David Butler

Interviewed by

Alan Cane

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It's the afternoon of February the 1st here in London, England. I am Alan Cane, formerly of the Financial Times, and today I am talking to the information technology consultant David Butler. David started in the industry as a programmer more than 50 years ago, but his principal claim to a place in the pantheon of IT greats was the formation in 1979 of Butler Cox, which refined and focused the business of IT consulting, and promoted the idea of multi-client research. We will talk initially about David's business career before moving on to his background and influences, but first I'd like him to describe briefly the highlights of his career.

Well one of the most important things, together with George Cox, and some other colleagues, I set up Butler Cox Plc and the Butler Cox Foundation. We led major corporations and public agencies to understand the significance of the computer revolution. We helped the members of the Butler Cox Foundation to transform the computer from a mere housekeeping tool to a creative driving force. And we led the way in understanding the convergence of technologies, the advent of the online revolution, and the role of the modern chief information officer.

[01:36]
Thank you very much David. Now let's turn to your business career. You started in business as a computer programmer with the Hertfordshire County Council. Now, your education was chiefly in the, now it's the humanities.

Yes.

Why did you, why did you start as a programmer?

Well, when I was at Oxford my college had a scheme by which the people who graduated in the previous year would come back to talk to the people about to graduate about what they were doing and what the opportunities were for graduates at that time. But when it was our year, the people who came back, a number of them were working for large companies, big, well-known companies, as graduate management trainees. And they told me that, of those three words, one was true, they were graduates. They were not getting any training and they were not doing any managing. It sounded awful. They were really clever, cheap labour.

Mm.

So I decided I didn't want to work for a company like that, so I decided to apply for a job in the public service, and I was offered a job by Hertfordshire County Council, at County Hall in Hertford. Now, the job they gave me was actually in the finance department, and I found the work there to be very tough, and also not rewarding. What you did in those days, in the finance department of a county council, you worked like mad preparing the annual budget, and then you collapsed in a heap, and then worked like mad preparing the annual accounts. You never went out of the office, never met anybody. Just spending your whole time turning a Brunsviga and going through tables of numbers. So, I didn't find that particularly rewarding. But then, the County Council, after I had been there for, I think a year and a half, and I was really uncertain as to what I wanted to do, the County Council put a notice up saying that they were buying a computer, and there were vacancies for two trainee computer programmers. Now Alan, this was so early, I can tell you…

Oh indeed.

Computer was spelt c-o-m-p-u-t-o-r. [laughs] Anyway, I decided to apply. I didn't know, didn't have the faintest idea what being a computer programmer was all about, but, it sounded more interesting than what I was doing. They had over 100 applications for those two jobs. One of them went to a guy who had a first class degree in maths from Bristol, and the other one went to me. And the reason I got it was, most of the other candidates were streaming over to the county library and getting out books on Boolean algebra and binary arithmetic.

Mm.

I got hold of the report which the county treasurer had submitted to the finance committee justifying the purchase of a computer. So when I went in for the interview, and the treasurer was sitting there as one of the interviewing panel, they said to me, 'Why do you want to work in the computer department?' And I said, 'Well, I believe it's very important for the future of the Council.' And they said, 'Well why do you

believe that?' And so I said, 'Well, as the treasurer put it in his report.' And they all glanced at each other as if to say, 'This boy's got his head screwed on.' [laughter]

Very good.

[05:21]
So I got the job. But, in those days… Tell me if I'm going on too long with this.

No no, fine.

In those days, they had training courses for programmers which taught you the language. We were using the NCR NEAT compiler, which was one of the earliest compiler languages.

Yes. Which computer had they bought?

315.

A 315. Mm.

And, they were… They had courses to teach you the language, all the detail of the language, but there was no tuition given on how to write a program, none at all. So for the first two weeks I really struggled. Give you an idea. I was writing a paper tape input, program, and I thought to myself, there must be hundreds of thousands of characters on this paper tape. If I have to write a routine to read each one, there will be hundreds of thousands of instructions.

Mm.

So how do I deal with that? I had not grasped the notion of iteration. And, about two weeks in, I had a dream, and the computer manager sent for me in the dream, and he said, 'David, I have news for you. We are not working on the accounts for Hertfordshire County Council. We are part of the NASA space programme. And I am dropping you from the team.' And I said, 'John, why are you dropping me?' And

he said, 'Because you don't think like a man.' [laughter] Anyway, after two weeks, I got it. And I sat down over a weekend, rewrote my program, and it ran first time.

What would that program have done?

It was only, reading in some figures from paper tape and printing out an alphabetically sorted index of people and how much they owed. It was to do with private street works.

Mm. Very basic but advanced for that day anyway.

Yes. And, above all of course saving a huge amount of clerical time recording these debts and adding them up on a Brunsviga for somebody.

Sorry, the calculating machine is called what? That's even before my time.

Yes. It's called a Brunsviga, b-r-u-n-s-v-i-g-a. It's otherwise known as a rag tearer, because you set the keys to the numbers you wanted and turned a handle. It was purely mechanical, it wasn't electronic.

[08:06]
No. Oh thank you. Now, the training. I mean, who was training you even in the language, let alone in programming?

Well, the NCR people had their own language teachers. But, teaching of how to write programs was done by the experienced programmer on your team. Now, I have to say, I had a long career and I did all kinds of work. I never found anything as satisfying as writing programs.

Really?

It was wonderful. I regard writing a good program as very much like writing a poem. It has structure, it has logic, and when it ends you have a feeling it could not have ended any other way.

Mm.

Do you know John Dunne's poem about the compasses?

Oh yes.

And, I think, the final line is, the final two lines I think are something like, I haven't got this exactly right, 'Makes my full circle run, and makes me end where I begun.' And I always think of Dunne as throwing his pen in the air and saying, 'Bloody hell, I nailed that!' And just the feeling you have when you write the program and it has this logic and beauty and form, and the computer just does exactly what you want it to do, is wonderful.

So this is why people who come from your kind of academic background, Greats, and the like, are as competent to write programs as people who are trained in mathematics.

Yes. Well I remember some recruiter, I forget who it was actually, being interviewed on a radio program, and they said, 'What background do you seek in people?' And she said, 'Well, first, obviously, Classics.' And I thought, yep, I understand that. We invented a club called Super Programmers.

Mm. Tell me about that.

And, I mean it was just a collection of people who were working on 315 machines in different installations, and, if somebody said, 'Well what is a super programmer?' the answer was, if you have to ask, you're not one.

[laughs] You stayed with Hertfordshire for four years writing programs.

Yes. Well, in those days, one, because of the shortage of, of people, of experienced people, one could advance pretty quickly. I became a systems analyst, a project

leader, during that time at Hertford, and by the time I left I had been managing my own projects for, for a few months.

Was that well paid at the time?

No. No it wasn't. I think… I can't remember. I think it was certainly less than £1,000 a year.

[11:05]
Mm. OK. So, in 1964 you moved to the North West Metropolitan Hospital Board.

Yes.

As computer manager. Now, why did you do that, what was the impetus?

Well, the impetus was really, I was married with two children by then, and, I was living in a house which was owned by the County Council. I wanted to earn more, and I wanted to buy my own house, and I realised I had to change jobs to do that. And I can, I can remember, when I got the job at the hospital board my salary was £1500 a year, and on the strength of that I bought a house and a new car. [laughs] It's amazing to think of that now.

Indeed. I think I remember the same kind of thing in my career at some stage.

£1500 a year seemed like a fortune.

Absolutely. And you were appointed Computer Manager?

Yes.

This was on the basis of the fact that you had been a project leader and you had been running your own team?

