transferred over to. So the variety was very attractive to people too. So I did feel responsible for keeping that string of jobs coming for these people. I told Richard that I thought I really needed to complete that personnel project and then focus full time on getting more business. He wasn't—I mean it looked kind of scary, and he wasn't that happy about it. I think he would have been happier if it had just been the two of us working as contractors and bringing friends in when needed. But I felt that this was something that I should do.

Yost: At what size or scale did you see it making sense for you to shift?

Gentry: I think we had about twelve people or something. I can check the dates here if you would like for me to. Then again I took two weeks to make my first sales call. It was so scary to get on the phone. Richard's name definitely helped because I had been told that this company needed contractors or needed temporary help. They were doing a large project for RAND Corporation. It was about a two-year project; but it was going to be over someday and so they didn't want to staff up. They really wanted someone to come in and work. And so, when I called the head of that part of their operation, when I said I'm Grace Gentry with Richard E. Gentry, Incorporated — because we were still calling ourselves that then, he said, Is that THE Richard E. Gentry?" Because he knew about Richard from IBM days and FASTER. Richard was quite famous at that time. I said, "Well, yes, it is THE Richard E. Gentry; but I'M not Richard E. Gentry. I'm the one you're going to be working with." They liked the people we provided. I ended up having four or five people there. We just kept adding clients; and most of the clients we worked for ended up being clients for more than just one contractor from us. Once we had one or two really good people in there, they would come back for more positions. When you think about it, in any industry where you have project-oriented work, using contractors is almost necessary. A lot of people — I think — failed to register the contributions that the contracting industry made to the computer industry, because we shifted talent around in a very efficient way to where it was needed. Often we weren't just shifting the talent, we were shifting the training. I would sometimes have clients come to me; and they were

about to implement new equipment, a new language or a new system. They were concerned about their existing staff making this conversion, and so they would hire senior people from me who already had significant experience in that area that they were transitioning to. And they would say at the very beginning, "And when your people leave, we expect our people to be trained." So as we would place contractors in there, I would make them aware that one of their jobs was basically to work themselves out of a job, to train the permanent staff so that they, the contractors, could go on to another design implementation and the permanent staff could pick up on the maintenance and support, etc. We did that often; and I think that was a way that allowed innovation to spread throughout the industry much more efficiently than any other way.

Yost: When you moved into sales and the management of Gentry, Inc., were there models you looked to? Were there other companies?

Gentry: We didn't know any other company doing it. This was 1974. I've actually never met another company of that time that was—there was G.E. Consulting and there was Lambda—but they were companies that had salaried staff that they were placing into contracts. That was a different model that, quite frankly, we could not have afforded to pursue. Because you had people on the bench when you didn't have jobs; and you had them on payroll so you had to have the money up front to pay them. The beauty of —and one of the reasons I believe the computer contracting industry had such explosive growth in the late 1970s — was because up until 1985 when Congress passed 1706, everybody used the model in which you hired someone as a "self-employed business person". You

billed your client; the client paid you; and you paid the contractor. As a result, the startup cost was virtually nil. If you had a telephone and the guts. I mean I worked off my kitchen table for the first five years before we moved to rented space and then purchased the building that we ended up in, a couple of years after that. So it was the fact that not only was it flexible in that you could hire people and then — when you didn't need them anymore — they went away, it was flexible in that you didn't need any capital outlay. When we started, my kids who were in high school… first my oldest boy did the payroll and then, when he went to college, my daughter did. I didn't have business cards for a couple of years, which led to a kind of funny story. Richard bought a second hand IBM Selectric and this old copy machine that we had back in what's now our laundry room — and we were good to go.

Yost: Did you study contracting outside of the computer industry or staffing, or did you just learn as you went?

Gentry: It didn't occur to me—I didn't see the application. No, I didn't study it. I'm not sure that there was anything that I perceived to be directly relevant or available to study, other than basic business principles. I did always say that I earned my MBA in the trenches. For instance, when I did start looking for other clients, i.e. diversification, I figured that out because I had this horrible image of Alameda County deciding overnight they weren't going to use contractors anymore and everybody I knew, including Richard and me, would be unemployed overnight. i.e. diversify! And furthermore, don't just get a different client, try to get different clients in different industries, different segments of the

business world. So there were some things like that that I would try to think through and some things I would kind of do accidentally and realize it worked and continue doing more of. In my mind, the industry — and I'm sure this—well, I know from talking to my youngest son who is still in the industry that this is less so today — but initially and for many, many years, it was very much a people-to-people business. My preferred strategy, if you will, was to work directly with either the president or the executive VP or DP but to work at a very high level with the person responsible for that area, not because he's filling jobs—and it always was he—but because he would then send me down to the project managers and I would work directly with them, filling that job. But I always wanted a good relationship with that high level person; and for that reason I preferred to work with small and medium sized corporations rather than the really large ones, because what are the chances that the president of — you know — Ford Motor Company or some extremely large corporation like that was going to have a meeting with me? It wasn't going to happen. Our competing companies… I don't know how they started, but I know that a lot of them showed a very strong preference, the larger ones and the more successful ones to be truthful, to working with large companies. This became particularly true when preferred vendor lists and bidding for certain rates became the common industry practice. I tried to stay out of that as much as I could. We did do it. We were in fact the only vendor for the State of California for a couple of years, quite by accident I think. We started putting contractors in there; and then someone kind of ran it through purchasing; and purchasing turned it into a larger contract; and eventually they turned it into a preferred vendor list where you had to quote rates for different positions in advance. This was because they were going to go for the lowest bidders—and we were on

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HP's preferred vendor list for many, many years; but, again, we started out working directly with people at HP. Richard had had the foresight to see that minicomputers were very much a coming thing. I couldn't hire contractors with experience on minicomputers because there weren't any! But I chased many computer businesses and many different minicomputers— Hewlett Packard, DEC, DataGeneral—we worked on all of them. I would take mainframe programmers and get a minicomputer contract. And then that mainframe programmer would be a minicomputer programmer and have the experience; and then we could get more minicomputer contracts. So we went into Hewlett Packard originally doing contracts here, there and beyond. And then, as their purchasing department began to pull it together and try to control it and oversee it, we did end up on their short list for many, many years.

Yost: In the early years, were you primarily competing against organizations and firms doing the work internally or were IBM and others selling services?

Gentry: Oh, IBM was… Yes, for sure. For the first three years we were doing business, when I would make a sales call: first, I would have to explain what a contractor was and then I would have to explain why you, Mr. Customer, would want to use a contractor. Then at a certain point I began to realize that I wasn't having to explain that anymore; and I realized that was because a few other companies had seen what an opportunity this was. Actually, in some cases it wasn't a company, it was an individual. Again, low entry. You know, you don't have to have any cash up front; you just have to have the guts to start selling this crazy concept. So I realized that I was having to explain it less and less

frequently; and this was because my competitors had already explained it to them. I'm sorry, what was the question? [laughs]

Yost: Competing against firms starting a department to do things internally verses finding contractors.

Gentry: Yes, we were competing against IBM and Lambda and G.E. Consulting, etc.; and we were just eating their lunch because we were providing people of similar caliber for a third, in some instances, of what they were having to charge. We understood why they were having to charge what they did. I mean they had a lot more overhead. They had people on salaries; they had them on the bench; they had benefits. They had a lot more to deal with than we did. And of course they just hated us. That's one of the reasons that they went to Washington and basically got 1706 passed. Because more than anything on earth, that was NTSA that did that, the National Technical Services Association. That was ten or eleven large corporations who were providing contracting services using the salaried personnel to do so; and they thought that what we were doing was unfair — that we were cheating. And they basically persuaded Senator Patrick Moynihan of New York State that our contractors were not paying their income tax and that that issue needed to be addressed. Well, in fact, subsequent studies that we financed but also even when the government did them indicated that our industry was more compliant — even though self-employed — in paying income tax than any of the other industries. If you looked at contractors in general and threw in building contractors, etc., etc., yes, a lot of them were skating through on that one; but for whatever reason, because so many of our people were

college educated or uptight nerds, whatever you want to attribute it to, our guys and gals were paying their income taxes. But 1706 is on the books to this very day; and that was a huge sea change for our industry. The low barrier to entry went away over night—now you had to have cash up front to meet your payroll.

Yost: When you first started seeing competitors, were a lot of these individuals people who had worked for IBM and G.E. Consulting? And were they leaving that to consult or start contracting brokerages?

