Dr Steve Garnett

Interviewed by

Richard Sharpe

14th April 2021

Via Zoom

Welcome to the Archives of Information Technology, it's Wednesday, the 14th of April, in 2021 and it's the afternoon, and we're in Zoom land again, erm, because this time, we wish to be, erm, it's become a very good tool for us in picking up the reminiscences and ideas and contributions of people to the archive.

Now, the… if you've watched the archive and you've seen it develop, you'll realise that the archive captures the past and inspires the future. And we do really bring a very inspiring story to you in the archives today. My name is Richard Sharpe, and I've been erm, following, researching, and writing about the IT industry as it emerged erm, since the early 1970s.

Notice that we want to inspire, we want to inspire people to look at this industry as a very dynamic one, and the man who is making his contribution to the archives today is Doctor Steve Garnett, who comes from Liverpool. And this really is an inspiration, his father was a docker, in Liverpool, and his mother was a cleaner, and he rose to the heights of software management and software development.

So, Steve, your father was a docker, working on the docks, a big manual job, how do you remember him?

[00:01:30]
Well, sadly, he-he passed away when I was only 8 years old, but I have, er, some fond memo-memories of him taking me on his one day a week, er, day off, er, when he wasn't working overtime, he'd take fishing on a rather unattractive canal [laughs]. We never caught anything, of course, but er, that's my recollection. Er, but he was very loving, er, very loving father and he had a very tough time. Sadly, he lost his-his life through er, through smoking too much, lung cancer, at the age of 47 and, er, sadly left my mum, and er, with 3, er, daughters and myself to bring up, er, on her own. So, that was… it was a tragic life for him, and he had also just been caught up in the back-end of the war as well, so, he had a-a-a very tough life sadly.

[00:02:18]
Your mother was a cleaner and there were 4 daughters… 3 daughters, excuse me…

[00:02:22]
3 daughters.

[00:02:22]
And you are the youngest of-of them all.

[00:02:25]
Yeah.

[00:02:25]
How did she manage to keep that household together?

[00:02:29]
Er, with-with, er, great skill and er, really keeping an eye… er, the old adage of keep your eyes and your focus on the pennies and the pounds take care of themselves. We never had any spare money, if, erm, once the-the meter ran out of an evening, that was it, the TV went off, the lights went off and we-we-we went to be, so, I-I-I remember that. But you know, I was always loved, I never went hungry, I was never cold and even though we had a very modest council house in, er, in Liverpool, um, you know, I-I have happy mem-happy memories of growing up.

My sisters, my 3 sisters all had to leave school at 16 because that was the expectation of the day, particularly for women, you know, you get to 16 and you go and join the typing pool, er, and all 3 of them did that, they were expected to bring in a little bit of rent to pay… er, to pay our way and that's what happens.

[00:03:23]
You were born on the 7th of December 1957, and-and in that year, Digital Equipment Corporation was formed in Maynard Massachusetts, in an old textile mill and Fortran was developed by Backus and others in IBM. So, y-y-you come sometimes, when I look through the chronology of your-of your history and your development, erm, you coincide with some very interesting developments in this industry.

[00:03:53]
Mm-hmm.

[00:03:54]
Erm, your parents were Catholic, how did that affect your background?

[00:03:59]
Well, actually, my-my father wasn't so religious, my mum-my mum was, and, at the time, of course, when you-you go to a Catholic school, you believe what you're told. Erm, in subsequent years I've become an atheist, erm, I just don't believe what I was being taught there and in fact, I came to resent it, particularly after my father's death, some of the things I was told about, er, purgatory and h-heaven and hell, and how many Our Father's and Hail Mary's I had to say to rescue him and what have you. In later years, I-I looked back and thought that was rather cruel of the, erm, the religious establishments at the time and the priests who would come in and lecture me on how to save my father. So, I've erm, er, t-to this day, I'm very much a fan of the-the-the, er, the Sam Harris's and the Richard Dawkins, and er, Christopher H-Hitchens of, so-called new atheists, erm, erm, I'm more aligned to them than I am to the Catholic Church.

[00:04:56]
What was working-class life like in 1957, in Liverpool?

[00:05:01]
Well, as I grew up, it was-it was tough, as I-I-I touched on earlier, we didn't… we didn't have much money and er, as I grew up, er, in-in Liverpool, I went to school, I passed the 11 er, plus, thankfully, and went to a school in Everton Valley. Er, but you know the expectation er, Richard, was that you got to 16, you stayed out of trouble with the police, and you got a job and that was deemed a s-s-success, it didn't matter what job, just get a job. Er, that's what every kid in the street did and I got… just got an-an a-a very, very lucky break that I er, had a maths teacher who spotted a little bit of a talent in me. Er, a guy called Mike Howarth, and erm, he said to me, you know, you could… you could go to university. And of course, you know, at er, the age of 16, er, I-I was expected to go and get a job and contribute to-to-to the family income.

And Mike-Mike Howarth, this maths teacher persuaded my poor old mum to sacrifice 2 years of rent, er, to allow me to stay on in the 6th form and do some-some maths A-Levels.

In those days, I was very lucky because, er, the government paid for-for, um, um, poor kids… people like me, who would be means-tested. I got a grant, and I had my university fees paid, should I get there. Erm, of course, in today's environment that's not the case. If I'd gone home at that time looking-looking back, and back on one's fortune in life, if I had to pay for my university fees and gone to my mum and said, could I borrow… I don't know what the equivalent would be in those days, £1,000, £2,000… I know what the answer would have been because we don't borrow… we don't borrow money 'cause we have no means of paying it back.

[00:06:48]
Yeah.

[00:06:49]
So, I would never have gone to university if it w-was the current climate. So, I got lucky, I was in the right place at the right time and that will come-come up, I think, as we go forward.

[00:06:59]
So, you went to Holy Name Catholic Primary School, in Liverpool.

[00:07:02]
Yeah.

[00:07:02]
And from there, erm, you went to the John Hamilton High School.

[00:07:07]
That's right, that's where I met this maths teacher who inspired me.

[00:07:10]
Mike Howarth?

[00:07:12]
Mike Howarth, yeah.

[00:07:13]
Changed your life for the better, you say in your notes.

[00:07:16]
Absolutely… absolutely, no-no-no question whatsoever, because you know, I grew up with… there was no books in the house, [coughs] we had nobody… I had nobody who had been… I knew nobody who had been to university who had any sort of extended education. Erm, and my experience of university, er, Richard, was… Bam… you'll-you'll remember, Bamber Gascoigne on University Challenge, and, you know I'd sit there er, watching our black and white television with Bamber Gascoigne… er, Gascoigne coming on asking questions about, I don't know… post-renaissance French poetry… I knew nothing about anything. I knew a little bit of maths, er, a little bit of pop music [laughs] and that was about it because, yeah, we did… we weren't well-read, we didn't have books in the house. We had the Liverpool Echo; was the only r-r-reading material I grew up with. So, I had this distinct impression that everybody who went to university was super-bright, they could answer questions on all sorts of obscure subjects, and they didn't speak with an accent like I have.

[00:08:23]
Liverpool Echo still, erm, exists and indeed, I believe thrives. When I go to Liverpool I read it, I think that it's quite a good paper actually.

[00:08:31]
[Laughs]

[00:08:33]
A regional paper. And it has a section for you Red people, i.e., Liverpool FC.

[00:08:38]
That's me.

[00:08:38]
And for the Blue People, the Everton people, and it has an editor for each.

[00:08:43]
[Laughs]

[00:08:43]
I find that amazing. And of course, you're a Liverpool FC supporter, because that is the Catholic side, isn't it? Everton are Protestants.

[00:08:52]
It-it, that's true… yeah, that… but you know, that was, erm… I think it's the other way around actually. But it-it didn't really matter, that wasn't why I chose the, er, the Liverpool side. We actually had a cousin who… erm, she-she married one of the Liverpool, er… one of the Liverpool players. He was-he wasn't a-a big name at the time, he only played in the reserves, but because of that, he, erm, we all-we all switched to the-to the Liverpool side and so, I-I-I've been a staunch Liverpool fan since.

[00:09:22]
Well, my condolences to you for this season.

[00:09:23]
[Laughs]

[00:09:24]
Huh, erm, now, back to your comprehensive, you joined in 1969, and a very important year for the IT industry. IBM unbundles and separates the software from the

hardware and therefore, creates a space in which the software industry can begin to develop, which is where you made your career. A new operating system is developed called Unix and also, the beginning of ARPANET as well for networking. And you, er, spent… you spent '69 to '76 there and 12 O-Levels.

[00:10:02]
Yeah.

[00:10:02]
Any-any-any in the arts, what were you…? You were focused, of course, on maths and physics, but…

[00:10:09]
Er, the only artistic thing I can say, in fact, I've still got it on my desk, look at this… Is, I did this in… this must have been 19 er, let me see… ah, 1973, or something like that, GCSE woodwork.

[00:10:26]
Excellent.

[00:10:26]
I still have it on my… [laughs] that's the only artistic thing I have… by the way, it's supposed to be a fish on a wave.

[00:10:32]
No, I can see it.