Well, it wasn't really. In those days, they thought the machine was everything. They were buying a 315. I had worked on a 315, and they thought this, you know, that's what counts. Of course we, looking back now, we realise that was a really ridiculous way of looking at it, but it was the way that they looked at it then.

Why did they buy an NCR machine, the 315, when, I mean IBM had just launched the System/360.

Yes. Have you ever heard of CRAM? The Card Random Access Memory. It was a big seller.

No. [laughs]

It was something which was invented by RCA in America and then sold to NCR. And what it was, you had Mylar cards, about a foot long, three or four inches wide, with tracks on them. And these cards had binary notching across the top. And they hung from rods inside the drive. And when you selected a particular card, the rods turned and that, the card… There were 256 cards in a pack. That card would drop onto a rotating drum. So you had momentarily turned that into a magnetic drum. And it could read and write information off that card. This was in the days before disks, yah? So this was the first time anyone offered a genuine random access [inaud] memory, as opposed to magnetic tape, which of course was serial. And so it sold a lot of 315 machines, because… Now, it was fine when they worked OK, but occasionally, these Mylar notches would wear, so occasionally you'd drop two cards at the same time. And then it made a horrible screaming noise and sent everybody… [laughs] But, it wasn't, commercially it wasn't a success. I mean, they always said, the guys, the guy who had bought it at NCR must have been drunk. But, it was… It taught us how to handle random files, and that was really important. That was a terrific skill to learn. When disks came along, we knew what we were doing.

[14:36]
Mm. Well, you say in your CV that you survived the hospital board.

Yes.

What's the story behind that?

The story is… I made two fundamental errors, and looking back I can hardly believe that I did. The first one was that, the Council had ordered a computer, it hadn't yet been delivered, so the programs were being developed for that and we were testing on a, our machine at St Alphage House in the City. But it, it had a punch card installation, and because they knew they were getting a computer, that punch card installation had been neglected for some years, and it was really unreliable, kept going wrong. I was responsible not only for the introduction of a computer but for running the punch card installation, and I should have said, 'No, I'm not going to… I know nothing about punch cards, they belong to the past, I'm not going to run that. If you want that to survive, you get someone else to do it.' Actually, what we should have done was outsource the whole thing to a punch card specialist bureau, who would have had reliable equipment. But I didn't see that. The second thing I did, which was even more stupid, looking back, my predecessor had produced a plan, and then resigned. And he was off to a better paid job with another council. And, I accepted his plan. I should have said to them, 'I need three months to vet this plan and see if it's feasible before I'm committed to it.' But no, too stupid, too inexperienced to that. So I found myself saddled with a plan that was completely impossible.

Mm.

So, I had a tiny team, I was coping with this computer with the punch card system, trying to develop the program, the programs for the installation. I was working absolutely flat out. I was living in Hertford still, and my office was in a hospital at Enfield. So, one night, I was driving home in the early hours of the morning, and, I drove off the road. I fell asleep at the wheel, drove off the road, ended up in a ditch. Fifty yards further up the road I would have hit a concrete pillar. And, a two car, a tow vehicle came to draw me out, and a policeman was there. This was in the days before breathalysers, but he smelt my breath, he said, 'You haven't been drinking. I can tell.' I said, 'No, it's just my job. I'm working about sixteen hours a day, and it's really…' And he said, 'Well, I'm only a policeman, and I would advise you to get another job.' [laughter] Maybe he's right.

[17:54]
The other thing, which was really funny. When I arrived at the hospital board, the first thing I did was to reconfigure the machine they had ordered. They had, because they had the punch card equipment, they had intended to keep using punch cards. And that meant adding a punch card reader to the configuration, because it wasn't standard.

Right. Yes.

And I worked out that, scrapping those card punches, buying paper tape punches and verifiers, because the tape reader was integral to the machine, would save about £15,000 a year on the rental. And also… And, they were saying, 'Oh, my girls know cards. They'll have to learn…' And I said, 'Look, come and visit Hertford with me. It's so, so much easier.' I mean, the amount of time you spend putting a card in the punch, taking it out, getting another one, all that goes with punch paper tape. You just have to punch in the characters. So they came and looked at Hertford, and they talked… I mean, wouldn't listen to me, they talked to women like themselves who had been using punch paper tape equipment for probably a few years.

Yes.

And I said, 'It's easy. They wouldn't go back to cards, cards belong to the past.' So we did that. We had a job persuading NCR, because there was a contact, but they did accept that they were going to. We would buy the punch card equipment from Creed, and cancel, the card reader would be cancelled. And I thought to myself, I've saved the Council £15,000 a year. That's… And when I resigned… The deputy treasurer of the hospital board was a friend of mine. I didn't like the boss, but, the deputy, his deputy. We went and had a drink. And he said to me, 'You know the biggest mistake you made, why they're so glad to see the back of you?' And I said, 'Accepting that plan without looking at it? Agreeing to run the punch card?' And he said, 'No. Reconfiguring the machine. You made the boss look like a fool.' [laughter]

Ah, right.

But, as ever, I mean I think you learn most from the things you don't get right, and I learnt so much from being at the hospital.
[20:31]
There's another, just, another story, which I will never forget. A guy came into my office, and, he knew I had a contract with NCR for machine time at St Alphage House, and he was running a mass radiography service where they would go around factories and offices, X-ray people's chests, keep track of them. And he had a huge bunch of punch cards, about three years' data. And he said, 'I want you to use your time at St Alphage House to analyse this.' And I said, 'Well, there is an NHS computer devoted to research, I happen to know.' And he said, 'Yes, but it's booked up for the next year.' So I thought, well I'm paying for this time anyway, I probably don't need it all myself. Why not? So, he ran his cards on the St Alphage machine, and it came back with tabulations. Whatever the weather was like, he always wore a raincoat, and he'd come into my office, take a packet of biscuits out of his pocket, and say, 'Would you like a biscuit?' [laughs] He was a weird guy. And, he's said, 'Like this chap, he was, he had three scans, three X-rays, over a period of two years, and then he disappeared. He's dead. He smoked thirty cigarettes a day. He's dead.' I said, 'Well you don't know that. He might have got another job somewhere, or, retired, or, been taken ill with something else.' He said, 'No no, he got lung cancer and died.' And I said, 'You don't know that.' And he said, 'Oh, I've got to get my grant renewed.' [laughter]

That's good. Oh.

So, that was the end of my story at the hospital board. As I say, I learnt so much from that.

[pause in recording]

Is it still working?

It's still working, yes. I'm just… Yes, I think we're fine. Actually I'm wondering whether to stop and just check. But I think it's, it's running OK so we'll carry on.

[22:46]

Must have left you with a long-lasting sympathy for computer managers. I mean you dealt with a lot of computer managers in our subsequent career.

Yes it did. And I think that, I think that it encouraged me… I think when I was a computer manager, there was a fear of facing reality. There was a feeling that, I've got, I've got to pretend everything's OK, even when it isn't. Even when I know that, something's badly wrong. My boss got worried about the situation and he brought the King's Fund in to do an audit. And I'm sure he expected that audit to say, 'Butler's hopeless; get rid of him and you'll have a good chance.' And what they actually said was, 'Mr Butler is short of management experience, and that shows, but essentially, you've set him an impossible task.' And he didn't like that.

No. [laughter] So you resigned from the hospital board?

From the hospital board. And, they were glad to see me go. Because at that point I could be blamed for everything.

Ah, of course. Did you have another job to go to at that point?

No I didn't. No.

That was very brave.

Yes.

I mean, mortgage and all the rest of it.

Yes. But in those days of course there were so many jobs going in IT, and, driving off the A10 into a ditch settled it for me.

[24:30]

OK. So you joined Urwick Diebold. Now how did that come about?

That came about, I applied for a job, I can even remember the company, it was Wiggins Teape.