Gentry: No, interestingly enough, what they tended to be were people who had been personnel recruiters filling permanent positions. I think this looked similar, and as if they could do both. Also, headhunters around then had developed a terrible reputation. They — I think very foolishly — would go into a client and place people and then, with the other hand, they would start recruiting people out of that client's operation. So the clients were dependant upon them, they needed them to fill their positions; but they just hated them. One of the first things that would happen during any recession would be that the clients would… In fact, one time we heard that a consortium of the biggest data processing operations in San Francisco got together during one of the recessions and mutually agreed that they would not use any headhunters during this recession. They didn't have to, they're laying people off, and they're certainly having no trouble hiring them. In an attempt to drive the recruiters out of business, you know, punish those sons of bitches. In fact, one of the things that SCBA, the Software Contract Business Association, did when we formed in Northern California and then helped form NACCB,

when I went East to help— well, we didn't know we were going East to form NACCB, we thought we were going East to explain to Senator Moynihan what an error in judgment he had made so that he could correct it. But one of my concerns and that of others in the Bay Area was that we have standard of conduct and ethics for our industry, so that we would not in fact come to be seen as the head hunters had come to be seen. We really wanted to be seen as facilitators and supporters and as team players, not as those horribly bad, evil guys that we hate and want to get rid of.

Yost: Taking a step back to finding the contractors to hire. Initially, you hired your friends at UC Statewide; and they were all women. After that, how did you go about recruiting; and were you hiring more women than men on an ongoing basis?

Gentry: Well, you're kind of asking two questions there and I don't know which one you want me to address first, but I'll talk about how I found new employees. No, in fact, I didn't—I mean once I got out of this core group of women. I certainly networked. When we had an opening, we would make everybody working for us aware that we had an opening and what type of person we were looking for. We need another IBM mainframe CICS programmer. [laughs] It wasn't really complicated. It's actually…but you know systems analyst, programmer. And we required quite a few years of experience because we really felt that these people were being brought in as experts in a way and really had to be able to stand on their own. They couldn't be junior people by any stretch of the imagination. It was years and years before I ever ran a classified ad; and that of course

was before the internet and the job program web sites, etc. It really was just telling people…

Yost: You were speaking about how you went about hiring.

Gentry: A lot of it was just word of mouth and old contacts. I would never hire out of a clients operation, not even if a client's programmer said to me, "I'd like to work for you." Then my response would be, "Then you have to quit your current job because I will not hire you out of this current company." I generally discouraged that; but once people kind of knew what we were doing, a lot of times they would quit and then call and say, "OK, I'm ready for your next contract whenever that might be." That became, of course, a less and less risky thing to do as there were more people working in the same way that we did. Now the interesting thing about women and my not concentrating on hiring women is that as contracting and contractors became more professionalized if you will, the number of women that became contractors percentage-wise dropped fairly dramatically. I wasn't paying attention to this. I'm not a person who sits around and counts minorities or sexes or anything. I don't think that way. I never did. That's not to my credit. It's not to my blame. It's just I don't. Then one day, I don't know if I was just rifling through resumes or trying to fill a job or whatever, but all the sudden I thought, "Where have all the women gone?" I don't know what the statistics are now; but I was appalled, shocked, at the small percentage of women who were active contractors. So I actually started asking some of the women contractors that worked for us, "Where have all the women gone?" They said that now to be a contractor, you really have to sell yourself. You are

your own sales person. You're selling yourself to the agency. You're selling yourself to the client. Women are not as comfortable with that as men are. Women don't have the confidence. It was no longer the case, also of course, that women were all married and had their benefits, etc., so this was as high risk to them as it was to a man. They may have combined the high risk to their concern that they might not be as successful at selling themselves. I assume that is in fact what actually did result in this fairly dramatic — and it seemed to me very quick — but it probably happened over three years or so.

Yost: Do you have a sense of when that timeframe of transition was?

Gentry: Actually, oddly enough, I remember the moment I noticed. I remember sitting at my desk; and I was looking out this window and somehow I just kind of went, "Where did all the women go?" [laugh]It was fairly early. It really was. My guess is it was before [Section] 1706. Because after 1706, when the contractors got paid on a payroll and companies started overtime adding benefits and training—because for agencies to compete with one another they started doing these things — and then some laws affected this ability, etc. So my guess is it was between 1974 and 1985. Maybe towards 1979 or 1980 because that would still be when the risk was that you didn't get paid until your agency got paid and so there could be a thirty to forty-five day lag there. Then you were responsible for all the paperwork, self-support etc. So if you're a single woman or — god forbid — a single parent with a child or something, you're not going to go do that. You're really not.

Yost: When did you first see competitors that looked like your firm?

Gentry: I never saw competitor that looked like my firm. [laughs] I'm sorry I couldn't resist. [laughs]

Yost: Fair enough!

Gentry: That tried to look like my firm? [laughs]

Yost: That tried to look like your firm. That was roughly a similar size, that wasn't just an individual contractor that was selling themselves, but a firm that was running a business staffing with technical contractors in IT?

Gentry: Well, really I would say by 1978. I'm thinking specifically of one company, which was Computer Resources Group. They started as permanent recruiters and then got the idea of contracting and added that to the mix, if you will. They had been quite successful as permanent recruiters so they had the staff of sales people; and they had the office, etc. They were very aggressive. They had their sales people on no base and very high commissions, etc. They already had contacts with a lot of the big companies and corporations in San Francisco. I think they were quite successful fairly rapidly. Rick Green—that originally was a partnership between David Hicks and Rick Green. The partnership later disbanded and Rick Green ended up being president of CRG. Rick Green and I are friends to this day. He's retired on the Big Island (Hawaii). But we email

occasionally; and we went there and visited him and his wife. He was in this area recently for someone's retirement party; and I saw him. They ended up being one of the big successes. I mean they weren't Manpower or anything like that, but certainly in the Bay Area. They really never expanded out of northern California; but they were a big success.

Yost: Were they focused more on the larger companies?

Gentry: Yes. They always liked the larger companies. They would say, in fact, "Well, we don't do onesies, twosies."; and they meant going to a smaller company that just needed a couple of contractors. And to a great extent that would be driven by their commissions structure, etc., and the type of sales people they hired. I had a different philosophy and approach. We had our sales people on a livable base and a lower commission because I didn't want them so hungry to make their mortgage payment that they were doing bad business or lying about the candidate or pushing the client too hard. I wanted them to be very service oriented because my personal experience had been that was the way that I got business—I got a lot of referrals and I had a lot of customers that only did business with Gentry for years and years and years. They would report to me that they'd had another company call; and they said, "No, I only do business with Grace." I felt that was because, one, we were very honest and I would tell them what we were paying the contractor. The other agencies hated me for that because they had the contractor sign an agreement that the contractor would not tell the client what he or she was being paid and they were not required to tell the contractor what they were billing the client for. And they would brag at our NACCB meetings at how low they were paying the contractor and

how high they were billing the customer. We would tell the contractor what we were billing at and we would tell the client what we were paying. We had a percent markup that we felt was very fair; and we could explain to the client, "Well, we have to pay this, this, this, and this and then this is our gross revenue and our net revenue, etc." So we paid our sales people differently because we just had a different model, a different strategy. The goal was to develop a relationship with the company that was ongoing and meant that, instead of rushing in and placing six people and then four months later the project's finished and they are all out, we would have contractors at clients' sites for years. One of the company and family jokes was that Richard was on the world's longest contract because—what were you… fourteen, sixteen years? [To Richard, who responded.]

Gentry: Fifteen years. I just believed that you were honest, upright, clean, and gave good service. If we put a contractor in and it didn't work out, we would refund the money. The client had to tell us—I've forgotten the exact time frame — but they had to tell us within two weeks if they had concerns, and they had to tell us within four weeks if they wanted the person removed. Because we felt that you couldn't wait until the project was finished a year later and say, "I want my money back." I think we were the only company that had that policy. We gave our sales people—I told them each, "It's as if you're president of your own little company." I gave them a lot of authority to refund or pull someone out and replace them, to do whatever it took to do what we were trying to do, which was help make the client successful. We just had a different approach to business. We didn't end up making as much percentage-wise off our profit margin or becoming as big as many of the other companies but we felt good about ourselves; and the people that worked for

me… again, the joke used to be that we were like a big family, a big dysfunctional family. Of course, everybody felt totally free to criticize me to my face for everything I did; and I would get irritated sometimes and say, "I just wish you'd go work for anybody else in this business for six months and then I know you'd come crawling back through that door, begging to work for me again." Of course, nobody was going to do it quite that way; but when we did sell the company and ultimately PGA, the corporation that acquired us, ended up shutting down a number of branches during the dotcom recession, many of our people ended up having to move on to other companies. Unfortunately, there were some that took a while to find that next job. At different times we've talked to different ones; and they all said, "We didn't know how good we had it. It was wonderful. We didn't know how good we had it." Yes, yes, yes. I told you! [laughs]

Yost: Can you give me a sense of how the company did grow, the years and roughly the number of contractors you had at various times.