[00:10:33]
I still have it… I still have it on my desk today so, there you go, that's the… that's the only thing I think, on the arts side that I really did. Everything else was um, I was fascinated by science, um, science to me…

[00:10:45]
Why… why?

[00:10:48]
Well, I-I think it was-it was getting at what I thought was the truth, um, you could take a… some-some complexity and work through something systematically and come out with an answer, which I thought was amazing, whether it be an equation that was complex… complex and you could come out with that… or then applying that to… I don't know, in those days, a projectile whereby you could fire this thing and if you knew the initial velocity and the angle, you could calculate where it landed, I thought that was incredible. Er, Newton's laws of motion and the basic maths just um, inspired me, it caught me, it got-got my attention, I found it fascinating.

[00:11:27]
May I suggest to you… you can reject this, this was part of your rejection of Catholicism because you weren't any longer, dealing w-with what you had described then, perhaps, as the mysticism, or the cloudiness of this thing. You are now looking at the world and knowing how it works?

[00:11:46]
Er, poss… quite possibly and I think I've never l-lost that and I think it's the only way that you can sort of unpick… so, what is nonsense, what is to be believed… be believed and erm, what is just factually incorrect. And, huh, we've come full-circle, you know, these days with, er, fake news, where w-we're swamped with stuff, but whether we can believe it or not. But you know, science to me, is one of the ways… the scientific method of trying to extract what we can a-a-arguably say is truth or 99.99% certain, relative to um, to-to people who try to suggest other things for… or, very often for their own-for their own gain.

[00:12:31]
You remind me of myself when I met my first computer. And I'm coming from an arts background of re-analysing history and literature and reading Jane Austen and so on. And then suddenly, here was a finite machine, and you could know everything you knew about this machine and it would do exactly what you told it. Was that one of the erm, things that drove you into IT as well?

[00:12:54]

Erm, not-not really because I-I-I-I'd never seen a computer, I didn't really understand computing. Certainly, if we're still at-at school, before I went to university, um, er, I'd never… I'd never really come across a computer, you know. Er, and of course, in those days, they were still very much, er, the glasshouse, the big IBM mainframes, the Unix, ICL, Bull, and so on and so forth. So, I-I had no experience of er, any sort of computing. And, back in the day, you know, you're talking the late'70s, very few people had got their hands on a BBC micro, or… as they were coming along then, or an Apple, uh, they were starting to happen, but it was, erm, we-I couldn't afford-I couldn't afford one.

[00:13:38]
At the time you left, um, your comprehensive school…

[00:13:41]
Yeah.

[00:13:41]
There were the beginning of computer shops, and ZilogZ80 was out, and X25 erm, was being used as well. You went straight… without a gap year, into Cardiff University and chose your degree in maths, because, in A-Level, you had done A-Level maths, further maths, and physics.

[00:14:03]
Yeah.

[00:14:04]
What was impressive about Cardiff for you?

[00:14:09]
Um, I'll tell you a true story, er, back to my lack of being able to… or lack of having any reading material. I kept failing O-Level English. And bizarre as it is, English universities require you to have O-Level English to get in. Welsh universities do not, at the time.
[00:14:30]

[laughs].

[00:14:31]
So, I had…so, I-I-I-I'd failed-I'd failed O-Level English, I think 3 times and I was getting nervous. I was then in the lower sixth, I had to… or just going in upper sixth, just… and had to apply to university and if I didn't get O-Level English, I was not going to get into any English universities. So, I chose Cardiff. And I, also, it was also mathematics in its applications degree. And I was intrigued by applying maths to real-life problems as opposed to just doing maths for the pure sake of it. But the real truth be known, I was struggling to pass English O-Level.

[00:15:06]
So, you're leaving now, this very tight family, in this very well-known and highly cultured, in a sense that there is a scouse culture. I don't mean cultured as in music and so on.

[00:15:20]
I understand [laughs].

[00:15:22]
Have you ev… have you ever eaten scouse?

[00:15:24]
[Laughs] of course, of course, absolutely.

[00:15:25]
Is it good?

[00:15:27]
It used to be… it's excellent. Every Tuesday, in fact, mum had a set routine to feed us, and every Tuesday was scouse.

[00:15:33]

And it was beef, was it, not lamb?

[00:15:35]
Beef, beef.

[00:15:37]
Okay. Huh, so, now, you're coming out of this, erm…

[00:15:41]
Yeah.

[00:15:41]
Environment, which you are very close, presumably, your mother has been guiding you as much as she can and you're in Cardiff on your own, are you?

[00:15:52]
Er, yeah, I'm in Cardiff on my own.

[00:15:54]
And being paid for by the local authority 'cause they were paying tuition.

[00:15:57]
Being paid for by Liverpool Education Council, yeah.

[00:16:00]
Okay, how was it?

[00:16:02]
Erm, the first 6 months, was horrible, I was terribly homesick, erm, for all the reasons you just mentioned. I'd never been anywhere, by the way, I'd never been on ho… we used to…our holiday was a-was a week in Rhyl, which is about 25 miles, for those who don't know… 25, 30 miles from Liverpool. I'd never been abroad; I'd never been anywhere because we-we didn't have any… any money to do that. So, er, this was the first time I'd ever been away, it was… oh, Cardiff is a good 200 miles from

Liverpool. Erm, so, erm, it was the first time I'd been away and-and I-I remember actually distinctly, Richard, that my very first lecture, which is interesting… because I did a maths and a… maths… er, application mathematics to… er, to industry. And my first lecture was on computing. Now, remember, I hadn't seen computing, I didn't… I could just about spell computing… back to my O-Level English comments. Erm, my first lecture was a 2-hour lecture, given by a guy called Doctor Horner, I'll never forget it, on ALGOL W.

[00:17:01]
[Laughs]

[00:17:03]
And I walked into this room… actually, I-I-I said I was on my own, er, there was another guy who had gone to university alongside me, Derek, Derek Kelly. And the pair of us sat in this lecture and for 2 hours, I sat there, and I can honestly say, I did not understand a single word the lecturer talked about. One, I'd been used to the teachers feeding you, of course, and this guy just walked up, started throwing all sorts of stuff up on the board, and away he went, and the boards were flying along and… block-structured languages and semicolons, and if then elses and… I think, what is he talking about. And I thought, oh, my God, I've, you know… my-my earlier perception of-of Bamber Gascoigne, I was right, I mean, there's people around me putting their hands up and asking questions, I didn't understand anything this guy was talking about, and people were clearly understanding and asking questions. Erm, I remember those first 2 hours, I thought, what have I done, I'm in the wrong place, I'm going to have to go home and tell my poor old mum I can't hack it, and I was really petrified.

Fortunately, a couple of lectures later, I got… they were doing pure maths, and suddenly, I could do differentiation, I could do a bit of integration. I thought, hang on, I can do this, or I think I can do it. And suddenly, I got-I got more comfortable and er, I bedded in and um, you know I got-I got my-I got my degree after… A-actually, I got a f… interestingly, I got a first in maths. I got a… because I had to do a computing side, I-I did-did less well in my computing side so, I got a-a 2.1 overall.

But it was computing that let-let me down, even though that was going to turn out to be my-my future career.

[00:18:42]
What was the first erm, computer you came across?

[00:18:46]
Er, well, in-in, er, in those days, it was all punch cards, so, you never actually saw the computer.

[00:18:51]
[Laughs]

[00:18:52]
So, er, you-you-you'd remember… you-you know, you'd punch your cards and er, you'd put a big rubber band around them, and er, it was almost a-a sort of status symbol to see who-who had the biggest deck of cards. Because obviously, their programmes were very complicated 'cause they had a lot of er, a lot of cards in their deck. And you would take them along and you would submit them into your little cubbyhole, under G, for Garnett and somebody would go and load them into-into the hopper, and you'd come back in a few hours' time or a day later and you would get your print-out. And if the print-out was this thick, you know you'd had a loop in there that had been printed and printed and printed and somebody had stopped it. And if it was really thin, you know it hadn't compiled and you-you'd had a mistake in there. So, you could almost walk up to the cubbyhole and figure out whether you'd been successful or not. [laughs] That-that was the er, early computers, I can't remember what it was actually. I-I it was probably an ICL machine of some shape or form.

[00:19:49]
What was the programming language?

[00:19:51]
Er, Fortran.

[00:19:53]
And what were you using it for?

[00:19:55]
Er, it was… well, in those-i-in those days, you-you-you just set exercises to-to, you know, to write erm, really relatively trivial programmes. It wasn't until I got to Manchester, and doing a PhD that, erm, we really started to, um, er, to get stuck into it. But I… just to go back… er, one-one-one of the Fortran programmes I-I-I wrote and it's for my project, my final year project, was to look at er, water extraction. So, a bit similar to oil, where they, where, you know, the geologists sink a borehole and they obviously they're trying to maximise the extraction from the oil well. So, we're using the borehole to max… giving you know, some parameters about the reservoir and some boundary conditions to use a mathematical term… what is the optimum place to sink a borehole? So, I did a project for er, the Water Research Centre, er, Medmenham, erm, based in Medmenham, er, down, er, down in the South near Berkshire… um, to-to look at… er, could we calculate the-the parameters of-of the well by using historic data and using the mathematical models and the flow models and on and on, all in Fortran.