Wiggins Teape, indeed.

The paper company. And I applied for a job with them as chief programmer. And although that seemed a step down from being a computer manager, it was a much bigger installation, more money, more responsibility, and so forth. So I applied for that job, and I went for an interview somewhere in the north of England, I forget where. And to my surprise, I was not offered the job. I thought I was an outstanding candidate. So, a consultant had been sitting in on the interview, and, so, out of curiosity, I rang him to say, 'Can you explain to me why I didn't get the job?' And, I had been asked, what were the responsibilities of a chief programmer? And I said, 'Well, the first thing is to be the best programmer in the outfit. And the second thing is to help all the programmers be as good as they possibly can be, to insist on high standards, and delivery responsibility.' And he said, 'You didn't say anything about managing the team. And that's why you didn't get the job.' So, I then said to him, 'Could I, do you think I could come and see you, to discuss my career?' And he said, 'Yes, of course.' So I turned up at the consultancy firm, which was Urwick Diebold. And I said, 'I'm here to see Mr Gilbert.' And they said, 'Oh, he's not here. Sit down and wait for him.' It turned out he wasn't there, but the operations manager for the whole company, who was in effect the deputy chief executive, was there, a chap called Bridgman. And he sat down with me, and we went through my career, what I had done. I was very candid about what had happened to me in the hospital board. And at the end of an hour he offered me a job.

As a consultant?

Yes. Yes.

So that was a big change from computer managing, and indeed programming.

It was. I think, I think they detected in me someone who was articulate, and someone, possibly a quick learner. And that's what they were interested in. And as it turned

out, I don't know for sure, Alan, whether he had this in mind when he offered me the job, but, at that time, Urwick Diebold was the manager of the UK branch of the Diebold Research Program.

Yes.

And that was my first project. I was seconded with a guy called Nigel Fossey to run the UK programme.

Now what was that at the time?

Well, nowadays, clubs for CIOs are old hat, I mean, they're mostly dying out now. But John Diebold, the American, created the first one, the very first one, way back in the Sixties, when there was nothing similar. And, it was called the Diebold Research Program. The first thing you realised if you began to work on it, the one thing it never did was any research. But, computer managers in big companies were very lonely souls. They couldn't, they couldn't be too close to their staff, otherwise they'd lose their status. And they had nothing in common with other people at the same level in the company. So they got terribly lonely.

Mm. Indeed.

And, John Diebold gave them a chance to get together and compare their war wounds, encourage each other, and to convince each other it's all worthwhile and so forth. And it was a brilliant stroke. He got hundreds of members in the States, and then, in Europe he had different companies running it in, he had his own company in Germany, Diebold Deutschland; he had Urwick Diebold in the UK; he had Berenschot-Diebold in Holland. And these were, these were all reputable consultancy companies that were, we had a group of, I suppose about 30 UK companies who were members.

Yes.

And, it was a complete eye-opener to me, and, we would… I remember going to a meeting in Paris, and staying in the George V, and, it was, compared with having fish and chips at the hospital board [laughs], I mean it was a completely different world.

[29:55]
Mm. But how did you, how did you tackle that, and how, you were talking to big companies, the CIOs of big companies.

Yes.

How did, what was the entry, how did you get them to give you time?

Well, the name of Diebold opened a lot of doors. I mean at that time he was one of the most famous people in the IT world. So that… But, the most important thing was listening. I could go and see a CIO, and listen really… they weren't CIOs in those days of course, they were computer managers, and listen really carefully to what he was saying. They were nearly all men in those days.

Mm.

And, then think about what we had in the locker at Diebold, the reports we had from America, the people I knew. And, and on that basis, be able to suggest a way. And it was largely psychological to be honest, it was largely understanding just how miserable and lonely this guy felt, and giving him a feeling, here's someone who wants to listen to you. It's like being a therapist almost.

Indeed. Well the CIO and the DP department were wholly new animals in the, in the farmyard, weren't they.

Absolutely. And, they were, they hadn't got a catalogue of experience to rely on, and some terrible mistakes were made.

Mm. And indeed continue to be made. [laughs]

Yes.

But, where were you and the rest of Diebold getting your experience from?

Well, it was… Some of it came from New York. The programme in America was not well directed. John didn't… But, John's idea of research was to get some graduate, some doctoral student, to hand over his thesis, and then try and get something out of that that was relevant. But, he had some fantastic people working for him. He had Naomi Seligman and Ernie von Simson, who set up the Research Board, which is the most successful research programme in the world for IT people. And...

Just let me take those names down again.

Naomi Seligman.

And how do you spell…?

s-e-l-i-g-m-a-n. And Ernie von Simson, and I think it's s-i-m-s-e-n[sic], I think.

s-i-m-s-e-n.

If that's not correct, you will pick it up on Google.

We'll check. Yes. [correct spelling is Simson]

And that, these were fantastic people, really talented, brilliant people. And they worked for John because of his reputation. I could spend the rest of our time talking about John. I don't know whether George…

[33:03]
George talked a little about John. I'd like you to talk about John as well.

OK. He, John in some ways was a genius. He saw the computer revolution coming, and, he invented the word automation. And he, he started work with an American consultancy company called Griffenhagen-Kroeger, and then, a few years later bought the company he worked for. And, he had tremendous grip on the, when he spoke, the *Wall Street Journal* would report it, and so forth. However, he was an awful person to work for, he really was. He was vain, he was insecure, he was… Just jumping ahead. When I became the Director of the Diebold Research Program, which was a few years later, and Director of the European Research Program, my predecessor had been a guy called Henry Sherwood, whom all the members absolutely adored, and Henry pushed off because John had treated him so abysmally. And so I was appointed in his place. We had a management meeting, and the members of the management committee, which was the management of all the Diebold companies in Europe, were asked to guess how many members we would lose as a result of Henry's departure and David taking over. And the assessment was, if we got away with 20 or 30 losses out of the 100 or so, we'd be doing very well.

Mm.

A year later we did not have 20 or 30 minus; we had 20 plus. I had turned the business around in a year. However, I had done this, but basically, by being in an aeroplane every day of the week. I mean I was doing three countries in one day, and talking to the members, getting them to introduce me to other CIOs that they knew and so forth. As a result of that, the discipline in the office in Frankfurt had gone to hell. People were taking three-hour lunches, and, no one was doing any work. The accounts were way behind. So I thought, for this coming year, if I'm not careful I'll have 20 new members and nothing to offer them. So I was going to have to stay in the office and get it under control, get some research done. And, so John had this meeting. John said to me, 'So you've got 20 new members. Can you do the same this year?' And I was just, I said, 'No.' And I was just about to explain why, and he said, 'Oh, just a flash in the pan.' [laughter] And that was his way of rewarding someone who had turned a business around for him.

Indeed.

[36:12]
And then, what really clinched it, [laughs] we had the head of… The President of Diebold Europe was a Frenchman called Desazars de Montgailhard. He was an aristocrat. He had been, he had had a distinguished career in the French armed forces before he took over at Diebold. He was only about five foot two inches tall. We called him the hero, Dien Bien Phu. [laughter] And, I can remember reducing the conference secretary in Paris to tears of hysterical laughter. And she said, 'He never attends any of the conference sessions, but he fills in an evaluation sheet, and he's quite critical of some of the sessions. It's not fair.' And I said, 'No, it is fair. He's there all the time, but you can't see him over the back of the chair.' [laughter] She was weeping with laughter. Anyway. He, he said to me, at a management meeting he took me on one side, and he said to… I was running the Diebold Research Program, and George was running the UK. And he…

Ah, you had recruited George by this time?

Yes. Yes.

This is George Cox?

Yes.

Yes, indeed. Mhm.