Gentry: Gosh. I really cannot. I do know that when the year 2000 was approaching, that of course everybody boomed then because all the client companies were absolutely terrified that they were just going to fall to the ground. The media just whipped it up. We experienced quite a lot of growth — as a result — for about two years prior to that; and I think maybe beginning three years prior to that. When we ended up selling the company—let's see what year did we sell?

Yost: 1998.

Gentry: 1998. We had almost two hundred contractors; and we had probably fifty of those were working on year 2000 projects.

Yost: Had you crossed a hundred long before that?

Gentry: Oh, yes. We had gotten up to — I think — maybe 140 or something like that; and then the year 2000 kind of put that bump in that pushed us up to two hundred. The whole year 2000 thing was that not a single client that we worked with, and in fact no company that I heard of, actually — in this area at least — ended up having a problem with that conversion. Longs Drug Stores was one of our big clients for many, many years; and we had quite a few people there for the year 2000 conversion. The vice president of operations, Brian Kilcourse was and is a friend of mine. I mean we had become friends from doing business together over the years. He said, "Oh, it was pretty funny because the media apparently sent some reporters out. They were just wanting this story of this disaster. And nothing happened. And they kept calling and asking and waiting and waiting, and I think at one point there was some little bobble that had nothing to do with the 2000 conversion — the wrong disk got put up or something like that— and they got all excited because they thought they had a story. But they didn't have a story. And of course we were so pleased to disappoint them. [laughs]

Yost: Earlier you mentioned the NTSA. Can you speak about the formation of that organization?

Gentry: Well, frankly we didn't even know they existed until 1706 was on the books,

until we, being the northern and southern California branches of the SCBA, were actually

focused on tax issues at the state level. The State of California had decided that when we

completed a project, we were providing a product and, therefore, they would tax our

hourly charges because we were selling products, not services. So that was absorbing all

of our energy and attention. David Hicks was very active in that issue. He was in

Sacramento to testify before a committee that was debating this issue. The Board of

Equalization were the ones that had determined the tax; but everybody got involved. He

was standing outside the room—and this is the story as he relayed it to me—where this

hearing was about to occur; and another man, I'm not sure if he knew or didn't know

him, who was a member of NTSA said to him very casually, "I don't even know why

you're here. You're toast. We've got 1706," and handed him a copy of 1706. David said

he read enough of it to realize that basically it could be interpreted to require that our

people go on payroll; and he thought he had lost his whole company. He said he went

into the men's room and almost threw up. He said it was one of the more terrifying

moments of his life. That was in— maybe in October. David came back and told those of

us at SCBA that this horrible thing had happened. We're trying to figure out what the

ramifications of this could possibly be; and we were not of course the only people in the

nation that were finding out about this. At any rate that ultimately led to three of us… I

was President of the Northern California Chapter of the SCBA at that time and so, as I

said, the northern and southern California chapters of SCBA were fighting at the state

level. At that time it was the northern and southern SCBA. NACCB had not been formed

yet because it was only after we went to DC that we created what ultimately became

NACCB. The two SCBA chapters relabeled themselves as NACCB chapters.

Yost: Were you a part of any trade association, ADAPSO or any of the others?

Gentry: No. Never had been. DPMA, they were all around. None of them seemed

particularly appropriate for us; we were just a little different. In fact, what caused the

formation of SCBA was that — I can't remember – Pacific Bell Telephone & Telegraph,

called Pac Bell or PT&T, or perhaps it was Pacific Gas & Electric, called PGE, — I

think it was PT&T— did a lot of contracting; and they had decided that they would

require… it wasn't just a preferred vendor list, it was again taking low bidder as you bid

for specific rates for specific levels of talent. And this was the first time anyone had done

this in the Bay Area. Maybe not the first time they'd done it other places, but the first

time they'd done it here. So I in fact had never done any business with Pac Bell. CRG,

Rick Green and David Hicks and some of the others, were quite upset by this. So they

called some of the rest of us. And you knew who the big guys were—big guys, [laughs] I

mean that's when a big guy had maybe forty people or something—you knew who the

big guys were because when you would call a client they might say, "Well, we were

talking to so-and-so." But none of us knew each other personally, and in fact we were all

absolutely convinced we were the only honest operation in town and that all the others

were a bunch of cheats and whatever. We weren't friends so it took the threat. The point

that Rick and Dave made as they called people to try to assemble this group was "if they

get by with this, then other companies will do it, too." So what they were proposing was

that we meet as a group and that we basically agree to decline to participate and that if

PacBell —and I don't know if this is against federal law or whatever. We weren't an

association; but we were a group of competing companies in one industry and basically

we were agreeing not to do business with this one client because we didn't like the way

they were insisting on doing business. So when they could not get any of the larger

companies that could provide the services they needed to respond in the way that they

were requiring, they (Pac Bell) backed off. But once we all sat around the table and saw

that nobody had horns or a forked tail—although there were definitely some that were not

as honest as I would have liked, we agreed that we should form an organization to do a

number of things. And one of the first things on the list — and this is really what got me

hooked — was to put together a code of ethics. As David Hicks said to me one time, "Ah

yes, Grace, you love that high moral ground." Yes, David, I always did. [laughs]

Yost: You talked about David Hicks, his initial reaction to hearing about 1706. What was

yours?

Gentry: Well, it seemed to me that it was unfair legislation singling this particular group

out and that it was misguided. I think I assumed, as did all of us who went to DC that first

time, that Senator Moynihan had simply been misadvised. Words cannot describe how

naive we were — and all of America at the time. I mean now, the average citizen if they

in fact read the newspaper or watch any of the more thoughtful TV analysis programs as

opposed to the evening news… we were much less aware, much more idealistic. We're

talking about 1985, and that was a long time ago in some regards. We honestly believed

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that if we went and explained to Senator Moynihan that we weren't the bad guys and that this wasn't fair and all these things, that he basically would say, "Oh, well, I'm really sorry." And do whatever senators do to make it right. We were wrong! [laughs] It was the beginning of real education. It was a very interesting education.

Yost: You became a multi-division organization having three businesses, was that in response to 1706?

Gentry: No. That was really in response to …well, opportunities arose and we pursued them. As I later said, talk about business school. My youngest son in particular seems to remember every bit of advice I ever gave him and has a not annoying but amusing habit of quoting things back to me, "Mom as you used to say…" He also told me one time, "Mom, do you know the quote that you quote the most often?" and I said, "No, darling, what is it?" And he said, "No good deed goes unpunished." And I said, "Well, the reason for that is because in my lifetime I have been fascinated by how often you do something really nice for someone — and they turn around and repay you by biting your hand. But it has never stopped me from continuing to try to do good deeds. You just have to keep forging ahead. But one of my other conclusions was that in any business there's never a lack of opportunity. Every place you look, "Oh, we could do this; and we could do that; and oh my god, we could make money doing that and that and that." And that in fact the problem is focusing; and it almost doesn't matter what you pick, just pick something and focus on it, instead of chasing off in all directions. But we did chase in three directions; and we had a lot of fun doing it. We had the contracting industry, our first division. We

had the third party products division where we became an HP OEM so that we sold HP

computer equipment and then we could sell our own software on it. We could sell

software packages on it. We could also use our contractors to develop, implement, install,

and train the whole operation because most of the time when people bought an HP3000,

it was either the first computer their company had, or it was certainly the first

minicomputer that their company had ever had. And so they really needed what was

called a "turnkey" solution. They needed you to roll in and do everything, including

training their existing staff to take over the management and operation of that system.

Then quite by happenstance in a way, we had a project that was going on at Werner

Erhart's seminar training, called EST. I don't know if you've ever heard of it; but at one

time it was a very big deal in northern California. It was one of the first — and perhaps

the most successful — of the "get in touch with who you are" and "you're living the life

that you created for yourself" and all this crap, as far as I was concerned. But at any rate

that didn't prevent me from doing business with them. Hewlett Packard asked us to talk

to them. They had a Hewlett Packard computer; and they wanted a system and it was

going to involve sixty-four reports or something. It was fairly obvious to us that they

were going to tinker with the reports and want to change them so that just maintaining the

report part of the operation was going to be very extensive and time consuming. We

proposed that we create a report writer. We had a contractor that I knew, who had created

a report writer for — I think it was Livermore Lab — but it was with Federal funds so it

was in the public domain. So we could take the concepts — we certainly didn't take code

— and use that and create a report writer on the HP3000. That resulted in REX, "Report

Expediter". And yes, I do actually have copies of some of our ads, which involved the

dog called REX. And then we took REX and created PAL, another dog, a cute little puppy. That stood for "Programmer-less Application Language". This was literally so that secretaries, people with no data processing training whatsoever, could generate reports for themselves or their boss. They were both successful within the HP industry, but when Microsoft and the PCs hit the world…

Yost: When were each of those two products developed?