So, I start-I started to become a bit of a-a bit of a whizz on Fortran, or I thought I was anyway [laughs].

[00:21:19]
What was student life like? This is the mid-70s to 1980.

[00:21:24]
Erm, yeah, er, pretty good. Erm, certainly compared to where we are today in the Covid days, um, I had some fun. I didn't have much money so, um, you know, I-I'd work and then I'd go out on a-on a Saturday night… I always had one day off, was my-was my motto, I always worked fairly hard because I never wanted to go home and say to my mum, I've failed. And so, I-I-I was… i-interestingly, the-the fear of failure drove me m-more than the-than the desire for success, I'd say. Erm, that said, to answer your question, um, I wasn't a massive party-goer, um, I played a lot of

football ‘cause I er, so, I’d train, and I played for the first 11, so, I’d play on a Wednesday…

[00:22:14]
What position?

[00:22:15]
I was er, right back… right full-back.

[00:22:17]
Right.

[00:22:16]
Erm, so, I was a stopper, I used to… I was nothing like Trent Alexander Arnold, I have to say… er, but I was a stopper, um, and er, I’d play on a Wednesday, play on a Saturday, have a couple of beers with the-the boys and that was my sort of party life because I couldn’t really afford to do much much more.

[00:22:36]
Was there anybody who was erm, influential… as much influential in your life at university as erm, Mike Howarth had been in secondary school?

[00:22:45]
Erm,
-i-ironically, a-a little bit, and this is what led me to stay on at university. Th-this guy, Doctor Horner, who I mentioned earlier about giving me this… or I felt was an incomprehensible 2 hours on ALGOL W… um, he was… he couldn’t have been much older than we were, yeah, I would have said he was probably late 20s, mid-20s, a-at that time. And erm, I thought how cool it was that he could walk in front of a class of 100 people, through up all this stuff and… even though I didn’t comprehend it, I was in awe of his intellect, his, er, his ability to put this stuff across. He didn’t explain it very well, in my opinion, but… I thought, wow, wouldn’t it be cool for… because everyone, of course, says to you, “So, what are you going to do when you finish your maths degree?” and the answer was, “I don’t know” and of course, they

say "well you're going to be a teacher"… well, "No, I don't want to teach, um, but I don't really know what I want to do." And it started, you know, I-I think in life you have goal posts every now and again, you have goals, and you aim for them and then as move closer, the goals move. Erm, and I thought, wouldn't it be cool, to get a PhD and-and, er, become Doctor Garnett. For a scouser out of erm, my background, I thought, I've got nothing better to do. And I saw an ad in erm, actually, in er, New Scientist and I'm still a-an avid, er, reader of New Scientist today, on my desk here, sitting alongside me, erm, for Manchester University for maths graduates who wanted to erm, go into nuclear engineering and nuclear physics. And at the time and it turned out to be a-a wrong… I was wrong. I thought that might be my future career, I thought the nuclear industry… this is 1979, 1980, I thought the nuclear industry might be the future, this might be exciting for me, back to my science interest. It was applying maths to nuclear engineering problems, and erm, wouldn't it be cool to do that, get a PhD, be Doctor Garnett, apply to-to-to nuclear engineering and that would be amazing. And so, that's what I did.

So, having graduated from Manchester, I er… excuse me, from Cardiff, I went up to Manchester and started in the nuclear engineering department on a 3-year… I got a grant… again, I-I got… I was fortunately enough… the Science Research Council gave me a grant, both to pay for any fees and also, for my living-my living costs. Again, if I didn't have that I-I wouldn't have been able to do it.

[00:25:24]
I imagine you're tearing… you would be tearing your luxurious hair out, erm, with what is going on in higher and further education now in terms of the lack of grants and so on. There are so many people who just can't do it… they can't afford it.

[00:25:40]
Yeah, oh, totally, and as I-I've tried to emphasise, if, you know current conditions were being applied then, I would not… I would have left school at 16 and would be, I don't know, digging holes in the road for the Liverpool City Council.

[00:25:53]
Yeah. 1980, this is.

[00:25:56]
Yeah.

[00:25:57]
So, you receive your doctorate in nuclear engineering at the University of Manchester, 1980, in the IT sector, workstations are coming onto the scene, erm, with Apollo, and SUN and erm, relational technology, which plays a rather large part in your career, is coming along. And erm, also, we have the IT sector beginning to look at itself and becoming aware of itself, with Tom Forester's, who edits the Microelectronics Revolution. And of course, in 1981, the next year, IBM drops the bombshell and launches the PC. Now, what were you actually using at Manchester University, which, of course, had been a s… a very early centre of computing in the UK; what computing were you using?

[00:26:52]
Yeah, well, a-actually, similar, Richard, you know, I was using mainframes. So, first of all, I was doing a… er, my-my PhD was a-was a theoretical aspect of nuclear explosions, would you believe, inside of a-a-a… nuclear… thermal explosions inside a nuclear plant so, I was looking at the thermodynamics of wh-what would happen if-if a reactor core… a-a nuclear power core, not bombs, a nuclear power core overheated and melted; could that cause a thermal explosion? A thermal explosion is a bit like when you throw water into a chip pan, you've got two volatile… you've got one volatile liquid that has got a boil…a boiling point very much, um, below the hotter liquid. Similarly, in a-in a nuclear, er, reactor, if you get the core melting or molten steel, molten uranium mixing with the coolants and you have the potential for explosions, in very simplistic terms. I was looking… obviously, they're not the sort of things that you can do exper…too many experiments on.

[00:27:48]
Hah, no.

[00:27:50]
So, erm, so, the-the-the theory around how these work was still being worked on and so, I was doing a lot of thermodynamics, differential equations, all that sort of stuff. Erm, but which was the ex… the exciting part, but the… to solve the equations, I needed to use computers because you had to solve them numeric… solve the equations numerically and graph out the-the output. And so, again, I w-was using mainframes, I didn't have my own, erm… I remember my colleagues had an… had an… had an Apple, one of the first Apple's desktop machines, but I was using the-the central computer, which I-I think was a-a-again, an ICL variant, I don't remember the, erm, the actual computer, but again, it was still, er, er, punch cards stuff at the date… at that time.

[00:28:40]
But you… so, understood Chernobyl, did you?

[00:28:44]
Er… a little bit, a little bit. I erm, understood the-the-the problems there, albeit I was looking at you know, the risk of a thermal explosion, which is more Three Mile Island, which had happened, you know, 20 years earlier. Erm, thankfully, we haven't had one, but erm, I was-it was the department's interest, the professor's interest, was in that particular area. And for me, it-it was very interesting maths and physics and at that time, you know, it didn't really matter, about… hopefully, it would never be applied.

[00:29:16]
After you finish your PhD in 1983, did you take a break?

[00:29:21]
No, never took… never taken a break. Erm, maybe… er, I know I said I'm not… crying poverty, but again, you know, I didn't have the money to go travelling or doing those things 'cause at that-that time, I was 24 years old. Okay, I had a PhD, I had lots of O-Levels and A-Levels and a degree, but I didn't have you know, two halfpennies to rub together. So, I decided it was time to get a job and erm, I think what… I was asked to stay on and teach, er, become a lecturer, but I-I'd come across a guy called

John Byrne who was influential at my time, at er, Manchester University. He was super-bright, um, much brighter than I was and er, at that time, I guess he was probably mid-40s and I felt he'd given up, you know, the-the sort of lecture scene had-had ground him down, he was churning out the same lecture notes, er, he'd become very sort of despondent, he'd become a-a mid-ranking lecturer. He didn't have the drive to become a professor. And even though he was super-bright, I felt he'd given up and I thought, gosh, this guy is so much better than I am, so much smarter than I am, but I don't want to be like him when I get to 40, I need to get out of academia and go and try my hand. But at the same time, I'd realised that the nu… the er, nuclear industry wasn't for me, I thought it was then becoming over-regulated and it was going to be dull, and government pay grades, you know… if you-if you were a higher scientific officer you couldn't be an… erm, a senior scientific officer unless you had spent 5 years on a certain grade and all that sort of um, bureaucracy. I thought, no, I'm going to… just go out and get a job.

So, I applied to er, er, erm…I-I I looked around at the time to say, right, how do I apply whatever skills I've got and everywhere I looked it was, can you-can you write programmes; are you a programmer? And this is 1983, this is sort of er, you know, end of '93, December 93. And er, I applied to Logica and CAP, if you remember those guys.

[00:31:21]
Mm-hmm.

[00:31:22]
Erm, oh, s-s-s, excuse Sy-Con which I think CAP then bought. Erm, and Logica offered me a job and they offered me, er, I think it was £9,500, salary, and er, Sy-Con offered me £9,400 so, I took the £9,500 job at Logica. And so, I came down to London er, for the first time and started work out of er, 64 Newman Street, just of Oxford Street in London.

[00:31:50]
Indeed, I know it well. Now, you-you made that move and you found Logica, they didn't find you?

