

Gordon Kraft Story

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The Gordon Kraft - QAPLus Story

My story begins in my 7th grade, when I shot a paper clip into a waste basket in our Music Appreciation class. Well as life works the paper clip hit the edge of the piano and struck our music teacher in the forehead causing an almost invisible mark on her head. I covered and did not tell anyone that I was the dumb ass that did it. So the entire music class was kicked out and we spent the rest of the year in a study hall... during one of these days in study hall, the principle was summoned to the room and when he saw me sitting in the front row, said, Gordon! why are you in here? You placed second highest in scientific aptitude in the entire state of Indiana, in recent testing... Hey this was the first time I thought wow if I am that smart why am I failing all my classes? This quandary has followed me throughout my life...

1963 - Western Electric:

Several years later while working for Western Electric in Burlingame, Ca. at a tender age of 19, I was asked if I would like to go to work in the IBM 1410 Data Center as a Computer Operator. I thought why not? I knew I was supposed to have a scientific aptitude, so what about computers, they were new and upcoming, and I might make a lot more money? My first year however was sorting punched cards, and collating them for entry into a IBM 407 Accounting machine... I hated it!

Then one day I finally was promoted into the computer room as a swing shift computer operator hanging tapes and loading continuous form paper into the IBM 1403 Line Printer. That was my first experience in computers. And watching the paper fly through that printer was my first hand experience of seeing how fast a computer could be... Soon I memorized the entire IBM 1410 rack of manuals, something that I learned would be valuable, I could remember all of them!

1965 - Sylvania EDL:

Finally I changed jobs and went to work at Sylvania EDL operating a CDC 3200 and wow was it fast! I got fired for going out to a long diner one night with everyone else there, and I always thought I was the scape goat...

1966 - Fairchild Semiconductor:

Fairchild Semiconductor was my next job. Working as a computer operator on the night shift running a S360/30 and S360/50 DOS mainframe. And sometimes a IBM 1401. I thought, this sucks! So I started going to Foothill Jr. College and later to DeAnza since they had a new IBM S/360. With plenty of compile time available for my DeAnza COBOL

class available on Fairchild's late night S/360. I got my first A in school! Not so dumb after all I thought... I took advantage of Fairchild's offer to attend several IBM School classes in SF. And soon was promoted into the COBOL programming group at Fairchild, thanks to Joe H. our manager. It did not take me long to realize I just made the biggest mistake of my life. COBOL application programming, because no one had taught me anything about System Design... Here I had gone from the top computer operator in Fairchild to the lowest COBOL programmer level and thought I would be fired any day now... Then Jack Gisselli gave me the chance to become a IBM S/360 Systems Programmer! Wow, it was complicated, but I was back in my strength arena, computer operations and the job was to get more productivity out of the IBM S/360! I did well at this and was one of those crapped crusaders called a Systems Programmer. The average person did not know what that was! And I was one of the revered important programmers, not just a COBOL programmer of which Fairchild had many. I was one of the elite! And I loved it...

One day while I was walking through the main Fairchild lobby, I saw a golden haired very well dressed guy drive up to the front door in a red Lincoln convertible with two gorgeous baby dolls in the car. It was Jerry Sanders the VP of Sales for Fairchild, and as the story goes he was on his way up to see Dr. Hogan the CEO of Fairchild, to be fired, but things went a little differently, Sanders got a raise! might it have been the babes in his car??? Who knows...

1968 - Caelus Memories:

After a year or so in the Fairchild Systems Programming group, René Vishney (Award Software) was leaving Fairchild and asked me to go with him to Caelus Memories to be both the Data Center Manager and the IBM S/360 Systems Programmer. The company, Caelus Memories made some of the first S/360 2311 Disk Packs and later IBM 2314 and IBM 3330 Disk Packs, and Philippe Yaccanelli was its awesome CEO. I was young still... and Phillippe parked his Norton motorcycle outside his office inside the building... He had a reputation for dropping in unannounced and taking the swing shift to pizza and beer. He was one of my true mentors since he strongly believed in Quality in everything he did, including advertising. And since I was very technical I became one of the employees that got to go to many Sales meetings. The sales men hired by Caelus were what I grew to know as the fire alarm ringers', these super salesmen, were more than just a little aggressive. In fact one of them became known for setting off a fire alarm in a Hotel lobby because he wanted another drink... :) And Yak as he was called, was famous for having original art works commissioned by artist's for the Caelus print ads... To this day, he is responsible for me always trying to duplicate his sense of doing everything with as much quality of life as possible. Especially, the image of a company being bigger than it really was...