And he said, 'John is going to appoint someone to be George's boss. He has worked for, this guy has worked for John before, and was very successful, and he said, 'David, it's your job to persuade George to accept the situation.' So I said, 'Well, I can't promise to do that. I will present it to him in the most positive way that I can, but, I don't think he'll take it well.'

Mm.

We both were building our businesses in a very, I thought very satisfactorily way. Not enough to satisfy John. So, I told George what was planned. And George wasn't

thrilled. But then, then I found out what Desazars had not told me, that he was to be my boss as well.

Ah.

So, George and I said, 'What are we going to do? We can't stay here. Either we leave and form our own company, or we just push off individually. There are plenty of jobs.' And, so we had a meeting at Brown's Hotel with four others, who were the best people that we had recruited, and we said, 'What are we going to?' And we decided to leave together and set up Butler Cox. But then, that was typical of the Diebold environment. You bring someone in. Oh, the guy they brought in, nice enough guy. Totally useless. Didn't sell, didn't sell a penny's worth.

Ah, that's interesting. George's version of the leaving was that he had taken a scheme to John Diebold outlining the future really of the integration of the industry I suppose, which Diebold just didn't want to listen to, because his plans were elsewhere. And, so George was very unhappy, and, clearly you were very unhappy at the same time.

Yes. I, I wouldn't quarrel with George's diagnosis. I know we did present a paper on convergence and John just didn't seem to understand it at all. But, I still think that the imposition of someone over his head was intolerable for George, and for reasons I fully understand.

Mm.

I mean, if someone had come to him directly and said, 'George, you're not going to like this, but will you try it?' he might. But to do it in that round-the-corner way and underhand way.

[40:36]
So you were with, first Urwick Diebold and then Diebold Group, for quite a long…

So…

Sorry. No, do carry on.

Urwick Diebold packed up. John decided he wanted to be free to set up his own business in the UK. So that partnership between Urwick and Diebold was dissolved, and the…

That was in 1970, was it?

'69 I think.

'69. Yes.

And, so a company was set up called Urwick Dynamics, which was the old operation, but no longer linked to Diebold. Now, in the Urwick Dyn… [laughs] This is another, almost incredible story. In the Urwick Dynamics era, UD had a boss called Frank Warner, and Frank was an extraordinary person. He was a terrible drinker, and, he, he cultivated an aura of eccentricity. I remember him saying once, 'We've got a problem with discipline in the office. The girls are typing when they should be doing their knitting.' [laughter] He used to go, he would go into a really upmarket restaurant, and when the sommelier brought the wine he would say, 'Yes, that appears to be full.' [laughter] All the time that he was in charge the Urwick's computer business made a lot of money, and then, eventually they got rid of him and put a sober, sensible guy in, and it went bust. But, he, he called me in to his office one day. I was, I think I was… Actually, I was doing a, a consultancy project by then, I was working in the field, as I should have been all the time really. And he said to me, 'I'm fed up with reading about Hoskyns in the press. The work we do is just as interesting as them, and nobody ever mentions it.' I said, 'Frank, I think you're right.' He said, 'I want you to put that right. I want you to set up a PR department.' And I said, 'Well Frank, I know nothing about that.' He said, 'You're a good writer, you're a quick learner, you can do it,' So, I said, 'Let me think about it.' So I went away and thought about it, and I came back, I said, 'Frank, I'll do it, on one understanding. I'll do it for two years. I'll set it up, but then I want to be back in the field, doing consultancy. That's what I came here to do. And, I [will recruit now someone to take

over from me in two years' time' So he said, 'OK.' So I started finding out what PR was about, talking to people like you, and, recruiting someone to help me. Turned out to be a young Australian woman called Frances McMahon.

Ah. A name to conjure with.

[laughs] And, so, I, I fairly quickly learnt that, you could do, you could spend your whole time on a myriad of small projects, which accumulatively didn't have much, or you could head for a big project and try to make it work. So we devised something called, I don't know if you remember it, called City Sixty-Nine, computer impact teach-in 1969. And all the big IT conferences at that time were for academics and professionals, BCS Datafair, and things like that. And I said, 'Let's have one for business users, for managers in companies, or public agencies, and let's make it huge.' So, I persuaded Frank Warner that we should do this. I had a budget of about, 30,000 quid. And we took two floors of the Royal Lancaster Hotel. I was fairly friendly at that time with Tony Benn, who was the Minister of Technology, and I got Tony to open the conference. And, the most important thing I got, I got everybody else in the company involved in it. I got consultants… I got three secretaries, Frances and two other women, to be in charge of the administration of each of the three days. We had one day on technology, one day on professionals, and one day on management. And I got those three people. And then I got consultants to be responsible for individual sessions. So that, they would have their speaker, they would meet their speaker, so on. Everybody in the company. The initial reaction when I said we were going to do it was, oh Butler, big head. You know, another one of his fancy projects. But, everybody in the company became involved in it. And, it was a big team success. Anyway, it was a huge success. We had, I forget…

When you say huge success, that's financially as well as in terms of...

Well… It put… Well, the opening address by Tony Benn. I had invited the board of Urwick Orr to come and listen to it, and, they were all gathering before the session began. I had television monitors throughout the place, and the Minister of Technology opens the teach-in. And, Frank said to me, 'You have achieved

something I have been trying to achieve for ten years, and failed.' I said, 'What's that Frank?' He said, 'You've got the board of Urwick Orr taking UD seriously.'

Ah.

We broke even. We didn't make a profit, but we broke even. But it put UD on the map in a really huge way. And we got a portfolio of contacts, of people… We did, we did the ticketing in quite an imaginative way. People could book for three days, different people, or six tickets over the three days, and we gave discounts for that. So it was a huge success. [pause] Anyway, there was a woman who was running PR for the Uriwck Group. She went to the boss of Urwick Orr and said, 'These people are clouding the image. They're getting Urwick depicted as a mere computer company, and they're damaging your business.' So we got closed down. [laughter]

[48:12]
Ridiculous. How was it at that time you knew Tony Benn?

Through the Fabians. I had been a member of the Labour Party for… Actually I joined the Labour Party in 1956, over the Suez Crisis.

Right, mm.

And, I was active in the Fabians so I knew Tony Benn and Jeremy Bray.

Are you still a member in these difficult times?

I'm still a member. I said to someone, it's like being in love with a whore.

Mm.

You know it's a mistake but you can't stop yourself. [laughs] I think Corbyn is hopeless, I really do. I know… I mean, in some ways, some of the views he has, I share.

I think perhaps we'll talk politics after the interview. [laughter] Or we could still, we could start and talk for an hour about that. But anyway.

Yes. So…

And I think just for the tape, we should mention that Frances Mahon of course became your wife and is still your wife.

Became my wife, and the mother of Dr Rebecca Butler, of whom we are intensely proud.

I'm sure you are.

She's a wheelchair user, our disabled daughter, but she's also a doctor.

[49:28]
Excellent. Excellent. Let's go on with the business side. You and George had become dissatisfied with Diebold, and you decided to start your own company.

We decided to start our own company. Every year Diebold had a Christmas party. All the Research Program members and all the consultancy clients would be invited to this. That Christmas, which would have been the Christmas of '78 I think, I went out of the room to visit the loo, and when I came back in there was the new guy, the man that Diebold had appointed over our heads, standing talking to two clients, who looked as if they were there because they were too soft-hearted to leave him completely alone. And at the other end of the room there were about 50 people surrounding George, and said, 'What are you going to do? What are you going to do?' [laughter] That was… I mean we, we had, I suppose we took the life and soul out of that business, but we had no choice. Oh the other thing which was interesting, looking back on it, the last meeting that we went to with John, the last management review, we knew we were leaving. He didn't know that. It was at the Dorchester. And, it was, for us it was just a formality being there, because we knew we were about to depart. This was towards the very end of '78 when the Callaghan government was still in power. And, as we were leaving John said to me, 'The next

big thing in Britain will be privatisation.' And on the way out I said to George, 'He doesn't understand the British mentality at all.' He was right. [laughs]

He was right.