[00:31:58]
Er, er, correct, I er, I looked around at the computing press and saw… well, it depends on what you mean by find. I saw the adverts for, you know… "we-we-we're hiring graduates, um, master's graduates, PhD graduates, can you write Fortran COBOL, you know, do you have a degree in a STEM subject, if so, apply to us." Great salaries, all that sort of stuff, great career, we'll look after you. That's what I needed and that's what I wanted, so, I applied to them.

[00:32:29]
In erm, 1984, Logica was very, very, very much part of the scene, very, very, very much part of the London scene, very, very, very much part of the erm, the IT scene. Erm, a-a- erm, a very cultural company as well. What was Logica like for you?

[00:32:47]
Uh, I-I-I wasn't there very long but I-I-I loved it actually, they really got me going… as… it had been started Philip Hughes, who you may know, and er, they employed very good people. Erm, I remember being impressed with the-the quality of people around me, um, and er, it was interesting actually, 'cause I-I er, when I-when I joined, they said, oh, we've got a project… we're waiting for a project to come in and we think you'd be great to work on this. And er, the project… the-the sales guy couldn't close the project and… this is serendipity for you. So, a-a chap came in one day, I was reading manuals, making myself busy… look-look busy anyway. And he said, "Is Steve Garnett here?" I said, "Yeah, that's me." He said, "Oh, we've got a project at AWRE, Atomic Weapons Research Establishment in Aldermaston and we've looked at grads… we need some grads to work on it, and post-grads. You've got a PhD in-in… or you-you know how to programme Fortran, this is Fortran on a VAX-11/780, er, we want you to come and work on the project." And I thought AWRE, hang on, I'm getting tarred with the nuclear brush here, I'm trying to get away from nuclear stuff, right, you know. Er, it was terrible when I'd go to parties when you're trying to, you know, chat up girls and they say, "What do you do?" "I work on atomic nuclear…" [sound] they run a mile.

[Laughter]

So, I was trying to get away from what I felt was this stereotype of erm, of nuclear stuff and so, I-I turned the project down, I said, no, I don't want to do that, I want to wait for this other one that was coming in. Anyway, this-this chap, er, this guy, a guy called Andy Beecroft, who is still a friend today, came back and said, "Steve, you… I really need you to come and work on this project" and they said, "Oh, by the way, the-the expenses you can make are very good, they're going to pay you a lot of money to travel the distance" and I had an old banger, o-o-of a car. And I quickly did my sums and thought, wow, I can make more money on the petrol than I can make on my salary… count me in. And so, I started work at, er, AWRE, and I-I worked there for about 18 months, building a stores system for Atomic Weapons Research Establishment, in Aldermaston, er, on, erm, VAX-11/780 DCL, tech command language…you mentioned Ken Olsen and Digital Equipment earlier.

[00:35:04]
Mm-hmm, yeah.

[00:35:04]
Er, Fortran 77, yeah.

[00:35:07]
And what were they storing?

[00:35:10]
Er, everything, er, er, and it was… actually, er, when… I was… erm, I wasn't… I was negatively vetted, I wasn't positively vetted, so, in security terms, that means I was only allowed certain access to, er, what I could do there. So, huh, so, I didn't actually see some of the… erm, some of the materials or the quantities of the materials that they had, but I do remember them saying that they'd missed… they had a whole pile of titanium, erm, balls missing… and the stores system didn't add up and that what I was building. There were things going out of the stores and not being well-kept. So, anyway, we wrote this… I wrote this stores system with-with 2 other people. And they went live, and it was a massive success and, er, Logica made good money out of it, and I-I worked on this project for 18 months. And then the chap who had persuaded me then called me up and said… he-he walked in one day and-and

resigned. And I said, why-w-why are you resigning, your Logica… as you've just mentioned, which is a great company, they're, you know well regarded. And he said, "Well, I've been offered a job at this start-up." And I said, "Well, who's the start-up?" he said, "It's a company called Oracle," I said, "Never heard of them, w-what do they do?" He said, "Oh, rel-this relational database stuff," he said, "But they're good guys, I'm going to go there."

Anyway, he left, and about 3 or 4 months later he said, "We've got a headcount for 1 person, you'd be great here, do you want to come over?" And I said, "N-not really, I… you know, the last thing I need…" I'm just getting established at Logica after 18 months, I've delivered this successful stores system. The last thing I need is to go to a start-up. He said, "No, just come over and meet these people, just come over and meet a handful of them" which I did. And er, that started the next chapter of my life, I-I ended up leaving Logica and-and joining this company, I'd never heard of called Oracle Corporation.

[00:37:04]
And who was there?

[00:37:06]
So, there was a guy… it was headed by a guy Geoff Squire, who you might know.

[00:37:09]
Who I interviewed last week.

[00:37:11]
Ahh, okay. Well, you know, Geoff was my…

[00:37:15]
The man… the man from Gloucester, and the man from scouse land, meet at last, eh.

[00:37:22]
Oh, well, he's my he… he's one of my heroes in life. He's one of these lovely, lovely people, very talented, again, come from a very humble background. But er, I was

super-impressed with Geoff. So, Geoff had been hired by Larry Ellison, um, and I'm Geoff has told you that story, er, how he-he came about, so, I won't go there. But he, erm, he'd been hired by Larry Ellison to start Oracle UK with 9 other people… er, sorry, 9 in total, 8 other people. Er, and they all came out of a company called CACI.

[00:37:51]
Yeah.

[00:37:52]
So, I came over for the interview, which in the pub, of all places because they were all busy in the daytime, they didn't have time to do interviews. And so, I met them in the Orange Tree Pub in Richmond, and er, I met Geoff Squire, and Ian Thacker, and Chris Ellis and, erm, Mike Evans, who was also a tremendous influence. And I thought, wow, these guys are at the top of their game, these are, you know, exceptional people, they're… not only are they exceptional in their talent but they-they like… they've got some fun. It's fun as well, they're having a couple of beers, they're relaxing after a hard day, they're enthused, they're excited by the opportunity, and you could feel it, you could sense it. And erm, I said I want to be part of it. And er, they hired me and er, I was there for 12… 12 years, a-a-at Oracle as they grew from a… I think that I was number 25, on the payroll, in-in… er, in the UK. There was probably… I'm not sure exactly how many people, probably 100 people in the company. I think there is about 120,000 people in the company today, and you know, Larry Ellison is wherever he is… the 5th, 6th, 7th wealthiest man on the planet… not that that matters, but, he had a bit of success.

[00:39:08]
Wh-what is it like working with and for Ellison?

[00:39:12]
Er, in those days, very inspirational, you know. He was deemed… you know, I was in awe of him, of course, you know, you've got this guy who at-at the time, um, he would have been, you know, in his 30s I guess, um, who was already on the front page of Forbes to be the first billionaire, or one of the early billionaires, with Gates.

Erm, I'd never come across anybody who had lost 100 million in a day and made 100 million in a day.

[Laughter]

And so, s-s-some of these numbers they were bouncing around were incredible. Er, he was very-he was very smart, very, er, er, didn't-didn't suffer fools, er, spoke his mind. Very well-read, not just… er, you know, he would go head-to-head with any of the C-CTO's any of the, er, software people. He really knew his software… a great salesman, very charismatic. But very well-read outside of software and computing as well. I remember going to… I think it was ABN AMRO with him and er, he was lecturing them on-on Dutch art. I mean, he-he was a… he was a talent, he's s… excuse me, he is a talent, he still is.

[00:40:19]
Geoff says that erm, he says of those people, in his employment, erm, either you make product, or you sell product and if you're in this company and you do anything else, you better explain this to me, very slowly.

[00:40:31]
Absolutely, I remember that as well, you know, if-if you're not-if you're not building product and you're not selling, and I bump into in a corridor, tell me really slowly what you do. And, you know…

[00:40:43]
As in, you're probably not going to be here tomorrow, yeah?

[00:40:47]
Maybe. But you know, he had a-a-a hatred for… hatred is probably strong… for HR, for people who didn't, in his opinion, contribute to either building the product or selling the product, because at the end of the day, if you strip business down… y-you know, if you don't sell anything, you don't need anybody else, you don't… you can't afford engineers, or marketing people or business development people, or accountants… you don't need any of those people, because if you're not selling

anything. And I think that's the point he was trying to make. And equally, you can't sell anything if you haven't built a great product, so…

[00:41:20]
Now, Oracle was managed to… with its aggressive sales techniques crush Ingres, erm, and many say, particularly those from Ingres… Ingress had better technology. What is your view of this, Steve?

[00:41:33]
Um, I would agree… I would agree with that.. those statements. I think for a while, Ingres did have better technology, but I think what Larry and Oracle did, I think, without sounding arrogant, I think they had better people. I think they were driven harder than-than, erm, Ingres; I've never worked at Ingres, so, I didn't know. But certainly, Ingres was a very fine competitor, when we came up against Ingres, we knew we had to be on our-on our-on our game, um. Er, but, but Larry knew that if… and he played… he was very good at playing-playing er, other people's weaknesses and building them to the top of the-the-the profile to make… this is the… their weakness is the biggest issue that you need to address. So, er, he made a couple of great decisions, um, Ingress had used a-a computing language called QUEL at the time, and Larry had decided that, because of IBM's dominance, IBM, even though they were writing a relational database, albeit for IBM, for MBS, and BMCMS… er, TB2 SQL/DS would be based on SQL.