Gentry: Well, REX was developed in 1979; and PAL came shortly after that. We probably got REX out maybe in late 1978, early 1979, started selling that; and then within a year, PAL, because we used REX to create PAL. Actually, we ended up with a twenty-five word or less description to people—we would call REX, "PASCAL without tears", because a lot of the instructions looked like Pascal. But then a lot of the crappy stuff you have to do was magically taken care of for you. That was a report expediter and this cute little dog.

Yost: What about the turnkey business, when did you start that?

Gentry: I think that was because we were getting into the minicomputer programming; and I went down and started trying to sell the HP people on using us as contractors. And their logical thing was, "Well, you should become an OEM; that stood for Original Equipment Manufacturer. Originally my understanding is that the term applied to …was it people who created their own equipment and then put the HP label on it or people who

took HP equipment and put their label on it? I can't remember which direction it went. But it actually was a term that applied to people selling hardware. And so when HP went out and started trying to sell the 3000 to more and more commercial customers —because the 3000 was really their first commercial piece of equipment, before that they had the 1000 and all sorts of scientific measurement and other types of equipment and they were dealing not just primarily but exclusively in the scientific, mathematic, research world. So when they went out and starting selling in the commercial industry, they became aware that they really…scientists will do FORTRAN, they go in and do their own programming, they want to do their own programming. But that wasn't true in the commercial side of the business. So that's when they began to realize that they needed people like us, and they didn't have their own consulting operation. So they needed us; and we were perfectly happy to be there and, yes, we could make some more money by selling hardware, too. Terrific! They were looking at us as potential. In some instances they were going to sell the hardware, and they were going to pull us in to do the software. But they were imagining — I'm sure — that we would also be lead generators. We would go in and sell the hardware and the software. That's OK; they're going to get a commission. It's going to be a little less; but you know, it's business. It's business… I still have a lot of HP friends.

Yost: Can you discuss the rough revenue breakdown between the divisions and what size was each?

Gentry: [laughs] Well, that's going to depend on which year you're talking about because the interesting thing was that in fact—in fact, it looked like "Is this some kind of shell game?". A year where there might be a recession in the contracting industry, sometimes we would sell more of the report writers because people were having to do their own. And sometimes — for no reason that I can understand — the third party products business may be doing better. So I used to laugh and say there was always one division that was just sucking and the other two divisions were supporting it, but it moved back and forth among the divisions. The good news is that we stayed in business when others did not. However, after microprocessors came out, the HP and the report writing products divisions started sinking slowly. At the time I hadn't made that connection. It was just later that I looked and saw, "Oh, that's what's happening." People weren't buying more minicomputers, they were giving everybody a microprocessor, a PC. It was called microprocessor initially, and then IBM called them PCs, for "Personal Computer". So when we decided that we were going to sell the company so that we could retire, we shut down the other two divisions very gracefully. In fact, in the report writing division what had happened was I had asked the staff to design a new report writer, either on the HP or on the PC, that could compete with the report writers out there. And they came back to me and said, "We're going to do you a great favor. We're going to look for other jobs because you should not do this. You cannot win against Microsoft." And they were right, of course. So the HP business kind of sank; and we said, "Ok." By then the contracting business was supporting the third party product division; and we just continued to support REX and PAL for a while and then sold it off. Not for a profit but just so that there would be support for the clients that were dependent on it. Then the third party products division

was easier to shut down. It was just a matter of taking the managers involved and putting them out as contractors. They weren't happy about that; but in the long run they agreed it worked out much better for them. So we focused on the contracting division and built that up because we knew that was what was marketable; and we could no longer really support these cripples—these divisions that had in the past been very successful but were clearly sinking.

Yost: In retrospect, would it have been difficult to stay in business as just a contracting organization?

Gentry: Well, the "dotcom bust" was as, you know…in the years that we had the contracting agency we had three recessions and two depressions; and it was interesting because the depressions were about ten years apart. It was 1982 and 1992. Then the dot com bust was about 2000, 2002. Looking back, I realized later that the cycles were being caused by the introduction of new equipment or languages or technologies or concepts. And there is about a ten-year cycle. Something new comes in; and it has to get some traction; and everybody jumps on it; and then somebody comes up with something else new. So it's kind of predictable. I feel at least that you could pull back and do some graphs and say, "OK, you guys, you'd better watch out for 2012 because something really dramatic is about to happen." But the dot com bust was the worst; and it was far worse than either of the depressions that we had experienced before. We were very proud of the fact that in our entire history we had never laid anybody off because of lack of business. We went through a period of over a year one time when Richard and I didn't

pay ourselves even a salary; but we didn't want to lay people off at a time when they couldn't find other jobs. We tried to keep our contractors employed, too; but in many cases that was impossible. I remember in — I think it was 1982 — when a number of them had to move back to the Midwest to live with their families because they couldn't find enough work out here to stay alive. I've now talked to a couple of our ex-employees since the dot com bust; and they said, "Grace, we're really really. We're really glad that you were gone before then because we know that you would have bankrupted yourself trying to keep us on; and it wouldn't have been the right thing to do." But some of them really suffered because — as I said — PGA that acquired us did shut down branches and lay off people. And some of them went through substantial periods of time before they found their next job in sales or recruiting in the contracting industry. That was brutal. That was really brutal. So, in answer to your question, considering our philosophy and what we would have tried to do, yes, I think it would have been very difficult to continue.

Yost: In the products business and the turnkey business, what was the basis of compensation for the workers—were those employees or were those people contractors?

Gentry: Well, of course, in the products business we had a technical staff. Some really, really sharp guys and gals; and of course they were on salary. Let's see… how did we sell products? [laughs] We didn't have any sales people dedicated to sell products. They got sold as a kind of adjunct of the third party products division. But HP sold them, and we didn't pay HP a commission or anything but just when they had clients where this was a problem: "We need a way to generate reports or we can't buy your product or whatever",

then they would pass them on to us. And a lot of word of mouth was involved. We did

go to annual conventions and have a booth and do that. That's right, we hired Tom…I

forget his last name, Jergensen or something like that, because I used to call him Tom

Jerkison. That was after I got really pissed at him. [laughs] Yes, we hired him to build up

that division and sell it successfully. Oh, and then we hired Bob Hoover. Ok, I take it

back. We did have a sales person in charge of the sales; and we sold it mostly by

advertisement. We didn't have people going out and selling it. That wouldn't even make

sense. People that either owned an HP or they were about to buy an HP, so you did

advertisements, you went to conventions, you made the HP sales people aware of what

you had to offer. We actually did sell it all over the nation, Fordham University, just all

kinds of big organizations. The first company we sold it to was Proctor and Gamble.

There was no other report writer on the Hewlett Packard at that time — unless you call

RPG2 — and I don't know whether that was on the 3000 or just on the 1000. Did we sell

over a thousand copies? At one time we added it up for some sort of corporate history we

were compiling for ourselves; and I remember recently running across it and going, "Oh

my god." We sold a lot. I do recall now that we sold over a thousand copies. They were

actually great products; and we were… One of the things that — as a company — that we

constantly did that did not make us as profitable as we otherwise could have been is that

we took tremendous pride in our technical ability and achievements. So with REX and

PAL, we'd go back; we'd do customer surveys: what features would you like to see? Our

technicians would just work and add all this cutting edge marvelous stuff. We'd go to the

next convention and be demonstrating it. Our competitors always lagged behind us. All

they would do is walk over, get the demo, take notes, and go home. And at the next

convention they would have most of those features! So we were always leading the pack but… [laughs] That was part of what made me not sad to let that division go, because I realized we were always going to lead the pack — but we could never get more than a year ahead. [laughs] They were always nipping at our heels. But we were proud of the fact that we were leading the pack and not following. Although I think some of the others — because they weren't trying as many new things — when they tried something, they kind of saw what we did, saw that it was working and attractive. Well, there's that old joke of "a pioneer is a man with an arrow in his back"; and we were probably pioneers too often.

I think you were asking how we sold the products and the report writers. We had sales people and division managers in charge of each one; and they were responsible for the sales. The HP sales were mostly in the northern California, physically adjacent, area. The report writer sales were all over. Actually, all over the world. I know some got sold in Canada; and wherever HP was, there was the potential that we sold some there.

Yost: What was the geographic scope of the contracting business? Was it just pretty much the Bay Area?

Gentry: No, we actually went as far as a little north of Sacramento and south to Santa Cruz… even as far south as down past Big Sur. And then we certainly went east, out through the tunnel. And in San Francisco. I always refer to it as the Greater Bay Area,

including Sacramento and Monterey. A pretty broad area but we never tried to go to southern California and we certainly never tried to leave the state.

Yost: Are you ready for a break?