That was the, that was John's tragedy, he could be so right about huge things, and so hopeless. Do you know, he hired a vice-president from NCR and put him in charge of the mail room. He liked humiliating people.

Well we know a number of businessman who are cast in that mould, don't we.

Some of them aspire to higher…

[52:04]
Some do indeed. George told me the story of the golden apples. I'd love to hear your version of that. [laughs]

The golden coin.

The golden coin. George called them apples. [laughs]

We, we had a management meeting, and, John said, 'It will be…' I think it was the twentieth anniversary of the foundation of 'the firm', he never called it the Diebold, it was the firm. 'So we're having some gold coins struck to commemorate the occasion.' He said, 'On one side there will be the crest of Harvard University, my alma mater.' And I said, 'And on the other side John?' And John, rather modestly, said, 'My head. So, I want to know how many you want to order for your clients, but only for special clients.' So he goes first to Diebold Deutschland, and Hans Jürgen Schwab says, 'Five.' I could tell John, John's not impressed by that. He says, 'George, how many for the UK George?' And I think George said seven or something. 'David, how many for the Research Program?' And I said, '100 John.' And he said, 'No no, you misunderstand, they're only for special clients.' And I said, 'John, all my clients are special clients.' And that's what he wanted to hear.

Mm. [laughs] That's a great story.

Now afterwards, George said to me, 'You must be mad. How are you going to pay for those?' And I said, 'George, do you really think anyone in the New York office is going to register what we said, order the medals, get them made, distribute them, and bill us? It's never going to happen.' And of course, we never heard another word about them.

[54:02]
[laughs] Let's talk about Butler Cox. How risky did it seem to you to be, going into business together and going out into the big wide world?

Tremendously risky. We had no outside capital. To… I don't know whether George mentioned this. To get a working overdraft at the bank, we had to sign what's called a joint and several guarantee. That means, if the overdraft wasn't repaid in a certain period of time, each one of us would be responsible for the whole amount. There's no good saying, 'I'll pay my share,' let's say; your share is all of it. And we had to do that to get a working overdraft. I can remember, we hired a really brilliant American consultant. He had worked for some big companies, he was a terrific guy. And, we had this tiny little office in the Press Centre in Shoe Lane. But, we, while we were still at Diebold, we had started working with a man called Nicky Branch, who was the managing director of Binder Hamlyn Fry consultancy, which was an established business.

Yes.

Nicky was afraid that his business was becoming a bit humdrum, and he wanted us to inject a bit of glamour into it with IT. And they had a beautiful office in the Press Centre, and Nicky allowed us to use his reception as ours, and to book his boardroom. And I overheard one of his senior people say, 'Every time I want to use the boardroom those bastards from Butler Cox are using it.' [laughs] Anyway, we, we recruited this American guy, Ed, who was a terrific consultant, and George… Oh, he said to George, 'I'm writing a proposal for a client, a very important project, and I haven't got a chair to sit on.' And George said, 'You sell a project, you get a chair.'

[laughs] And that's how it was. I mean, this… What, what we set out to do, without fully understanding it, was to give the external view of the company as being important, respected, but internally, to be as careful and mean as we possibly could.

[56:45]
Mm. Who were your first clients?

Well, we had been doing a project. George told you about Rubber Duck?

I don't remember that. So tell me about it.

OK. When we were at Diebold we started a project for Plessey. And it was… Plessey realised that in the age of convergence their business was doomed just making telephone exchanges. So they hired Diebold to look for a better future. Then when we left, their strategic director, Colin Williams, invited us out, George and me out to dinner, when we were still at Diebold but about to leave. And he said, 'So what are you going to do?' He said, 'We can't tell you.' And he said, 'What do you mean?' We said, 'We're still employed by Diebold. We can't talk about what we're going to do on our own. It would be, unethical.' And he said, 'Come on.' [laughs] And we said, 'No. We will not discuss it.' And I know he was tremendously impressed that that was our approach. So, when we left Diebold, we were free, and Plessey approached us and said, 'We want you to take over the project.' It was as huge ongoing project, operating at board level. And it was so confidential that we had to have a code name for it, and it was Rubber Duck. So that was our first big project.
[58:20]
We also… We decided to launch the Butler Cox Foundation. Now, my biggest problem was getting that through the board of Butler Cox. Actually we didn't have a board, we had a partners' committee, but it worked as a board. Nobody else wanted to do it. They said, Diebold has got 200 members worldwide. You have spent a lot of time and effort making the UK a formidable operation. We can make a living as consultants. Why should we risk doing research? And I was absolutely determined that we would do it. And eventually, I think, I think the view of the others, including George I think, was, David will try it for a year or so; it will fail, and then he'll see that we can't go on. And, Frances and I had a vacation in Italy, on the island of

Ponza, which is in the Tyrrhenian Sea, out beyond Naples. And I thought to myself, there is something that we can do to make the Butler Cox Foundation a success, but I don't know what it is. So I spent thirteen days lying in the sun thinking about this. And on the fourteenth day it suddenly came to me. A blinding glimpse of the obvious. We'll do some research, something Diebold had never been willing to do. So, we set up the Butler Cox Foundation, and we started something called the Grey Book. And what the Grey Book was, was a list of possible projects that we could undertake. And it was sent to all the members, and then they would come back and they would vote for these projects. And we would tackle, we would tackle the most popular, the most urgently demanded ones. Occasionally we would put one in saying, 'This is even more important because you don't think it is.' But mostly we followed their direction. And that was something Diebold would never have done, to give power to the members. So, when we got back, I started selling membership of the Butler Cox Foundation, and, I got the same story everywhere: we like your ideas but we're still members of Diebold, and we can't possibly justify being members of both. And this went on for about three weeks, and I got so nervous about it that I started making follow-up calls from home, because I didn't want the guys in the office to know how difficult it was proving.

Sure.

And eventually, I was speaking to a guy called John Playfer, who was the computer manager for Rank Hovis McDougall. And John said, 'Well, it's very difficult for us to justify membership of two programmes simultaneously. Our subscription to Diebold doesn't run out for another eight months.' And I was thinking, oh yeah yeah yeah.

Was that John Playfair?

Playfer. p-l-a-y-f-e-r.

OK.

And then he said, 'But, we have decided to join your programme for a trial year.' And I thought, I'm not sure I'm hearing this right. [laughs] Is this one of the guys in the office having a joke? But they did join. And they were the first. And then, the next week I got Shell, BP, ICI and Unilever, in one week.

So what made the difference?

Confidence.

Confidence?

Yes.

Their confidence?

No, my confidence.

Your confidence.

I was off the starting blocks. It's like getting your first run.

What were you selling them? I mean, the, the idea of this, this family who can share experience, or, or the research itself?

The research. Just, it's the…

What research had you to sell?

We'd say to them, 'Look, here's a list of the programme for the first year. You can't afford to be left out. This is going to, this is going to be the thing, these are the things that keep you awake at night. We've done a study, we know these are things that keep you awake at night.' I had a fantastic conversation with Unilever, Brian Maudsley was the contact there, and I said to Brian… He said, 'Oh, we'd like to join.' He had a terribly mournful voice. [laughs]. Even when he was happy, he

sounded mournful. He said, 'I would like to join, but I can't justify two subscriptions at the same time.' I said, 'Brian, I want Unilever to join. Pay what you like. Pay 5 pence. Pay a penny.' So they joined. And guess what they paid? Full subscription. [laughter]

Very good.