[00:42:40]
Mm-hmm.

[00:42:40]
And so, Oracle would adopt the SQL language. Ingres said, oh, well, we've got something that's better, who cares? The… you know, the defacto standard is going to come-become SQL. So, they spent their time trying to defend QUEL, we kept pushing the i- the defacto standard of SQL, which ultimately, you know, trumped-trumped them. Erm, but Larry built a-a business where you knew, if you didn't hit your sales goals, you-you-you'd be out, you know.

[00:43:08]
A quarter of the salesmen a year, I understand, were cut.

[00:43:13]
Er, it var… it varied, but you knew that if you didn't hit your tar… if you hit your targets, let's look at a positive view, you were very well paid. They'd have these grandiose Quota Clubs, to Hawaii, and other amazing places. I've been to Hawaii, would you believe, 12 times… actually, it's more, it's probably about 14 times because I went a couple of times with Seibel as well. But er, so, they would take the people who hit their numbers away on a-a wonderful trip. And they made sure that the people who were left behind knew they were being left behind. Erm, the logic being that you know… it's slightly sexist, but you know, um, most of the sales guys were guys, were male. And the wife would have an amazing trip, and so, when he was getting out of bed at 6 o'clock in the morning to try and close a deal, saying, yeah, you get out there, we need to get… you need to hit your numbers 'cause I want to be in Hawaii again this year, you know. So, there was a little bit of that psychological play in the family, but erm, yeah, you're right, if-if you were consistently missing your target, you er, you were…you weren't allowed to stay. The view was, if you were a p-poor-poor performer, you know, we don't want you here.

[00:44:23]
You had moved there for… from technical support into sales, that's a big shift, how did you accomplish that shift, Steve?

[00:44:32]
Erm, I asked Geoff, er, you mentioned Geoff Squire, I met… I-I-I went and met Geoff and said to him, look, I've been going out with the sales guys, and the sales guy an initial presentation and then the prospects… the customer starts firing a whole ton of questions, about the performance, and integration and data management and security and on and on. So, I spend my time answering 90% of the questions, the sales guy gets paid, you know, 4 times what I get paid, erm, I'd like to have a go. And I remember Geoff saying to me, "No, you're not going to do that, you're better than that, I'm going to give you a sales team." So, Geoff gave me a baptism of fire, he, Geoff Squire gave me, er, sales guys to manage. I'd never run sales, I'd never been in

sales, I'd been going out with the salespeople and I think I knew when a customer was likely to buy or not buy. And erm, so, I went-I went er, I went with him. But I guess I got that break with Geoff because I pu… I-I-I pushed myself out of my comfort zone; so, let me just wind back a little bit. Geoff Squire decided that Oracle should-should spend all of its marketing money, in the early days, in the UK, on something called a 4GE Seminar, a 4th Generation Language Seminar. So, we were promoting the whole idea of 4th generation languages, you know, we had the 3rd generation languages, like Fortran and COBOL, and 2nd generation… er, 2nd generation had been sort of similar type things. And this was the whole new world of SQL and SQL patin forms and gooeys and-and all those good things which was being classed as 4th generation.

So, Geoff decided we-we'd spend all of our money on hiring the Mayfair Hotel, er, in London and we… the sales guys' job was to fill the seminar. Not sell them software, get people on the seminar, then we'd put our best and our brightest in front of them, and with all the glitz and all of our-our best marketing techniques, we'd show them the environment of what Oracle could deliver, that worked a dream, it was a marketing genius from Geoff. And they wanted somebody to demonstrate the software, and my boss, at the time, said, "Well, I'm not doing that, in front of 300 people" 'cause you were always demonstrating a version or two ahead of when it's ready, of course, so, the software is very finicky. Hit the wrong key and you get a dump… and it's real-time, and it's in front of 300 people. Er, and I said, I'll do it and after that… I remember the night before the seminar would start, I'd be in the hotel, the night before, I'd be almost physically sick with w-worry because I knew the next morning, and Geoff would be saying… we'd do a rehearsal the night before and we'd be saying, well, we've got the CEO of you know, er BP… the CIO of BP, the CIO of Glaxo, the head of IT at BAT, wow, we've got this great audience, you know… don't screw it up guys, you know don't screw it up. And there is a piece of music, er, Steve Winwood, which even comes on the radio today, that we used to play at the start of the seminar, and if that music comes on, it sends a shiver down my spine, even today, and I'm going back, you know, 20 odd years now.

So, I-I-I started… I moved into…I moved into sales, I started to run sales teams, I ran the South East, ran, er, um, the UK, UK, and Ireland, and then moved up onto the European Management Team as well.

[00:47:54]
What is the style of the Steve Garnett management process? Now, you've gone from-from-from technical, now to sales, now to management. What are you like as a manager?

[00:48:08]
It's probably immodest to say, but I like to think I'm fair, I like to think I am, I try to mentor my people. Er, people who report to me, I like to think I go out in, er, with them and share the problem. Er, I've always believed that when you're handing out as a manager, you're handing out tasks to do, and everyone knows what the hard ones are, you do them yourself and show them that you're…you know. So, be the… you can be the player/coach but make sure you're doing the erm, you know, you're taking the hard tasks, er, you-yourself. Be fair, um, be open, if you want trust, then trust… you know, show trust, er, lots of things along those lines. I would like to think that people who I've had to move out of the business… because we did… as we discussed earlier on. I'd like to think that why we talked it through, that you're not going to be successful in this company, you know you're not going to be successful and therefore, let's…you know, part company and we'll make sure that we look after you as best we can. Erm…so, when you have…

[00:49:15]
You can be a butcher, can you?

[00:49:17]
I think you have to be, er, Richard, I think if you… w-w-well, you have to be if you wanted… if you want to, er, be successful. I think if you-if you… because we all make hiring mistakes, right, and the easy thing is-is to just push people around, or just leave them where they are, and, you know, your team… if you-if you want a top team, your team generally knows ahead of you that Joe is not working out, and they're waiting for you to make a-a call on Joe. And they become more despondent that you

haven't got the willpower or the butcher if you want to be, you know, harsh about it. They know ahead of you that, you know, you're wasting time by not taking action on Joe. And if you-if you don't take that action then you'll end… likely to end up losing your good people. Nobody likes working with poor people, right, good people attract good people, er, energetic people attract energetic people. That doesn't mean to say everybody's got to be the same, you know, stereotype who are kicking down doors and making sales. In fact, you know, I've had lots of people who I make sure people… shut up for a while and say, I want to listen to Tim's view, let me hear what Tim has got to say here because he's normally a quietly spoken person.

So, I like to think it's a balance, but yes, when you get rid… you know, poor performers, have to be fired and er, if you want to run a successful company.

[00:50:41]
What are the biggest mistakes you've made in management and what did you learn, Steve?

[00:50:46]
Erm, biggest mistakes are probably hiring mistakes, er, and hiring because you're under too much pressure. Um, probably when we went to S-Seibel was the biggest pressure I've ever been under, where we trying to grow at a-a ridiculous pace… and erm, we'll probably come to that. But, I-I'd say generally, my biggest mistakes have been hiring and taking somebody when I knew it wasn't quite right, but I was so… I felt they'd be good enough. But your gut and all your senses are saying, this person is probably not right, but you think, hang on, I've got so much stuff to do and we're so… we-we're running so fast, we've got so many, erm, w-w-we're at breaking point, we need more people. And we've got the headcount, um, and then you take somebody and then y-you lose a year generally, particularly on-on the distribution side. If you hire somebody, by the time you train them, you-you hire them January the 1st, y-you train them, it takes a-a quarter or two, a quarter once they're up to speed, maybe-maybe half a year, then you're starting to think, hmm, this-this person's not working out, they're not showing the right qualities, the customers are not getting on with them, there's something not right. Normally, it takes you 2 or 3 months to try and coach that out of them or figure it out. And then, by the time you decide this is…

you need to part company, you've lost a year, and certainly, by the time you've hi… tried to find somebody else to replace them, you're back around to January the 1st again. So, you can lose a whole year by making that mistake, and erm, so, generally, generally hiring, I would say, Richard.

[00:52:27]
Are you too soft in hiring?

[00:52:31]
Er, I don't think I am now… I think I'm probably s-on the soft side of, um, butchering to use your expression. I-I-I'll try and give somebody, um, a little chance, I'll try and give them good feedback to say this is why I think it's not working, um, and try and help them, you know, which I'd like m-myself if the roles were reversed. Um, Seibel, was, erm… the-the culture at Seibel was-was, when I left Oracle… t-t-to go to Seibel…

[00:53:02]
Now, why… let, let's just backtrack a moment, if you don't mind.

[00:53:03]
Okay.