Gentry: Sure.

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Yost: You've talked about how there were low barriers to entry and low overhead; can you talk about how you operated with low overhead and the basis on which you brought in revenue and did payroll?

Gentry: You mean in the very beginning?

Yost: From the beginning.

Gentry: Well, initially I was working at Bank of America. Richard was working at Alameda County. It was very simple. The contractors turned in their time sheets. We billed the County for each hour worked, twelve dollars an hour. The county paid us in— well, when they actually figured out what was going on, they were very good about paying us in four weeks. Then we would pay our contractors. It was very simple — the payroll – actually, because it was a matter of adding up the hours and multiplying it times ten dollars and hour and writing a check. So our oldest boy did the payroll until he went

to college, and then our daughter. Things got more complicated. We moved out of the house. But for the first five years I operated out of the house at my kitchen table. I occasionally would run into a contractor — and this will be an old contractor — who will say, "Oh, yes, I remember the first time I met you. I knocked on your front door and— they mean the front door right out there—you came to the door in your housecoat." [laughs] I can remember one time I was doing business with Price Waterhouse …one of the big eight, maybe Deloitte & Touche. We did business with a lot of the...they used to be called "The Big Eight". I guess now it's down to the big three firms, consulting firms. I had been to this executive's office over at the new Bank of America building, the one with those kind of triangular windows, penthouse windows they're called or something. I had seen his gigantic desk and fancy office. That day, as my daughter had left for school, she had brought her canary in and set the cage on my kitchen table and asked if I minded keeping it company. She thought it got lonely during the day. So I'm talking to this executive about the business we are going to do, and all the sudden he hears this bird in the background. [laughs] And he said, "What's that?" I said, "That's my daughter's bird that I'm bird sitting." He said, "Where are you?" I said, "At my kitchen table." And there is this long pause. [laughs] And I can see he's thinking, "Is she serious? Is this for real?" But my hat's off to him. We had already been doing business together. He'd been very pleased with our service. So he just continued on with the conversation; but I could tell this was not an image that he had been totally prepared for. Then I remember a couple of times when I would approach clients the first time. They would say, "Well, I would like to come meet with you. I want to kick your tires." Meaning you check out the operation. And I said, "Well, you can do that; but I'm not sure why it matters as long as I give you

good service and you like what we deliver. What do you care about where I'm delivering it from? In fact, I work out of my kitchen and that's why I can offer you such low overhead." So whenever people would bring up the issue that we were shoe stringing it, I just kept playing back to them, "That's why we can provide these services so cheaply, because we have low overhead." Most people got it. I think only once did I ever have a client that came — and in fact came to the office building after we bought it, which we thought was pretty fancy overhead. It's not a fancy building at all. It's not in downtown Oakland. It's kind of in the outskirts of the downtown. And they didn't do business with us later and told someone it was because we had such tacky quarters or something like that. [laughs] But I was the only sales person for a while; and pretty much anybody could start a company that way again if you had sales ability — because you were really selling. You were selling the contractors who may currently be in a salaried position. You were selling them on the idea that this was a good thing for them to do. And you were selling the client on the idea that this was a good thing for them to do. Kind of helping to get them together. I know some of the other guys started exactly that way. I have a friend that said, "Yes, he was coming out of a terrible divorce; and he was living in an efficiency apartment, sleeping on the floor with a bed roll. The only thing he managed to keep was his car and his company, such as it was. That's where his company started, sitting on his bedroll in his efficiency apartment, down on the peninsula, recovering from his divorce. And he ended up being very successful and sold his company and lives in what can only be described as a fairly palatial estate near San Mateo.

Yost: 1706 forced you to change…?

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Gentry: Well, 1706 changed a lot. Prior to 1706, you could generate as much overhead as you cared to generate; and there certainly were companies that had fancy offices in downtown San Francisco and felt they had to drive a fancy car etc. In fact, I was just the opposite. I wanted to drive a nice car but not a fancy car because, again, I'm advertizing "low overhead and we're paying the maximum dollar to the contractor so you're getting the best". We're not cheating on the contractors. They are happy to be here, happy to work for you, happy to work for us. There was just a different philosophy —and I guess you'd call it a different business strategy — to what you were trying to sell. I noticed it tended to be men who had worked for large corporations and were used to the high overhead and you do business with the guy that's got the fanciest front office because that means he's successful. So they were the ones who were more likely to put a lot of money into their appearance, front end, and the overhead that that inevitably generates. There were others of us who maybe thought that was kind of silly, anyway, who approached it from a different angle. Different companies dealt with different people for different reasons. Everybody had their client; and every client had their favorite type of contract company to work with.

Yost: Did you ever think about the possibility of venture capital?

Gentry: I didn't even know what venture capital was, truthfully, until Seymour Rubinstein asked me to serve on the Board of MicroPro when they were getting Fred Adler, a venture capitalist, involved because they wanted to go public. I literally didn't

know what venture capital was… Well, I take that back because Bill Millard's first company, Systems Dynamics, had capital from Carter-Hawley-Hale and that was venture capital; but it wasn't called venture capital at the time. And, frankly, it didn't occur to me that that would be available to a company like mine. Later, looking back, I realized there were some junctures at which getting venture capital… like when we had REX and PAL, basically the first report writers on the HP3000. There were times that if we had known what it was and how to get it and had gotten it, it might well have made a difference in our turning into a much larger, different type of company — or corporation, if you will. But, no, we'd never thought about it.

Yost: You looked at your notes with regard to the three divisions and the growth of the products and turn key divisions. Can you talk about how that changed over time?

Gentry: Yes, in the earlier part of the interview I believe you asked me about the different divisions and what the revenues were for different years; and I said it depends on the year, which was true, but I didn't have anything specific. Referring to my notes, I noticed that I have here that between 1992 and 1994 we sold REX and PAL to DRA rather than compete with the Microsoft products which were then available on the PC. We shut down the Third Party Products Division rather than compete with PCs because that's what everybody was moving towards; and we focused on rebuilding contracting which had shrunk to twenty contractors. Then we moved our contracting division into new technology down in the Silicon Valley, etc. I had quite frankly forgot that we had ever let the contracting division shrink to that size; but apparently we were focused on the other

two divisions and so contracting had only probably existed primarily to support the third party products division. That's probably why we had twenty, because they were working on different turn key projects; and we weren't selling that much outside. But I had forgotten that. Oh, and I did mean to add, the question you asked me before, that you were talking about the low barrier to entry. After 1706, once companies felt they had to put people on payroll, the low barrier to entry was no longer true in the contracting industry. You basically billed a client; he might pay you in thirty to forty-five days; but you had to write a payroll for every two-week period. As a consequence, that meant that the low barrier to entry that encouraged women entrepreneurs to enter the industry in larger numbers than might have been otherwise possible or typical was gone. I think subsequently, that if you found statistics somewhere, you would find that fewer and fewer women entered the industry owning their companies; and those that did, came in a very different way, not all of them but most or many of them. I don't know the year in which it was passed; but there was at some point something passed somewhere that required that companies that worked with the government — or maybe it was all companies, I was never sure — had to have a certain percent of their vendors be woman owned companies. Quite frankly, I have never liked that sort of program; and I will tell you why. Even though, as a result of that, we did change the name of the company to Gentry, Inc.; and Richard sold me—before that we'd been a fifty-fifty split company— he sold me one percent of the stock that made us woman owned, I never pursued a business contract based upon the fact that we were woman owned. In fact, I had this one time when this had been newly passed—we had been doing contracts with Hewlett Packard—I got a phone call from… I don't know if it was their personnel person or who

it was — but they said, "You're not by any chance a woman owned company, are you?" I said, "Oh, honey, you're going to be so happy. I am!" [laughs] I knew this poor woman was in charge of filling in the blanks; and she was just panicking over, "Oh my god, we don't have enough woman owned companies!" But what happened once that law was passed, a lot of men shifted — as we did — but they didn't shift one percent— they'd owned a hundred percent before, so they sold fifty-one percent to their wife, gave her the title of President. She never went to work. It was just a fake because it counted ten points or something like that when you were writing a proposal and put you up a bit higher than your competitor to get the business. We all knew who those companies were; and, quite frankly, I thought it was disgusting. I don't know which government department was in fact charged with responsibility. They figured it out pretty quickly that this was going on because the same thing had happened with minority owned companies; and so they would come and physically visit your site. Well, that doesn't bother anybody that's going to fake it like that. They just run their wife in on the day that they're suppose to come. They didn't do surprise visits. So if you look at statistics, you would find a much higher percentage of "woman owned businesses" in operation than there really were. To this day… in fact I know one woman she…this was the next step that people figured out how to do. She does not herself sell any contractors or have recruiters selling contractors directly; but other companies have a contract or agreement with her and they go get the business, send out the sales people to get the business, etc. They have the people to do the business; but they run it through her because she's listed as a woman owned company. She gets a cut; and they get the business. And there are a number of women who have basically had that kind of company for years. She certainly has... I'm sorry, I don't think

that was the intent of the government program and either of those things I just personally find…disgusting is actually the word that is coming to mind. [laughs] At any rate that is what happened. I don't know and maybe that inevitably happens with that kind of program; but it certainly turned me off against any program like that. I knew a young Philippine fellow who was doing the same thing in the minority programs umbrella. He made a lot of money. I guess, OK, the good news is one minority made a lot of money; but I don't think it achieved what the government had hoped to achieve or intended when they wrote the regulation or law.