And from that point on, it was like wildfire. We were up to 50, 60 members in the UK, and then we were starting in France.

[1:04:00]
But how did you go about the research? I mean researching IT topics is difficult, researching the future is difficult. Where were you getting the people to do it, how were you doing it?

Well, at any point… You see, this is… The great… There are always problems, there are always elephants in the room, with IT. We… Take the convergence of technologies, for example.

Yup.

We had the computer industry, the telecommunications industry, and an office systems sub-industry, which really consisted of Wang and a few imitators. And, if you talked to anybody in IT, he said, you know, these are going to become one. You will have one device that can do computing, telecommunications, and word processing.

Mm.

I said, 'Yeah yeah yeah. Tell me something I don't know.' So that, I gave a talk at BCS Datafair that year, and in the first few minutes I covered their terrain, and I could see they were all thinking, yeah yeah. And then I said, 'So the question is, in your organisation, who gets the job? Is it your computer manager, or your telecommunications manager, or your office systems manager? Or maybe they bring

in somebody from outside over the top of all three.' And they were thinking, shit, they'd never thought of that. This brings it home. This gives it reality. Is he any good? I'm looking at him and thinking, is he going to be the one? And, so, we, we found a way of project management; there was nothing new to be said about project management, but we found some Californian psychologists who had studied the mental aspects of why projects fail, and the people read it. Do you know, there are people who still have our reports? [laughs]

Oh, I know. And they're still very highly regarded.

Yes. And, it was all a question of being, that initial stroke of asking the members what worries them, or what excites them. And I tell you, there was a moment which I'll never forget, and I know George remembers it too. In every country where we have members we set up a steering committee that would advise us on how to run the business in their country. And, there are two things I remember. One is, we had a meeting of the UK steering committee, and it was chaired by a man called Donald Fearnley, who was the financial director of Rowntree Mac. And, George and I were there, and the other members of the committee sitting round a table talking about a particular thing. And Donald said, 'What we should do…' And I glanced at George. 'What *we* should do.' The foundation belonged to them. And that was perfect. Just perfect. We want… We want them to think of it as their family. And we are just the ones who look after it.

Mm. Did the foundation become the biggest part of Butler Cox, in terms of revenues?

I think in terms of revenue, it was always about equal to the consultancy. In terms… The measure we took was… What did we call it? It was, it was yield per day. And the foundation just overtook the consultancy in the last couple of years, in terms of the net yield of work.

[1:08:00]

The other thing that happened the steering group. I went to Italy to set up the steering group in Italy. That was, building the business in Italy was really interesting. We had a very good agent there, he sold loads of members. He was very poor at sending any of the money to London. [laughs] But, I went to set up this steering committee. We

had dinner in a hotel in Milan. And, feeling that the meeting was intensely uneasy, and I couldn't decide why I was not hitting the right buttons. And then, I suddenly realised, and I said to them, 'Let me give you a lesson of our experience in other countries. In order for this steering committee to do a useful job, it is not necessary that it should understand its own function.' And they said, 'Oh, great.' [laughs] From that point on, it was, it was fun.

[1:09:05]
What happened to Butler Cox?

Well, we set up successful businesses in France, Germany, Italy, Sweden. We never, we never got a business in Spain for some reason or other. Anyway.

And America?

Let me tell you the story of America.

OK.

I don't know if George told you any of this. There was an American woman called Randy Goldfield.

Yes, carry on.

She was elected a partner in Booz Allen at an incredibly young age. She was slim, beautiful, eloquent, an amazing conference speaker. She lived in an apartment on the East Side. She and her husband had a house on the Hamptons. And, she, she had left Booz Allen and set up a company called Omni. And she came to London, she, she had an investor in Omni, and she said, he urgently needed to withdraw his money. So, she had to sell Omni. And George and I had dinner with her, and, she had received an offer from a UK consultancy company that she thought was fuddy-duddy and, stick-in-the-mud. And she was depressed about it. And, so, I said to her, 'Maybe Butler Cox should buy Omni.' And I expected George to say, 'No, forget it.' But George didn't say that. He was quite intrigued. We found out it would be easy to

raise money to buy it. What Omni did was produce an annual report on the office systems market.

Oh yes.

And they sold this to all, all the people, IT companies. And, as part of the due diligence we went to New York, and it was a fantastically impressive operation. And, wonderful people. So we decided to go ahead and buy it. As that year, that was the year, it might have been '85 or '86, I'm not sure, when IBM lost control of its market, when there were other people producing laptops and IBM wasn't.

Right.

And the whole paralysis spread through the IT market. Randy was coming to board meetings in London to say it's going right down to the wire, we don't know how many copies of our report we're going to sell. Turned out the answer was, none. Omni was bust. [pause] We had to extricate Butler Cox from it as best we could. It's an expensive business in America. You have all kinds of contingent liabilities. Could have backfronted Butler Cox. But it didn't. I met a journalist, I've forgotten his name, at a management meeting in Saint-Paul-de-Vence, and, we talked it over, and he said, 'It was a terrible business,' he said, 'but, I thought Butler Cox handled it very deftly.' Reported this to the board, and one of our external directors said, 'Did he say deft or daft?' [laughter] But, we did get out of it. It nearly broke us to be honest.

Mm.

So, anyway, time went by. Randy disappeared. Oh the other thing was, as part of the deal, Randy had insisted that she needed a Jaguar. So, we included the Jaguar in the deal. And I can remember… This kind of encapsulates the experience. We, Randy and I were going down the elevator in their building, the East Side, and, with a very, very beautiful woman who was a secretary there. And Randy said to her, 'If you're a good girl I'll give you a ride in my Jaguar.' So I said, 'And if you're a bad girl, I'll give you a ride in mine.' [laughter] Anyway. A few years later George said to me, 'Go out and buy a copy of a book called *The First Wives Club*, and have a look at the

picture of the author on the back.' So I did, and it was Randy. Olivier Goldsmith her name was by then. They made a film of that book, starring Diane Keaton and, oh I can't remember, two… Oh Goldie Hawn I think.

Oh yes. Yes.

And, the other one who's so big and noisy, I've forgotten. Bette Midler. And, so, she had become a successful author. She and her husband had split up. She said he got everything, the house in the Hamptons, and the Jaguar apparently. But, she was obviously a huge success as a fiction writer. And then, one day I picked up a paper and it said that Olivia Goldsmith had gone into hospital for a very routine cosmetic operation, and had died under the anaesthetic.

Oh dear.

So. I will never forget her as she was originally. Very slim and elegant.

Mm. Indeed. Mm. Oh that's very sad story, in its way.

Yes.

[1:15:33]
Anyway, so Butler Cox survived that problem.

Yes.

But, what happened next?

Well, we carried on building the business. The next important thing that happened was, we had a chief accountant called Martin Goodman, who was extremely efficient, and diligent, but very limited in financial know-how. [laughs] He was a Brummie, and I can remember him at board meetings, he'd always say, [with accent] 'Well, this month we have hit record profits Mr Chairman, but can we keep it oop?' [laughter] And, George had a mission, which was lucky for the rest of us, to hire a financial

strategist. So we hired a financial director called Jonathan Hubbard-Ford. And, Jonathan set about preparing the company for an exit. And then, one day, one day CSC walked in the door, and they… We had had a spell of not doing quite so well, and they thought maybe it was going to be a distress sale. But, George decided to open the books to them, and they said everything's fine, you know. And they went away. And they came back, maybe a year later, and said, 'We know you're doing extremely well but we'd still like you to consider.' And at that point, something happened. I did not know, and I will don't know to this day, how normal it is. Jonathan Hubbard-Ford wrote the report for them, for the buyer. They came to Jonathan, and they said, 'We don't really know how your business works. We don't know what are its strong points and what are the vulnerabilities. Will you help us?' So Jonathan said, 'Yes, of course I'll help you.' He ended up writing the report for them. My belief is that, when companies think about an acquisition, they start off in a cool, logical manner, but at a certain point, it becomes emotional. At a certain point they fall in love with the target company, and getting that company is the most important thing in the world. And that's what happened to CSC. They had to have Butler Cox.