Since I was a S/360 Systems Programmer, I became the IBM DBOMP guru at Caelus, an original IBM relational DBMS product. Never forget END. or the end of a chain of related records. Still more IBM classes in SF. René spent most of his time these days organizing his desk... And going to a lot of free lunches with vendors... Then one day some guys came by selling a new rDBMS called TOTAL. I was tempted to go to work with them, but concerned about my ability, so I stayed with Caelus. That Christmas we were all laid off. I was crushed, not any money for Christmas toys for my two kids, it was one of the worst times of my life. I was in my 20 s.

1971 - Arthur Young IT Consultant:

I was out of work, and virtually fell into a great Systems Programming job for Arthur Young and Company in SF. This was an exciting time in my life. I made enough money to buy our first house in Hayward, Ca. at the Hayward side of the San Mateo Bridge. I rapidly became one of their top outside contractors, I liked most of them, but was glad that I was not an employee of Arthur Young since all of them were Harvard MBA's and the best way to grow was to screw over your fellow Harvard MBA coworker... The talent was incredible, and Nick Jones was scary smart. I had a wonderful time working for him. And we were at Contra Costa County in our own rented offices most of the time. I was 28 and self employed and well along in my plan of having my own company... I made more money than most of the Arthur Young

employees, and didn't have to put up with their BS attitudes... But it was one of the most important learning environments of my life. I learned that they were all tremendously bright, that made it fun, and I learned that with the internal Arthur Young Library, they had a new copy each month of virtually all the trade magazines, so it was easy to become an expert in almost any industry in days or weeks. PLUS they had their own internal Print Shop! Wow, they could produce the most impressive reports, bound and all. After our time with CHAS our custom version of the IBM SHAS (Shared Hospital Accounting System) I had created a universal translator front end to IBM S/360 DOS that allowed us to rent time from various IBM mainframe data centers around the SF Bay Area that converted rigid IBM JCL (Job Control Language) to run on almost any IBM S/360 configuration. I called it my Front-end Processor... I even had the opportunity to be considered the first para professional for Arthur Young's SF office, kinda like Bill Cosby's Intern joke, hey you almost a doctor... Because without a college degree, I could never be an employee. But I could be considered a para professional. It made them happy, and it paid me well.

1973 - Microform Data Systems:

I started as a consultant working at Microform Data Systems as a IBM S/360 Systems Programmer, and shortly thereafter was hired as the Manager of Software Development. Working for Mel Brodie, Pete Hepburn, and the awesome CEO, Dean Mack.

My career was zooming, I was now managing about 50 programmers, and we developed 411 Directory Assistance Systems. The incredible product made by Microform was its Ultrastrip Micrographics technology. Microform had perfected the ability to not only microfilm a document, but to place that microfilm into a computer controller microfilm reader that they made for it. The cool part was that the microfilm was itself microfilmed, therefore Microform had developed the technology to microfilm microfilm. What? Really they could take a 35mm strip or roll of microfilm of images that were of say a 30 times reduction in size of the original image and then microfilm that microfilm another 10X or more, resulting in the image being 300X reduction... up to 600X, and blow back that image full size or larger... and display the image on a computer controlled Ultrastrip reader, a Microform reader could find and display any page out of over 100K pages in less than two (2) seconds, depending on how we indexed the original document or image. Therefore we were able to microfilm the Phone Book, microfilm the microfilm, place it into a Microform reader, and display any page in that Phone Book in less than two (2) seconds! That is how the Bell Operating companies did their 411 Directory Assistance for about 10 years. Until the technology was finally replaced with minicomputers and CRT s.

In order to extend the Microform product line for this application, I created Advanced Mechanization, or in other words, index a Telephone book, and paginate the information in such a way as to reduce the number of entries per page, and thus shorten the time the operator spent looking at the entries on the selected page because there were far less listings per page, just a lot more pages, but I figured out that there was a lot of unused microfilm possible and it was very cheap to produce, so I caused them to increase the number of pages, and the number of entries per page was less, so the result was a faster system. Then for the constant daily changes, we put the addendum on a minicomputer hard disk, and displayed it on a an associated 9" CRT. It took me several weeks to prove to Microform, that the CRT s had to be paralleled wired because at 9600 baud the current top speed for CRT s would not work, if the system had to send over 128 different pages of addendum simultaneously, so with a parallel wired CRT, we could transmit over 128 pages of different data in less than one (1) second. The Microform 411 Directory Assistance System using a CRT for the daily changes (addendum) was just as fast or even faster in trials by AT&T than the up and coming Directory Assistance Systems using minicomputers and CRT s alone. Ralph Manefredo was in Field Service and Engineering at Microform. Frank Berko was the VP of Sales for the Telephone Division.