Yost: You spoke of this to a certain extent; but can you talk a bit more about the impact of 1706 on your firm and the strategy you had to deal with this new legislation?

Gentry: Well, the initial impact was… as I said, I was president of SCBA that year and so three of us — John Chamberlain, David Hicks and I — went back to DC to explain to poor, misguided Senator Moynihan that he needed to fix this. So I became involved, very much involved, with NACCB; and at that time we had no staff, we had no budget. So becoming involved with NACCB was a very expensive thing to do because you paid for all your communications. This was before email, the internet. This was even before fax. It distracted…those of us who were really active in the founding days of NACCB, we paid personally a high price and our companies paid a price because it pulled us away from our business or our company. Initially, I continued to believe that it was going to be addressed; and we continued to do business with contractors on the hourly basis because in part, again, I felt it was an unfair law. And then once we found out that NTSA had

spent ten years paying lobbyist with the goal of basically putting our type of company out

of business, it was even more clear that this… And when we talked to congressional

people about this, they would say that while it is true, they really never intended to pass a

law that was promoted by one industry to discriminate against or put some other segment

or competitors out of business. So for maybe the first three years we continued to pay the

old way. Then as it became apparent that 1706 wasn't going to go away anytime soon, we

became concerned about the liability that we were accruing; and we shifted to the payroll

and basically complying with the IRS and whatever other state and federal regulations

applied to employees. Fortunately, we were in the position to be able to do that, in part

because we had equity in our home and we were established. There were certainly some

companies that weren't able to make that transition; and it did raise the barrier to entry

significantly so it affected that type of person. You now couldn't start this type of

company from your bed roll in your efficiency apartment down on the peninsula. It

changed the industry a lot. It changed the industry dramatically. Interestingly enough,

NACCB was so successful in convincing the IRS that they were not going to be able to

successfully prosecute our type of company for unpaid payroll taxes that I became aware

about — gosh, just two years ago — that now there are many companies that work off the

old model where they pay the contractor by the hour and the contractors are self-

employed. Probably today they don't have to incorporate. They pay them when they get

paid. They may pay them in advance; but they (the self-employed contractors) are not on

a payroll. And this varies based on geographical region. What happens is, if in your

geographical region some companies step out and start doing this, this is the preferred

way for contractors. They prefer to be self-incorporated, have the tax deductions, etc.,

because they can have an investment program, a 401k. They can have all sorts of benefits that they can take with them from company to company. So if a couple of companies do this, then the other agencies — in order to compete with them — they have to start doing it, too. They may not want to do it; they may have preferred not, for what ever reason. Apparently, you'll go to New York; and they're doing it one way, maybe everybody there still works off of payrolls. You go to Boston; and everybody there is working off of IC, Independent Contractors. So throughout the nation, it varies. One or the other dominates how business is done in that area; and that is attributed in a way to NACCB and Harvey Shulman personally. The man was fantastic.

Yost: In this area, was it common to switch to contractors?

Gentry: No, this area — interestingly enough — still sticks with the payroll model after being one of the areas that was the most adamant and reluctant to switching to it. For whatever reason, when last I checked… and I'd have to check with my youngest son because this is the sort of thing that can change from year to year. When last I checked this particular area, the Bay Area was still dominated by the payroll model.

Yost: NACCB did many different things. Can you speak broadly about what it meant to the development of the industry?

Gentry: I'll start with SCBA. SCBA was really very focused on political situation at the state level. It started as a response to PT&T; but almost immediately state tax problems

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arose and that was a very, very strong purpose. But one of the benefits that came from

that was… and in a way the development of the code of ethics kind of started it, because

to develop a code of ethics we had to sit down as a group and discuss ethics. Well, that

sounds kind of obvious; but the truth of the matter is it was a much more complicated

discussion than I had anticipated. For instance, we could all sit there and agree that you

do not take contractors or employees out of one of your clients" sites. You don't hire out

from under them. But what is a client? A person that you have contractors working for

today? A person that you had contractors working for twelve months but six months ago

they stopped having contracting business? If they had it tomorrow, they'd still deal with

you. Are they your client? Someone that you haven't started working for yet? A

prospective client? So we had to sit down and work that out. In the process of doing that,

we started having what we called round table discussions. At some of the meetings we

would have a program where someone would… either one of our members would discuss

a business topic and how their company did it, or we would invite someone in. Most of

the time, particularly in those early days when we certainly couldn't afford to hire

anybody to come in and people weren't quite as into sharing all their secrets, we would

discuss things like insurance agents. You know, who do you use for insurance for your

staff or this or that? How do you do this? We kind of developed a motto; we never wrote

it down anywhere but we would occasionally say to one another, "We don't have to

compete with one another because there are all those other guys out there for us to

compete with, so we can support one another in our success." I think we all learned a lot

and saved a lot of money. If I wanted an insurance agent, I didn't have to go through

fifty-two interviews. I would just call Rick Green and say, "Rick, are you happy with

your Workers Comp guy? Who is he and would you recommend him? Great." How do you deal with this or how do you deal with that? We got very sharing in that sense. Now when we went to the first NACCB conference, which was the second year or third year—the second year because…Yes, David could sell when he was president. After I had agreed to serve as vice president and then president and then past president, he had the board pass a resolution that we were going to have our first conference in February or some damn thing. He did this in like — December! [laughs] It turns out, interestingly enough — and this is kind of the gender issue. At the time when the other members of the board, most of whom were male — I think there were maybe three women on the board, maybe four max — had come to me and asked me if I would be willing to accept this vice president/president nomination, I kept saying, "You have to understand. This will have a big impact on my company. So you must not ask me to do anything as vice president because I'll be having to get people escalated into key positions so that my absence won't be felt as badly or as much." So then Dave, of course, dropped this on me. I realized later that Dave assumed that I was just a figure-head and that, in fact, I really had nothing to do with running the company. He thought I was smart and could handle being president of NACCB because I had plenty of time and no other responsibilities. To his credit, when he figured out that no, it wasn't true at all, he gave me…I still have it in there. It's a kind of blown glass oval vase; and he called it "The Iron Ovary Award". [laughs] We're still friends with him and his wife to this day; and she said, "Yes, when he figured out that you were out there selling and mucking it up with the rest of the guys, he couldn't believe it." And that's why I got The Iron Ovary Award. [laughs]

So NACCB… initially we didn't have any benefits to offer the members other than "come to the conference and meet other companies from other parts of the nation and exchange information, selling concepts, strategies, tactics, etc." Many people I've heard later told me about a presentation or whatever it was that inspired them with the goal of becoming larger and more successful. That it was what even gave them the idea that they could be. One of the companies that ended up being the largest in our industry. When they first came to the first meeting that ended up resulting in NACCB, it was Fred Schulman. He and his wife were running their company out of their basement. Because we were talking at that time about CRG — which I think did some humongous amount of business compared to all of us, like maybe twelve million dollars a year, for crying out loud, and that was the largest company in NACCB for quite a few years. But that gave him the idea that that was possible; and they went back home determined to make it happen. So I think just the association with other company owners helped. I think the code of ethics that NACCB developed helped because it allowed us to position ourselves as companies, as professional. I know one of the reasons Hewlett Packard… when Hewlett Packard decided to put together the first preferred vendors list, someone told the Purchasing Department they should talk to me because HP had been doing business with me and I'd been around forever. So I went in and talked to the purchasing agent who was responsible for putting together the RFP; and I told him about NACCB and showed him a copy of our code of ethics. And so they actually put into their purchasing RFP that you had to be a member of NACCB to respond. Well, at the time, NACCB had a policy that the membership had to vote to admit you to their NACCB Chapter because we wanted to keep companies that we knew were unethical or unprofessional out. So a number of our