Mm.

And Jonathan wrote this report for them to submit to their shareholders showing that whatever they paid for Butler Cox, it was worth twice as much. [laughter]

Mm.

Jonathan is the son of a famous architect, and he went to Radley, and the house. He is frightfully posh, but utterly ruthless. I should say, *and* utterly ruthless. [laughter] And, he did a fantastic job. CSC, the offer CSC made in the end, well, none of us I think wanted to end the business just for its own sake, but, it was impossible to turn it down, really impossible. Kenneth Bishop, who was one of our external directors, former financial director of Debenhams, looked at it and he said, 'Gentlemen, the time has come for the classical manoeuvre known as biting their bloody hands off. [laughs] So we did.

And it was, what, £22 million I think.

Yes. Yes.

83 per cent premium.

Yes.

Very good.

It was astonishing. [laughter] And, the thing that pleases me most of all, they now, CSC now have the Leading Edge Forum, which is the Butler Cox Foundation. The Butler Cox consultancy operation disappeared, as most such acquisitions do, but the foundation survives.

[1:20:05]
Mm. You stayed on with CSC, Butler Cox, for some time I believe.

Yes. I… This is where it gets a little bit tricky. [laughs] I discovered that I could save a lot of Capital Gains Tax by living abroad for a period of time.

Oh yes. Mm.

Now, if… To be honest with you, if Becky had been able-bodied, I wouldn't have given it…

Becky is your daughter who is disabled.

Yes. Who is a wheelchair user. If Becky had been able-bodied, I wouldn't have dreamed of it. But, I really thought, I would save a tax bill of, around £600,000. And I thought that would make a huge difference for Becky. And Frances and I were strong enough to cope with a couple of years apart. It turned out that actually, I was living in, first in Paris and then in Dublin, I was allowed to come back for a few, I think it was 80 days a year, something like that. So it wasn't as bad as that.

Financially it was not as advantageous as I thought, the costs of being overseas were more than I bargained for. But, anyway… And looking back, it might have been a mistake to do it. But, anyway, I did it. And then while I was living abroad CSC approached me to do some work for them, and, I worked for them as a stringer for the next four or five years. I wrote… They had the hundredth Butler Cox Foundation report, which I wrote for them. [laughs] And presented. And I know, the best line… I had a slide that showed the cover of every report we had ever published, and I said, 'Just look.' There were thousands of man days that had gone into producing these reports, and dozens that had gone into reading them. [laughter]

Indeed. David, do you want to have a break at this point, or are you happy to…?

No, I'm quite happy to carry on. You will tell me if I get too involved in anecdotes.

[1:22:40]
No no. What I would like to do now, though, is, this is the point at which you've left Butler Cox and, if you just bring us up to date to the present. Briefly, which, which companies have you been involved with since then, what kind of companies are they, what did you do?

Yes. I did… It's really been a patchwork quilt of different responsibilities. I haven't had a full-time job in any of that time. I did a project for the Dutch PTT, who had an electronic mail system, a secure electronic mail system, which is up and running in Holland.

Actually, probably just for the sake of brevity, just tell us what, rather than, you know, going through the actual projects…

Oh OK.

Just tell us, you know, the companies, what they did, and in a sense why you were involved.

OK.

I only mention this because, you know, we're…

Yes. I need to leave at about half past three at the latest.

Oh, that's, that's no problem at all. I'm expecting to go on for another half hour.

OK, that's fine.

And we do have to talk about your early life and things like that. So, just tell me which companies, what your, what your role in that company was, and, and what…

OK. Well… And, I did a project as an individual for the Dutch PTT. And then, I set up two research programmes called Talisman and a Global Business Partnership Alliance. And I set those up, and then handed them over to a woman called Amanda Crouch to run. And I think she ran… Well she certainly ran the Global Business Partnership for the next five or six years. Then, Butler Basford Lord, I was Chairman of that. And what we did was help companies claim research and development Corporation Tax allowance. And that was quite rewarding, and we got money back for some very active young companies. [pause] I published a second novel during that period, which was called *Lord of the Lightning*.

[1:25:28]
When did you publish your first one?

Oh, back in 1984 I think it was.

OK. OK. What kind of novels do you write, David?

Science fiction.

Good.

The first one… The first one was called *The Men Who Mastered Time*, and that was published by Heinemann.

OK.

And won a prize.

Mm.

[1:26:03]
And then, the project I'm working on right now… As you said, I'm still on the board of Flywheel.

Mm. OK.

I'm writing a report together with Roger Camarass and Andy Nelson on the revolution in outsourcing.

I get the impression that outsourcing is a theme which runs through your business career.

Yes it is. I was on the board of ISTEL, which was the outsourcing company for the Leyland Group. [pause] And, we did, at Butler Cox we did a lot of work on outsourcing, particularly for Unilever.

Mm. OK.

And, that's about it.

[1:27:14]
Yes. I mean, I think at this time, we could talk a bit about your background. [referring to material] Yes, you were born in the UK, on the 1st of February 1936.

That's right.

And brought up in north London.

Yes.

What are your memories… I mean, did you have a happy childhood, good memories, or…?

Well…

They were war years I suppose..

Yes. I think… My parents were very ordinary, working-class people. My father was an upholsterer. And that was in the days long before rich people in Islington and Barnes were having their chaise-longue reupholstered. He was making cheap and cheerful furniture for ordinary people. [pause] To be honest, in those days working-class life was not very enjoyable. Domestic violence was regarded as the norm. Financial worry was perpetual. And, my mother, Ethel… One of the photographs I sent to Helen shows my mother and me when I was about five, and she was a good-looking woman. By the time she was 50 she was old. Bad housing, bad diet, uncontrolled childbirth, had wrecked her basically. When my father… [laughs] When the war, when the Second World War began, my father volunteered for the Royal Air Force, and the reason he did that was not because he had dreams of the wide blue yonder, but because he was afraid the Second World War might turn out to be the same as the First World War, and he didn't want to end up in a trench. So he joined the Royal Air Force. And, lacking any other skills, they sent him to a barrage balloon site, and then when he got there, lacking any engineering skills they made him the cook. And my mother said he was Adolf Hitler's secret weapon. [laughter] She also said, what I found very interesting, my mother said that, having, for working-class women, having their husbands away for six years was a bonus, and Adolf Hitler had done them a huge favour. It changed our family completely. My… I was one of six children, and the first four all failed the Eleven Plus, and, basically they failed it because they were expected to. Working-class kids. No books in the house, nowhere for a child to do homework. But, by the time the last two came along, my brother

Jack and myself, my mother had been running the family for six years. She knew what she was after. And she got us through the Eleven Plus, into a grammar school, and then from the grammar school, the county awards system to a public school. And then to Oxford. And, the idea… I mean, nobody in my family had ever been to a grammar school before, let alone a university.

No indeed. Mm.

When I… My brother went to Oxford, to Mill Hill first, and then, three years later I applied. And we got a letter back from Middlesex County Council saying that, because the family had one child already at the school, the second couldn't be considered. So, before the war my parents would have just accepted that. My mother took me to see the MP for Hornsey, and he looked at this letter, and he picked, I remember it, I was only eleven but I remember it, he picked up the phone, demanded to be connected to the chief education officer and immediately was, and said, 'Do you realise you are penalising this boy because he has a clever brother?' Oh God. And, of course I got a letter, we got a letter saying I was admitted.