[00:53:05]
Erm, 1976/77, you… you're a member of the European Management Team of Oracle, erm, a very prestigious post, you're doing presumably, an awful lot of travelling.

[00:53:17]
Yeah.

[00:53:17]
You really understand the Oracle culture, erm, and suddenly, it seems, you decide to go to Seibel, erm, a relatively new start-up, why?

[00:53:28]
Yeah. Erm, a couple of things actually. I, er, I wanted to run, er, Oracle UK and er, or Oracle UK or-or Oracle Europe. Er, I wanted-I wanted er, I wanted to be… yeah, I'd worked in technical support, I'd worked in sales, I'd worked in sales management, I'd run the alliances business, so, I felt I had explored enough of the business to have overall responsibility. Geoff Squire, who you mentioned earlier, was-was a hero of mine, Geoff had run the business, I wanted to be the-the next Geoff Squire. Geoff had moved on by then and er, Larry, er, Ellison… the person who was running it was a guy called Loek Van Den Boog, a Dutch chap… very, very nice guy. Luke was… erm, moved out…

[00:54:20]
Why?

[00:54:21]
He'd been with Oracle a long time… I think performance, the-the-the Europe was not hitting its numbers, there were some issues. And Larry decided that you know, they needed a change. And erm, Larry Ellison decided, along with Ray Lane, er, at the time, Ray Lane was, erm, was-was-was there also, that, erm, I think it was Larry's call though, er, was um, that Pier Carlo Falotti, uh, should come in to run Europe. And Pier Carlo, um, I spent some time with… I worked directly for Pier Carlo… erm, a charming gentleman, um, very experienced, ex-digital, digital equipment, er guy. I didn't think he was an Oracle-type person, er, what does that mean? I didn't think he, um… as I say, lovely guy, sadly he is no longer with us, but he just wasn't in the Oracle culture that I felt. He didn't want to understand the technology, he felt that he was not a technologist, not even to a-a-a reasonable level, I'm not talking about getting down to bits and bytes here. Um, I always felt that people who, uh, the good leaders understand their technology reasonably well.

[00:55:35]
Were you right in your judgement of him?

[00:55:37]

Time would sug…er, er, history would suggest I probably was because, you know, he didn't survive too long, uh…

[00:55:46]
But that was the post you'd have liked?

[00:55:48]
I would have loved that, or t-the UK and I didn't… I didn't get either and so, and I-I felt, maybe Oracle is getting too big er, for them to take the risk… 'cause I was relatively… relatively young then, early 30s I guess. Er, and maybe I was just a bit too quiet and not too aggressive enough, I don't know. But for whatever reason, maybe others can say, but I-I-I didn't get the job. So, I… m-my inner goal… my er, feelings were I want to run something, I feel I've got the ability erm, to run a software business. And er, Tom Seibel came along and er, a guy called Craig Ramsay, who'd been an ex-Oracle… so, there was a lot of ex-Oracle people in this company, Tom had worked for Larry Ellison. And Tom Seibel and set up this company called Seibel Systems and his goal had been quite simple, he thought he could build a company, a bit like PeopleSoft, and build an application business but for sales, sales, service, and marketing. And he'd built something similar inside of Oracle as an internal sort of skunkworks, that they were using inside of Oracle, just for themselves, he was running the telesales business. Apparently, I-I-I don't know whether this is true, but anecdotally, he went to La-Larry Ellison and said, "Larry, I think we should build this as a product."

[00:57:11]
Right.

[00:57:12]
And apparently, Larry was not bought into it. So, Tom's view was, well hang on, I can see PeopleSoft out here who are building an HR product, and they're making it… based on Oracle, and they're, you know, they're-they're a 3- or 4-billion-dollar market valuation company, I think I can do that, but for sales and service. So, he left, he left Oracle and started this company called Seibel Systems. And they had a few

customers in the US and, er, er, they wanted to try and get going in-in Europe… this was 1997 now, to put it in a bit of context.

[00:57:49]
97, yeah.

[00:57:51]
Erm, so, I got approached by, um, one of Tom's recruiters and normally, it's… no thank you, you know, erm… as I'm sure you had the same, you get a lot of people calling you when you're at the height of your career. And erm, but this guy was particularly persuasive, and I said, oh, okay, I'll meet you, 'cause the-the timing was right, I was-I was disappointed at not getting the European job, or not being… being able to see where I was going to go next inside of Oracle. And er, Tom… eventually, I went and met… met Tom Seibel. I didn't know him at Oracle, I knew of him, but Larry ran a very, erm… it's interesting actually, it's a very… er, what I would call a dysfunctional company, well, what does that mean? He ran it like as like a geographical erm, very easy from his perspective… it-it's changed dramatically now, by the way, Richard, but in those days, you know, [coughs] the French were the French, the Germans were the Germans, you know, the Americans were the Americans… and people often… this… I'm talking about Oracle here. People would often call me up and say, "Who is your major competitor, is it Ingres?" I'd say, "No, it's Oracle USA." Because-because if-if I don't know… If I had a customer like, er, I don't know… Glaxo, they'd call me up and say, "Steve, you know, we want to buy X amount of relational database from you and, er, what's the price?" and we'd do our sums and we'd say… £100,000. They'd say, "Oh, I've just phoned some guy in New York and he's offered it to me for £90,000."

[00:59:18]
[Laughs]

[00:59:20]
And of course, you know, whoever got the credit, if, you know, from Larry's point of view, it didn't matter, it all rolled up to the top, but it did to us, so, we were constantly fighting over what is termed splits… how you split revenue. It's still a nightmare

today in the software industry, but it-it's erm, it was particularly bad there because there was no… the-the management of it was poor, and nobody would get in the middle of the-of-of arbitrating. So, you go to war then. Um, so, I digress, but er, er, and so, anyway, I decided to erm, to-to leave Oracle and er, join Seibel Systems. But, um, I didn't know Tom, I knew of him, erm, he had a very good reputation this side of Oracle, but… had been a bit brutal, and I totally underestimated, just how brutal he was. But I worked for him for 5 years, very few people survived 5 years for Tom Seibel.

[01:00:16]
1997, you joined there.

[01:00:19]
Yeah.

[01:00:19]
And erm, you took over erm, a corporate building on the way… or near the M25, on the way to, erm, Heathrow.

[01:00:27]
We did.

[01:00:27]
And you slapped Seibel on top of it, so, that everybody knew…

[01:00:31]
We did… well, I did, yeah.

[01:00:31]
What… what that was.

[01:00:33]
I did.

[01:00:33]
And erm, you made sure everybody saw it…

[01:00:36]
It took me… it took probably years of sales to… before we could afford that, but we did, yeah.

[01:00:39]
Huh, you did need some sales. Erm, and you were vice president and general manager of EMEA, Europe, Middle East, and Africa, the classic geographical structure that-that IBM adopted. So, you helped build Seibel systems, erm, Tom Seibel is a hard man to work for… why?

[01:01:00]
Uh, you talked earlier about, or we talked about the Oracle culture… he took it to the… you know, to use an expression, the nth degree. He… er, I remember saying to him once, he'd hired an executive from SAP, and I said to him once, y-you know, "this guy is really good" and we were walking along and he said, "yeah, I know, he's really, really good but I'm firing him" and I said, "Why? If you think he's really good." He said, "He's missed two quarters." And y-you know, if you miss one quarter, you get a cross… you hit two, you miss two, you get fired. I said, "But, why, that doesn't make any sense, Tom? You just said he's guy, I know he's a good guy" you know… I mean good in the sense of a performer, talented. He said, "Steve, it sends the message to everybody else, you do not miss two quarters in my business." Er, wow, you know… and, you know, er… so, that's point 1, point 2, is management meetings, were brutal. So, he would… publicly execute people, erm, huh, and it-it was almost he'd spin a dial, he'd dispute this probably if he-if he listens to it, but erm… but he, er, maybe, I don't know, it might be engineering one day, he comes in and you know that on-on those 3 days where you have your off-site, engineering will get absolutely slaughtered, every time it comes up. And Tom is a very smart guy, very bright, and very intimidating and he would just rip into the head of engineering for 3 days about how poor their products were that they were building, how buggy they were, how they weren't-weren't fit for purpose, how they were falling down in

the competition and on and on and on. Um, you think, oh, phew, okay, it's not me this time.

The next management meeting, it might be the head of Americas, the sales are not enough, the customer satisfaction isn't good enough, and. Well, then it would be my turn, and it would be a public execution where everything you said, was flawed virtually, just to make the point and to keep everybody on their toes. If you thought that you could have this done… if it was a proposal, you said, "I'll get that done for you by Wednesday" he said, "How does Tuesday… how does Tuesday morning sound?" you said, "Hang on, Tom, I can't get it by Tuesday morning." So, if you have to work through the night, you have to work through the night. Um, I would say… I would describe him as a very, very talented CEO, but consistently unreasonable. CEOs are supposed to be unreasonable a little bit, to push you and… you expect to be pushed and probed and to… achieve you're A-game all the time. But Tom was off the charts, totally off the charts, um, and-and I daresay he still is. Erm, he-he-he's been very… he's just done another company called C3.ai Artificial Intelligence, just floated it for 6 billion, so, he's still-he's still very active.