members ended up on HP's preferred vendor list because they were NACCB members. There were just a number of things. We put together a program to co-venture where "you got the job: I've got the contractor. I'll let you sell the contractor if you give me a percent of the spread." For nine years I did—this kind of goes back to my interest in and love for statistics—I did an annual operations survey of our members. We protected the identity of the participating members very rigorously; but basically it was only distributed to our members. It was a membership benefit. Basically, it gave you the statistics on the average "spread" (the "spread" is the gross amount between what you pay the contractor and what you bill the client), the average this, the average number of sales calls, etc. I had several presidents of companies come up to me later and say that they ran their company by that. That they just took the stats and said, "Ok, these are our metrics; and this is how we're going to operate." And they attributed their success to knowing what was working in general. Before that, we were all just making it up — unless you had another friend in the business, like SCBA, and exchanged this type of information. Another interesting thing is even though NACCB–I don't know if this is true most recently, but I'm assuming it is–has come out with all sorts of group insurance with lower rates for members in many different ways, discounts for hardware purchases, many different ways to try to make it beneficial to those who join the membership. The goal has always been that you'll get more back in benefits than your dues will cost. When they used to do a year-end survey on "what do you perceive your greatest benefit from being a member of NACCB is", over and over again the two things that would come up would be the Conference and "association with other people in the industry". It was that casual exchange. And one of the most popular features of the conference was what we would call a round table. At the

first conference which was the one I put on in Saint Petersburg, Florida, after I had tapped everyone I knew to do a presentation, we could only afford to hire one speaker. She was fine. She was great. I still had time to fill; and so I filled it by having a couple of sessions or hours where I said, "OK, everybody will gather at a table; and you can pick a topic and post the topic and then people can come up who wants to sit and discuss that topic." We called those the round tables. That was just to fill time; but it ended up being one of the most popular things that happened at that and at other conferences. At one time, as they had a larger budget, etc., they eliminated them altogether from one of the conferences; and the members were very upset. I know a number of them came to me and said, "You've got to tell them. The round tables are the best thing. They've got to bring them back." I said, "I have no influence. You go tell them." But they did bring them back, and that is kind of a standard part. Again, it's the exchange of information among fellow businessman that I think the members end up valuing the most and that they end up feeling helps them be more successful. NACCB did that. As I said, Harvey Schulman so successfully fought off IRS in case after case funded by… We put together a fund — and it wasn't required of you because you were an NACCB member, it was voluntary— but we put together a fund where we had a significant sum of money to pay any attorney that was required to defend a member once IRS came in to audit that company. Because we knew that if one member went down because of poor representation or not being able to afford representation, that would be used as a precedent and that would take the rest of us down. So as a consequence of those efforts, as I said, at a certain point IRS decided it was a waste of their staff time to come in and audit us because they weren't going to win. They were just going to spend many hours and walk away.

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Yost: Do you have a sense of what percentage of the IT brokerage companies became part of NACCB?

Gentry: No, I don't. At a certain point the requirement that a member applying to join be approved by the other existing members was dropped. Some of the chapters were very upset about that. But it was when Don McLaurin was the acting director, and he argued — and you could argue either way.. We were arguing that by doing it the way we had done it, we had a very dedicated, very engaged, very involved membership. It was a privilege to join; and they knew it. We felt we could honestly represent to the clients that we had a code of ethics and we only had ethical members, not all of them but most of them. And that by letting anybody in who wrote a check, that we could no longer say that, we could no longer be that. His argument was that with a larger membership we would look more important to the congressmen that we were lobbying, we would have more money in the budget to provide benefits. Plus—I suspect this is the part we will be editing out—plus he was getting a percent of the net profit that NACCB was making off of the conference: the difference between membership fees and the cost of providing benefits. That's just my nasty little stab. But at that point, the membership certainly grew dramatically; and I believe that the peak… You know, I'd have to look it up. I just realized that I'm thinking that at one time…I know at our biggest conference we had almost four thousand attendees, but that wasn't four thousand member companies. I don't know. You'd have to ask NACCB. I don't want to state the totally wrong number. But as a percent of the total industry, again that was always a factor somewhat of the geographic

region. There were some areas in which NACCB was very popular and all the big companies belonged. There were other areas where it just never made it. Seattle seemed liked a fairly obvious place for NACCB to be very successful; and in fact, it was never successful in the Portland and Seattle areas, in part because there was a state organization similar to SCBA in order to fight state tax issues. So by the time NACCB came in and tried to organize, those that were ensconced in leadership positions and involved in that association already had developed relationships with their legislators, etc., so no reason to pay dues to two different associations. I think in their mind their feeling is, "OK, we'll focus on our state issues; and you guys take care of our federal issues; and we're covered." And so I'm not even sure there is a chapter there anymore. It was very regional. Obviously, there are many areas where there is not even an NACCB chapter. There are some areas where it's still considered important. Although my youngest son who's still in the industry says to me, "Mom, forget the code of ethics. If it exists, nobody abides by it anymore." I said, "That's too bad, it makes it a lot more unpleasant." He said, "An example, for instance, is in our code of ethics we require that before you present a candidate to a client, you have gotten the candidate's permission to present him or her to the client; and that the first agency that got the candidate's permission basically "owned" the candidate." So another agency couldn't come in and offer two dollars more and say, "OK, now I get to take you in." Mark said now… He said — because he's worked for companies where he was a staff recruiter — and he said they'll put out a job order and they'll get the same resume from five different agencies. They'll go to an agency and say, "did you talk to this candidate?" And they'll go, "Oh yes, yes, we've got this candidate." And it will become very apparent later from talking to the candidate that no, nobody

talked to the candidate. They just got the resume off the internet, threw it in and then —

and only then — did they talk to the candidate. He said, "It's just like a dog fight, Mom."

Yost: That would be very problematic because they may have taken on something else.

Gentry: Oh, yes. So the client ends up confused. It's bad. It's bad for business and that's

why we sorted it all out. The neat thing about NACCB is that the areas where it was

successful, the code of ethics, actually ended up getting applied to the whole industry in

that area. Because we would go in and say, "We're members of NACCB. We have a code

of ethics. Incidentally, here's a copy of our code of ethics. Even if you don't deal with

only NACCB members, you should require that any agency you deal with abides by this

code of ethics. If you look at this code of ethics, you will see that they serve you. They

make business easier, more efficient, more reliable, and more honest for you, Mr.

Customer." We were self policing in a way; and I know in the Bay area it was very much

the case for… Well, up until — Mark tells me – recently, it didn't matter in a way

whether you were in NACCB or not, you basically were going to have to work by that

code of ethics, or clients would catch you on it and basically stop doing business with

you because they knew how people should be doing it. I think NACCB served the greater

industry, even affecting more companies and more clients than were represented

specifically by NACCB members, by educating and promoting a code of ethics in their

areas.

Yost: One thing that you discussed previously was how you'd helped contractors move up the ladder and develop their careers.

Gentry: Oh, yes, I loved that.

Yost: Can you discuss that and specifically were there any differences between the genders or were both male and female employees taking advantage of the opportunity to move from programmer to analyst in the same way?

Gentry: That's interesting because I never…again, I don't think in gender terms very well. Well, yes, that is something that I particularly took pleasure in doing because of remembering myself as a technician. You have to understand that a lot… in fact, the majority of contracting company owners — and after the first ten years of our industry — the majority of the employees, the salesmen and recruiters, did not themselves come from a technical pool. Initially, one of the reasons I was so sympathetic to helping people move up the chain was because I came from the technical world; and I knew how boring it was to just do the same darn thing over and over again. And for years I wouldn't hire a sales person or a recruiter that hadn't come with a technical background because personally I didn't believe that you could serve your contractors and your clients and do a really good match of skills and personality and all the other things, without that kind of a background. But then at a certain point the technical world got so complicated and nobody else, no other computer contracting company, was making that requirement; and so we opened it up and discovered that people can be successful in doing that. And some

people would educate themselves about it, and some people would not. Basically, we would charge the client the rate applicable to the person's current experience but encourage the client to use them at the next level and say, "If this was an employee, you would use him or her as an analyst. If he's been a programmer, you'd move him up to systems analyst; and if you do that, we'll still charge you the programmer rate. You'll get more value for your money. You'll get a really motivated worker because of course they're thrilled to get that additional experience because that's going to allow them to sell themselves in the future at this higher level — and everybody wins. That worked for quite a few years, and then it stopped. I wasn't certain why. One of the things that seemed to happen is, initially, a lot of the managers in the industry were older people who had entered early, maybe — like I said — a bookkeeper who became programmer, etc., and there was no computer science program at any college or university anywhere. And then you started getting these young people who had CS degrees; and some of them maybe had CS and an MBA, or CS and some Bus Admin. They were—I got the impression they were more fearful. An older, more experienced manager had the confidence to kind of evaluate this individual's experience and ability and say, yes, he or she can do the job and use them. These younger people with less experience and kind of more book learning seemed much more reluctant to take a chance on someone. They didn't only want them to have done exactly the type of work programmer, programmer/analyst, they wanted them to have worked on the same application. They wanted to limit their risks as much as they could; and so it became almost impossible when that generation of mangers came in, to get them to ever let someone work at a level above. So, to actually advance, contractors had to either — once they got there — volunteer to move themselves up or go back and

take courses. There was a lot of that, where people went back in night school to train themselves in a new technology, particularly as we were going from mainframes to minicomputers to microprocessors and to all the new languages and skill sets that kids who came out of college had, but the older guys and gals were having to retool themselves over and over again. In terms of looking at it as to whether women or men took more advantage of that, I don't recall there being any difference. I think anybody who was actually out there as a contractor was eager to move up; and given that opportunity, they weren't going to turn it down.