[1:32:34]
And you were a very good scholar, you did very well at A Level, and very well at university level.

I did.

In humanities. Mm.

But, I, it took me two shots at university level. I left without taking my degree.

Ah. Why was that?

It was really because, I could not cope with university life. I found myself playing a lot of cricket, acting in plays, getting drunk with my friends, and not doing any work. It was entirely my fault. The standard of tuition was excellent. I just didn't have… I had been to a boarding school where everything was organised for you. I couldn't

cope. So I left. And then, I worked in an office for three years, for Sabena, the Belgian airline. And then, I thought, maybe I'm mature enough now to handle Oxford. So, I wrote to the college, and I really did expect them to say, 'No you had your chance and you blew it. We've given that place to someone who deserves it more.' And they said, 'Come up to Oxford and see the warden,' who was Eric Abbott, later to become Bishop of Oxford. And, do you know, he didn't even make me ask. I walked into the room, and he said, 'We always hoped you would come back.' And I thought, God, I love that man. [laughs] So, I went back, and I had two terms to finals. And I worked fourteen hours a day, seven days a week. And I got a First.

[1:34:34]
Mm. And the rest, as they say, is history. [laughter] But, in terms of the way you work, I mean, and, I think George sort of, said that he was the, the sort of cool, logical thinker, and you were the inspirational thinker behind Butler Cox. Would you agree with that?

I think, I'd put it in a slightly different way. I think the main thing I brought to the table was my ability to write, and, I 'm a good writer, and I, I know how to help other people to be better writers. But, I suppose, I would come up with ideas which were very ambitious but slightly un, unreal. And then George would get rather angry, and he'd say, 'We can't bloody well do that.' But then, a few days later George would say, 'Look, we still can't do that, what you suggested, but we can do something which is a bit like it, and which we can afford.' So we would compromise in that way. We were, in many ways, a match made in Heaven. When we started… We started doing the videotext research, which was a real money-spinner for Butler Cox.

Oh, I remember it. Mm.

And, a guy came into the office who was working for the President of the United States, and he said, 'We want to buy a copy of your latest report.' And so George said, 'Yeah, fine.' And I said, 'No. We don't want to sell you a copy. We will give you a copy, if you invite us to present it at the White House.' And, George looked at me as if to say, 'Are you mad?' And, we didn't hear any more for a couple of weeks,

and then I really thought that was it. And then we got a letter to say, 'Can we arrange a date?' So we presented the report at the White House, and we had 20 US clients. We wrote to all the US prospects and said, 'If you buy the report, you can come to the White House.' And about 20 of them bought the report and came to the White House. And, I don't know where that idea came from. It just came. George, George says, it was a ridiculous idea, and it put our business on the map. [laughs]

[1:37:11]
Right. What do you think has been your proudest achievement in your business life?

[pause] I think, the establishment of the Butler Cox Foundation. As I said, the other, the other partners in Butler Cox were pretty hesitant about it. And I, I just had a vision of something which… Well, one of the members said to me, 'I can never decide whether the Butler Cox Foundation is a noble enterprise or a wizard wheeze.' I said, 'Actually, it's both.' [laughter]

Yes it is. Mm.

And, I loved it, I really loved it. And, I mean, I suppose at heart I'm a bit of a show-off, and…

Oh, indeed, no. [laughs]

Walking onto the stage with 150 members in Venice or Berlin or somewhere. We had a conference in Munich, and I had to close the conference. I came on, and I said, 'I have a piece of paper in my hand.' And all of the British and German members started laughing. And the French and the Italians were looking, why is that funny? [laughs]

[1:38:41]
And what do you think was your biggest mistake?

[pause] Buying Omni. Nearly bust us.

Mm. Mm.

There's a another mistake, which is, which you can easily understand. Twenty years after we sold the company it occurred to me, we might have said to CSC, 'I'll tell you what, you buy 40 per cent of the company now; we will guarantee to sell you the other 60 per cent in three years' time, provided you give us access to all your clients worldwide.' Now, that would have been a good idea. Whether it would have worked, I'm not sure. The clients might have taken the attitude, well, we didn't ask these guys to come in. It might not have produced. But, it did strike me… We didn't even think of that at the time.

[1:39:47]
Mm. No. If you had your time over again, what would you do differently?

[pause] May I answer that question honestly?

Mm.

I think, I could have been a successful writer. If I had kept a copy of everything I had written in a portfolio, when I got to Oxford, if I had gone to see the editor of *ISIS* and said, 'I want to…', I probably could have got a job as a journalist. And then I might have made it as a novelist, or a playwright. On the other hand, there are plenty of people who go into journalism with dreams like that; not many of them succeed. So the odds would have been against me. I think I could have been a barrister. I think I could have been an actor. But, when I was about eight, down, down the alley from where we lived in north London there was a light engineering company, and I can remember standing at the door one day looking in and seeing the oxyacetylene lamps, and smelling the burnt metal. And a man came and spoke to me, he said, 'You will see enough of these places when you're grown up son.' And I can remember at the age of eight thinking, I don't think I will. I think I'll do something different.

Right.

So, when I look back at my, at the class origins, and what happened to my siblings, I think, it's just a fantasy to think of anything else. And yet sometimes I do.

[1:41:50]
Have your siblings been successful in their careers?

Well, my brother Jack, who went to Mill Hill and Oxford, died at the age of 32.

Mm. I'm sorry to hear that.

And, just destroyed me for a number of years. I loved him dearly. My, the four older ones, they had all failed the Eleven Plus. One of my sisters became chief financial officer of a crown court, and one of my brothers became an authorised signatory at Chase Manhattan Bank. They had their potential to do well, they really did. And they were thrown on the academic scrap heap. And now, this bastard government wants to reintroduce grammar schools. It's outrageous.

[1:42:40]
Absolutely. Yes. What advice would you have for people setting out on a career in what is now IT these days?

[pause] I think… They need, they need to read the market with enormous care. I think it's full of, it's, there are some huge opportunities, but it's full of pitfalls as well.

Well you've been in the business of, you know, analysis and prediction all your life. How do you see the future in IT?

I want to write an essay entitled 'Do you remember the Internet?' I think the days of a global open network for which nobody is responsible, it would only take the bankruptcy of a major bank, or the collapse of a government, for people to say, we're going back to private networks.

[1:44:00]

Mm. Yup. And, again, looking back over your career, are there people who have particularly influenced you?

Yah. George.

George. That's good.

[laughs] I think, Frances did a fantastic job for Butler Cox. When we were running the first videotex conference, I had gone to Roy Bright at the Post Office as it then was and said, 'We'd like to run these conferences to make sure people understand how to use videotex.' And George said to me, 'It's a longshot David.' He said, 'If they want to go to a consultancy, they'll go to a big boy like PA or Price Waterhouse.' And I said, 'I know, I know.' And to my surprise, BT said… I said, 'OK, we'll work on you.' And I had them sign an exclusive licence not to do it with anybody else. And, the first conference, we booked the Mayfair Hotel, and it has 250 seats in the theatre. And, we had to fill it to break even. So Frances started running around, talking to everybody, and not really getting very far. Until she spoke to a guy whose name I've forgotten who worked at the *Sunday Times*, and, she managed to get him to understand that his was maybe the opening up of literally dozens of online markets. And he wrote a two-page spread in the *Sunday Times* on videotex and our conferences, and what was going to happen. And, we sold 250 tickets. We had another 250 applications. [laughter] And, and so we said we'll have to have another one. And then we started writing the reports, and, everything flowed from that. But it was really Frances who put that on the map.

Well I think we've probably covered the waterfront. David Butler, thank you very much indeed.

My pleasure.

[End of Interview]