[01:03:54]
Erm, it's one of the few software companies that um, is actually named after the founder. Is there a key there to his character?

[01:04:03]
Could be… could be, er… it could be, his name was on the door and so that made it maybe even more personal.

[01:04:09]
Yeah.

[01:04:11]
Erm, I remember one story… erm, I don't really… I know this is public domain, if it goes back to him, he might not be happy, but, you know; I remember one story where somebody criticised in the management meeting… I won't mention names, but erm… and he took…he'd already had a dis… we'd had a discussion and this person puts his

hand up and said, “But I-I just disagree Tom, I think that’s the wrong decision.” So, he said to him, “I’ll tell you what, come with me…” So, this person stands up, walks out, goes into the elevator, down the elevator, walks outside and we think, he’s been fired, he’s been fired on the spot. Apparently not, he said to him, er, “What does that say?” pointing up at the building, and the guy says, “Seibel Systems” he said, “Exactly when your name is on the top of the building then you can tell me what to do. Now, get back in there and shut up.”

[01:05:02]
[Laughs]

[01:05:05]
Erm, and that sort of, er, Tom was very disciplinarian about that. He used to start all his management meetings… “You guys are very busy executives, you’re my top executives, you’re very, very busy, you’re going to have a lot of phone calls to-to make during these 3 days of our off-site. And, if the phone rings and you have to take it, go outside but go don’t come back.” In other words, turn your phone off, turn your… no-no dissent around… turn your phone off, playing with emails, you know, people…

[01:05:34]
Yeah.

[01:05:35]
In those days, Blackberry’s under the table. You-you did not do that if you wanted to stay in the company. Now, you might say, well, why did you put up with that, why did people put up with that? When I look back a little bit, greed, you got paid, very, very, very well. And he knew that and of course when we were going through the dot.com craziness, the stock price was jumping you know, ridiculous amounts, on no new-news each day, so, people were making a lot of money and so, you thought, hey, you know, I’m…You know, the company went from zero to 60 billion market cap. And we hired 8,000 people… back to your question to me about making mistakes… huge pressure to hire that number of people in that period of time and with very, very tight standards on hiring as well, very pressured at the time.

[01:06:29]
And we're coming up as well… this is the erm, period of Y2K, erm, from which you…

[01:06:35]
[Laughs], yeah.

[01:06:36]
Software people made a huge amount of money as did the-the consultants, by scaring the bejeebers out of people, to upgrade to their very latest model which happens to be a little more expensive than the previous model. Erm, we have done some research on those who have made their contribution to the archives so far, and so, we have a spectrum of people. One, part of the spectrum is, what a colossal con by the consultants and the software industry. Another part of the spectrum says, what a magnificent piece of work, by the consultants and the software industry, because nothing truly major collapsed. Steven Garett, Garnett, where are you on that?

[01:07:21]
Erm, I'm probably, um, more on the latter actually, that it wasn't a huge con. I suspect a-anybody who has written software that is 20 years old, um, will know that what's in there and what-what bugs have they not seen, that are not likely to come up. I don't think they were smart enough to make it a massive con, um, I think-I think that a lot of people just didn't know what-what the hell did we write 20 years ago when we were coding this stuff, er, and could it possibly kick over? It's probably a bit of both, to be honest with you, but erm, I would be worried… as I'm sure you would be if somebody said, okay, I'm going to run… you-your code is now going to up against a-a major click over on… er, and you wrote it 20 years ago, 30 years ago… are you absolutely sure it's okay? I'm not sure I'd be. [laughs]. But erm…

[01:08:17]
Did your stores system…?

[01:08:17]

But you're right, there was a… there was a lot of people spending a lot of money because they were worried.

[01:08:22]
Did your stores system click over okay, at AWRE?

[01:08:26]
Er, yeah, apparently it did, so. But that-that wasn't 20 years old though, it was only a few years old.

[01:08:32]
[Laughs] After Seibel, what happened?

[01:08:37]
Er, I joined probably the professional love of my life, at Salesforce.

[01:08:43]
Yeah.

[01:08:45]
So, I-I-I did 5-5 years for Tom, I was burnt out, he worked all of us incredibly hard. And I said to him, "I need a break, you know, I haven't been home for 5 years, er, pretty much." And to his credit, he said to me, "You've done an amazing job, go take 6 months off." And er, which I did and then I thought, I don't want to go back to-to that pressure, to that, er, erm… you know that consistent unreasonable demand… some of it was reasonable. And he was a great CEO, I make no… I make no bones, in terms of driving the business, but brutal to work for him. I didn't want any more of that, I'd done 5 years and I thought, that's great. And er, so, I wrote him a very nice note and said, thank you for the experience, I had a great time, we built an amazing company, but count me out, I've… you know, you need a fresh team of horses to carry this to the next level. Er, he wasn't too pleased, but erm, that's life. So, I took-I took a few months off, erm, and er, then a guy called Marc Benioff called me. And Marc, er, I knew from Oracle, we'd done some work together, er, with… actually, Ray Lane, when he was Larry Ellison's number 2, had got the… Larry's team and the

distribution team to start to work to-together to make the company more of a single unit, as opposed to being this sort of, Larry's team and Ray's team. And Marc Benioff had been er, a, um, um, a sort of prodigy of, er, er, of Larry-Larry Ellison, um. In the early days of Oracle, Larry would stand up and say, "The next product that we're launching is…" whatever it is SQL forms… and the person who is going to run it is Marc Benioff. And then 6 months later, the next initiative, is… amazing initiative is er, and the person who is going to run it is… Marc Benioff, and we thought, who is this guy, Marc Benioff, you know, because he's only… he's younger than me, he's er, I think he's about 57, 58 now, um, and we thought he had, he was some kind of er, relationship with, er, related to Larry in some way, you know. Um, but I think Ellison… one of the things that Larry Ellison does not get enough credit for is the team he built at Oracle or the teams he's built at Oracle. Most of them have gone on to run Silicon Valley, at one stage, whether it be Geoff Squire, who you talked about earlier on with his success at Veritas after leaving… erm, and Open Vision, after leaving Oracle. Er, Craig Conway, um, at PeopleSoft, er Craig Ramsay and all the things Craig's done, erm, and I could go on and on, you know half of Tom Seibel… of course and Marc Benioff at Salesforce. Um, so, Larry Ellison does not get enough credit for just putting amazing teams together.

Anyway, I digress, so, Marc Benioff had created this idea, it's an interesting one… I don't know how much time you've got, but he had originally agreed to do this with Tom Seibel. So, Seibel was then… I'm going-going-going back here to 2002, Seibel were the dominant CRM vendor, Customer Relationship Management vendor, by a long way, you know, 60 billion market cap; okay, they were having some tough times. And Marc had decided to do something with Tom to create the… what is now termed the cloud, er version, instead of… remember, er, Seibel, at that time, as was virtually all software, was on-premises, so, you took… the-the vendor sold you the software, the Oracle software, the Seibel software, you stuck your CD in the computer and you loaded it onto your computer and then you managed it, it was your responsibility, almost. Erm, and Marc had come up with the idea, well, why don't we do CRM but in a cloud, so, we… we take your data, and we supply you the service back a la Amazon, um, but for CRM, Computer Relationship… er, Customer Relationship Management. And erm, originally, Marc was going to do that as a-as a division of er, as a CEO under the chairmanship of Tom Seibel, 'cause they worked together at

Oracle. And erm, apparently, erm, Tom decided not to do that, and he wanted it just as a division inside Seibel. Marc said that's not what we agreed. So, apparently, Tom said to him, well, I'll put you out of business if you compete against me and Marc said, so be it. And history has kind of shown that it's gone the other way around, Seibel… er, Salesforce put Seibel out of business virtually.

And er, so, Salesforce has been you know, the professional experience of my lifetime. Oracle was good, um, Seibel was… was an amazing experience but Salesforce has just been incredible. And today as we-as we-as we talk, Richard, I mean, a few months ago Salesforce replaced Exxon Mobil on the Dow Jones. We started it with a handful of people, it's now a 200 billion market cap company, it's growing at… you know, 20% odd, on the 20 billion number, highest 60… 60,000 working there today. It's still growing at 20% on the Dow Jones, as I just mentioned… just incredible. And perhaps… perhaps more importantly, and perhaps we can touch on this… you know, one of the things when it's all done and dusted, one of the things it taught me was um, you can do good and you can do well, what do I mean by that? So, when-when Marc Benioff started the company with is two other founders, the three of them decided that, um, when they'd worked at Oracle when Marc worked at Oracle, you know, Larry would occasionally give cheques to philanthropic causes, and Oracle employees would occasionally go and do, you know, very worthy charitable er, causes. But it wasn't very well structured, it wasn't systematic, it wasn't woven into the fabric of the company and it was more of a whim of Larry or not, whether things happened.