Yost: Was that something that your competitors also did or was it fairly unique to your firm?

Gentry: I really don't know. I really don't. That was something that I did; and I enjoyed doing; and it created loyalty for the contractors to us. Since I was totally open with the customer, I wasn't trying to pretend this person had this experience, it just worked for us.

Yost: What do you feel were the greatest challenges in running the business?

Gentry: Staying in business. [laughs] Like I said, "Three recessions and two depressions?" I was always happy that our company had low overhead, because it really was the fact that we maintained a low overhead that allowed us to be better able to survive some of the really difficult years. Other companies either had to do severe cut backs or faded all together.

For me a personal challenge was…I wasn't a hands-on all the way down the line manager. I don't think I was as good at…I had a hard time firing people. Is that considered a challenge? [laughs] It is something I hated doing. I was always trying to give people a second chance and shift their job, you know, do this, do this and try to make it work. In fact, I remember one guy… it had become very apparent that it simply was not working. So I called him in and started giving him the spiel about why it wasn't working and wasn't doing him any favor and it wasn't working for Gentry so I knew it wasn't working for him, blah, blah, blah. And he finally leaned forward and patted my hand and said, "Grace, it's OK. I'm going to be all right." [laughs] I had to be one of the few firing managers that was getting consoled by the fire. [laughs] I did finally come to understand that by keeping someone on who wasn't able to do a job, it wasn't fair to them. They weren't making the commissions. At some level they knew they were failing. That doesn't feel good. One of the reasons I think people continue to work in a position in which they are failing is that their self-confidence sinks to such a low that they are not sure that they can do something else better. So they kind of hunker down and try to hide. I came to realize how unfair it was to the other people in the company working with them, depending on them. It was affecting more than that person, more than our profit, more than my angst. It was making it difficult for people who were loyal and hard working and doing their job, to do their job; and that wasn't fair to them. So I finally did manage to talk myself around the point so that it was an easier thing for me to do and something I could do sooner in the process; but it's never easy.

Yost: How did you come to decide to sell the firm? Can you talk about that decision?

Gentry: Well, Richard wanted to retire; and why shouldn't he? He had been working—
when did you start working as a bag boy at the grocery or something?

Richard: When I was in junior high school.

Gentry: He had been working a lot of years; and he had always worked very hard. As you
know, in our industry you have got deadlines and you work many hours. He was ready
for a break. I was still enjoying it. I loved what I did. I loved my clients. I loved my
contractors. Most of the time, I loved my staff … except when I wanted to pinch their
heads off. I loved my COO. [laughs] But Richard had done so many things for me that I
quite frankly went through the process and thought, "OK, if I didn't agree and we kept
working. Or he retired and I kept working; and — god forbid — he should die." I felt like
one of the things he was asking for was more time with me and that he had asked for so
little of me that if I denied him that, I wouldn't be able to live with the guilt. And so I
said OK. And we put together a program and shifted stuff around and hired a COO. I
mean there was quite a lot involved. Some companies were probably ready to be acquired
at any time. But because high profits and maximum volume had never been our goal —
our goal had really been kind of service oriented— we had to kind of gussy ourselves up
a little bit. Get ourselves ready for the marketplace. So we did that, and we did sell it. Do
you want the gory details of the selling deal? [laughs]

Yost: I think you went through that.

Gentry: Yes, I went through that in the other one. And I can email you that because that's the part I added. And as it turned out, I've enjoyed retirement a lot. Part of it was ameliorated by the fact that I very cleverly… actually I wasn't thinking this far ahead… but toward the end — when NACCB members started selling their companies — I said, "God, you're selling your companies; and you're pissing it away on fast cars, fast women and golf clubs, as far as I can tell." I said, "We should leave some sort of permanent heritage, something. This industry has treated us well. We should give back." So NACCB sponsored — and I worked with — the Open Door Education Foundation; and we raised almost a million dollars in funds for scholarships and awarded almost $600,000 in scholarships to computer science students from their sophomore year in junior college or their junior year in college on. Though we did award them to some students who were not attending a college but, rather, a technical school. We wanted to make sure that they were people who were going into the industry; and we wanted to promote their success. So we awarded almost $600,000 in scholarships all over the nation. It was interesting, because we, the board of directors and the Open Door Education Foundation structured it in a certain ways for certain reasons. One, we wanted the different chapters to award the different scholarships so that they would be motivated to donate more money. That didn't work. But the scholarships themselves in most instances were relatively small, $3,000, etc. This was ten years ago; and that went a little further than it does now. But the feedback we started receiving, almost at the outset, because after we posted the applications and selected the winners, we would have them come to an awards ceremony; each chapter had its own. And of course they would give a little acceptance speech; and I

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got letters from some of them that were just great. And what they said over and over again was, "The money was nice; but what was more important was the idea that someone believed in me, believed I could do it." And then I remembered, my scholarship to Harvard was a four year full tuition scholarship, and I remember at the time that the money was great… I couldn't have gone otherwise… but at the time I thought, "Well, everybody told me I was smart; but I must really be…smart!"[laughs] I know we had—well, I won't use up your time telling little individual stories — but I'm still in touch with one fellow, an African-American fellow who had been kind of, he said, lounging his way through community college programming courses because he had an uncle that had gotten in the industry. And we awarded him a scholarship; and he said that all the sudden he thought, "Oh my god, someone believes in me. Someone believes I can do this." And he said that he went into a full course load mode and got right out and got in the industry and started working; and he said it was a real boost. So many of them said that, that I ended up feeling really good about that. I really tried—the problem was that the dotcom bust came and it was very apparent to me — and I studied the statistics and there were lots around — that basically there had been a huge reduction in the number of students applying for and attending computer science programs throughout the nation. And that when this bust ended, which it inevitably would, we were going to have a huge shortage. I kept trying to explain this to people. We had had that happen before because in the moonshot days, there was a whole national program promoting science and math in high schools to get engineers and to get the rocket to the moon. And then that program was cut back and a lot of them were unemployed and fewer people attended and then, guess what? In another ten years we had this big shortage of engineers, science and

mathematicians. So it was very predictable; but it was just kind of hard when people are pinching pennies to stay in business. It is kind of hard to get them enthusiastic about donating money for scholarships for people that you're not going to be able to hire until four or five years from now — if you're still in business. I guess it's always going to be like that. Up and down. But that kept me in contact, going back to the conference to raise money and promote the whole program; and I think that kind of allowed me to ease out and finally reach the point of "I don't care if I ever go to another conference". I did go when NACCB celebrated their twenty-fifth anniversary last year or the year before last; and they got the founders together and it was great fun. I enjoyed that. What can I say? I tell people, "The last half of the twentieth century; northern California; and the computer industry. Richard led us into it — but how lucky can you get?" [laughs]

Yost: Are there any topics that I haven't asked about that you would like to discuss?

Gentry: No. We covered the woman-owned business…I had wanted to mention that because it was always such an irritation to me. I always had trouble believing people would do that. NACCB. We discussed that. I know after the dot com bust there was a huge drop off in membership there and a real struggle for a while; but my understanding — and I'm still in touch with Susan Donohoe and Mark Roberts, partly because of the Computer History Museum and their getting Mark to come out. Susan and I just got to be friends so she and I email periodically. Actually, she owes me pictures of her kids; she has two beautiful girls. So I know they are doing better; and I think not too long ago she sent me a long email saying we're doing this, this, this, and this. She obviously felt that

they were on the roll and building back up and sounded as if they had some interesting innovative programs going on. So they're still there; and I don't think it's going to go away anytime soon. 1706 is still on the books. [laughs] You could still get a few of the old guys, grumbling and mumbling, by saying, "Oh, yes, NACCB has done this, this and this. We've dealt with this issue and this issue." And they'd answer, "Yes, but 1706 is still on the books." [laughs] But it's kind of irrelevant right now as far as I can tell. That's more of an idea than a real problem. Anything else you want to ask?

Yost: No. This has been extremely helpful. Thank you very much for your time.

Gentry: Ok. Well, I've got a telephone and email so if you have further questions as you look at the material, or you just, "Oh, I forgot to ask..." You know where to find me.