So, what he decided to do when he started Salesforce was to say 1% of the profit, 1% of the product, and 1% of-of everybody's time, would go into, um, a-a charitable cause. It was easy to do at the time because the product didn't work, there was no profit, and there was only 3 employees. But today, you know, 60,000 people, erm… they… and when I left, when I was running Europe and when I left, 85% of the staff took… it was actually 6 days a year. So, we'd give the staff 6 days a year to go and help people who were less fortunate than us. I think you'd agree with me that, you know, from all your interviews with people in IT, we've been very fortunate over the last 20, 30 years to work in the IT industry, it's been amazing, we were ver… we were very lucky to do that. But so many other people are less fortunate than us. And erm, so, Salesforce today, er, as I say, have run 40,000 charities for free. When I was there

and just before I left… retired, 85% of their 6 days a year… and we only had 2 rules: er, no religion, no politics. So, you could go an… you know, y-you could go and work on something that you were passionate about, not what Marc Benioff was passionate about or me. What… in your local community, what could you do that would help people less fortunate, and provided it wasn't politics or religion then you were deemed to go and take your 6 days paid… paid leave.

And er, so, I'm super-proud… I'm super-proud of that and today there is so many charities, there is so many… there's millions of hours of volunteering, tens of millions of hours of volunteering that's been-that's been given up, um, and it-it continues. And it's influenced so many other companies to do the-the same thing.

[01:16:24]
Which forms the question, what is the secret of Salesforce, if you can tell me now if you don't mind?

[01:16:32]
I think-I think there were several-several things. I-I think they were the leader in what I would call democratising software. So, if you go back to… you know, that-that sounds a very pompous sort of expression, but, if you go back to er, Seibel, you know, if I was trying to buy… If I was a little guy, a little software… a little, excuse me, a little business, you know, half a dozen people, I wouldn't buy-buy Seibel, right. Er, so, you're a small business, you don't… do not buy SAP, you do not buy Oracle, you don't buy Seibel, right, you don't… you just don't, you'd be cr… you could but you'd be mad, right. It's too complicated, it's too big, it's too… by the, you know, by the time you install it and you have it excentric consultants come and fix it for you, you can't afford that as a little business, right. So, you were never… little businesses or medium-sized businesses were always forced into another, er, into a different bucket to shop in a… shop in a different a-a-a a different environment. With-with, er, Salesforce, for the first time, I believe, big companies, use exactly the same software as little companies 'cause at the same… when you strip it all away what's the difference if you're doing… if you're taking an order or selling to someone, and looking after that customer if you're a small company or a big company? No difference. Um, so, it democratise… it democratised software in a sense, so, small

guys could-could s-s-suddenly use the same software as the big guys, point 1. Point 2, it-it put the customer in… customer success at the forefront of the business model. So, again, going back to Oracle and SAP, and Seibel, once that… once you've sold a million dollars of software to Glaxo, or BP, or whoever, you got your money, it's all upfront, okay, you've got support and maintenance, but the emphasis is on the customer.

So, on Day 1, you take your million dollars… million-pound order, as a software company, you book it, you get a million pounds worth of revenue, you can go an hire more people and do lots of great things, and marketing programmes, and on and on. What value does the customer have on Day 1? Zero, because they've got this lump of software, they haven't done anything with it yet, they haven't got any value. With Salesforce, you took the revenue as you deliver the service. So, it-it was pay-as-you-go, to put it simply, it's er, you-you rented to software. So, Salesforce were rewarded as you used the software. What did that mean, more importantly, was if you did not like that software, it was relatively easy… not simple, but relatively easy to switch it off. So, my customers at Salesforce could say to me, "Steve, we're not happy with your service, or we're not happy with your product, I'm going to switch it off." If that… if somebody in Oracle or SAP, or Seibel had said that to me, I-I know, and they know that I know, that-that-that's not true, you can't do that, right, 'cause it's embedded in-in the heart of your company. You can't get rid of this stuff, right, your… you've… whether you like me or not, you're stuck with me. So, so, it's sort of… it-it-it put customer success at the heart of the business model…

[01:19:39]
So, this is the key, is it, Steve… sorry to interrupt.

[01:19:41]
Er, no, it is… it is the key.

[01:19:44]
This is the key then of software as a service?

[01:19:47]
Yeah. It-it's absolutely the key as software as a service because if you… if you're selling er, software contracts, and they're coming through the front door and leaving through the back door after 12 months, you ain't got a business.

[01:20:02]
Yeah.

[01:20:04]
And so, when I look at modern current software as… er, software as a service companies, so-called cloud computing, one of the first things I look at… obviously, you look at the growth rate of where… how many customers are they acquiring, but the second thing I look at, is what is there churn rate?

[01:20:18]
Yeah.

[01:20:20]
Are they-are they, as I say, walking through the front door, going-going through the back door. If they are, there is something fundamentally wrong with that company, I don't want to touch it really.

[01:20:28]
Yeah.

[01:20:29]
Because it's relatively easy to sell somebody on the idea that the software can be of value, if after 12 months they think, hang on, I'm not getting value out of this, or not the value proportionate to the amount of money I'm spending… I'm switching it off, I'm leaving you… you've got a real problem.

[01:20:44]
You've got… you're-you're quite an advocate then of this software service?

[01:20:48]
Absolutely, I mean, why would-why would you not do that, it puts, it puts the-the cards back in the customer's hands. And like in most other businesses, that's the way it works, the customer should… The software industry got away with murder for years, really, where you could almost toss the software over the wall, once the customer started to use it, and integrate it into the infrastructure, it's very, very difficult to take that out, even though you were getting poor services, or you had buggy software; it was very difficult to do that. You don't have customer success divisions inside of… or you didn't inside of Oracle and Seibel and SAP. On Day 1, we had a customer success division at-at Salesforce 'cause we recognised that if the customers were leaving us, we didn't have a business.

[01:21:34]
What…?

[01:21:35]
And so, you know, it comes down to… do you make a sales call, or do you make a customer success call? We used to… so, we used to… you know, new people coming in, you know, you-you're a busy salesperson or a busy employee, you've got a cust… a-a sales call to do, or a customer is struggling, which one do you go to? The customer, leave the sales call.

[01:21:57]
What should young people do as they enter this industry now; should they adopt this model and work it through, or should they go somewhere else, Steve?

[01:22:06]
Erm, they should… no, they should adopt this model. I mean, er, i-if they're entering in this industry, it depends on w-what level you're talking about. If we're talking about new CEOs or new founders or what have you. I mean, Point 1, is y-you've got to find something that is compelling, I see so many new, um, software ideas that are nice to have. I think when… you know, 2007, when I gr… A-Apple launched these things, these super-computers, these iPhones are in everyone's pocket now. Suddenly, it opened everybody's eyes to what you could do. And so, we got a whole

new generation, which is fantastic, of software entrepreneurs. You know, in our day, we learned our computing from, as we've discussed, from our employers, or from our university, you know, they would send you on IBM courses, or Wang courses, remember those guys? Or Ulysses, or whoever it was, you went on a course from your employer.

These days, a-and rightly so, you know, every kid knows how powerful and application can be. So, what about applying those… some of those applications to business problems or to processes that are in-inherently inefficient. It generates a whole bunch of ideas. However, once you do that, first of all, it's got to be compelling; I see so many ideas which are, hmm, that's interesting, but why does the customer need to have it and why do they need to have now?

[01:23:25]
Right.

[01:23:27]
And then, they buy it now, how do you make sure they don't churn, how do you keep it sticky? Not locked-in, that lock-in expression that we used to use years ago… no, no, no, that doesn't work anymore, you can't lock people in. So, how do you make it whereby they don't want to leave you, that they want to keep paying their subscription, they keep wanting to engage with you? That's what doesn't get thought through enough, in my opinion on some of the new starts that I-I see. And customer success, so, you can label that whichever way you like, but I label it to customer success, you know, how do you put customer success at the heart of your values, your company values. What are your… you know, what are they? And customer success has to be there.

[01:24:08]
So, your dad didn't see this success, did your mum see some of this success?

[01:24:14]
Er, a little bit, thank you, yeah, she saw a little bit. Erm, [laughs], I've got a very nice, um, house here in Hampshire with, you know, a couple of hundred acres, and it-it's

beautiful. And the first time I brought her down here, she was getting quite elderly, ‘cause as-as I mentioned earlier, I was the youngest, so, she had me when she was 40. And so, when I first brought her down to the estate here, she was very worried about where I got the money from.

[Laughter]

[01:24:44]
True story. She wasn’t sure what I had been… she-she said to one of my sisters, well, “How does he do that, you know, has he won… has he won the lottery and not told me or has he been dealing in drugs or something?” [laughs] It was like… wow, how can this be? So, I was delighted to be able to help her, er, for, you know her latter years, but sadly, not long enough. She’s no longer with us, but er, um, so, she saw a little bit of-of the success and er, I would have… obviously, liked to have shown her a lot more.

[01:25:15]
Erm, I want to thank you very much, Steve Garnett, for, erm, a wonderful arch of a story. I’m very glad that your mother saw, er, some of the success and that you are enjoying the estate. That really is a very strong and inspiring story for the son of a docker and a Liverpool cleaner. Thank you very much, Steve Garnett.

[01:25:36]
It’s been a delight, thank you.

End of interview.