But time was against Microform, and Dean took too long to recognize the rapidly advancing Digital Only world of mini s and CRT s. I created a Tandem NonStop design for this, but Microform had far too much resistance, and by the time the

project was started, I was promoted to the position of Director of Advanced Systems. With several PHD s and MBA s working for me. The para professional. In this position, I created several Paperless Office Applications using Tandem NonStop minis as the index controllers for applications like Nuclear Power Plant Document Storage and Retrieval of 30 million pages, with any page displayable in less than 12 seconds... I called the Tandem based system CARMS, Computer Assisted Records Management Systems. I was now making presentations on Advanced Paperless Office Automation Systems. And Office of the Future applications. Dean was replaced by Arnold Silverman. And Arnie was eventually on the Board of Directors of Oracle last I heard. I resigned because the new management was reinventing the failed previous attempts of Microform and Dean was no longer there as my mentor.

Ralph Manefredo added:

Meeting Gordon

I met Gordon in December 1972 right after I started at Microform Data Systems. At the time, he was working as a consultant and I was new hire. Gordon and I hit it off right away. I remember he was in the computer room testing a database he created to be used for our directory assistance software when I heard "you son of a bitch". It seemed the tape with Gordon's database on it, which he spent hours creating, was eaten by the IBM tape drive.

Now, normal procedure is to go to the system console and issues a tape unmount command. This command causes the front door to slide down, the tape to be rewound onto the supply reel and the reel hub to release the tape so it can be removed.

Well, Gordon was so pissed, he ignored normal procedures and walked over to the tape drive, grabbed the tape drive door trim and slammed open the door. This was done so hard, that the door bounced a couple of times. Gordon then grabbed the tape reel with his database and ripped it off of the tape drive hub, without the hub release actuated. He then grabbed the tape that was still in the tape drive and started to rip it to shreds. That was my first experience with Gordon.

Gordon's Porsche

Another time, a bunch of us were out to lunch, Gordon and Tom O'toole were in Gordon's new Porsche 911 and Gerry Harbick and I were in my 1960 Corvette convertible and Gordon sped out of the parking lot as Gerry and I were just getting into my car. The next time I saw Gordon, was on the on-ramp from El Camino Real onto 85, and there was Gordon and Tom standing in the ice plant in the middle of the landscaped area between the on-ramp and the freeway. It seem rear engine cars do not give advance warning at over 70mph that they are about to spin out and Gordon spun out and ended up in the median. He bent all four aluminum wheels. So with the four bent wheels, he drove under 15mph all the way from the ice plant off road to the local Porsche Dealer, looked like a Clown Car in a Circus, very very funny story. Later, I asked Gordon what Tom said and he told me after his continued questions if Tom was OK, he sat there for about 45 seconds and all he said was "nice ride". Then Tom went out and bought himself a new Porsche, go figure.

Gordon and Offshore Powerboat Racing

I am responsible for Gordon's interest in offshore powerboat racing. At the time, Gordon had a 24' Bayliner cabin cruiser, Hagar, in a berth in Redwood City, and I suggested Gordon, Gerry Harbick and I take his boat out to watch the offshore powerboat races and we went. Gordon tried to anchor outside of the Golden Gate Bridge next to the lighthouse but couldn't find the bottom, so we drifted with awesome race boats flying 100' skips out the Golden Gate, Rocky Akoi was the winner of that race. We had a blast, and Gordon told me years later that my introducing him to offshore powerboat racing is why he started Talkstory.com Offshore Powerboat Racing Team.

Gordon and SNET

Gordon and Rick Westman were in West Haven Connecticut installing the SNET film lab system when Ron Rowe and I got a call. It seems there was a problem with the SNET system and I was the only one who could fix it. I needed to get out there immediately. At the time, I was working for Ron Rowe and he agreed to send me out that night. Well, I took a red eye to NYC and immediately went to our offices across from Madison Square Garden. I arrived at the office around 5:00 am, so I laid down on the floor and slept until the office opened at 8:00 am. Around 9:30 am, we left and drove to West Haven. As soon as I walked in the door, Rick said we found a lobster even you can't eat, and Gordon piped out if you can eat it, I'll pay for it. That night, we went to dinner and they ordered my lobster. It turned out to be a 5 lb. backed lobster stuffed with crabmeat. It took me about two hours, but I ate it all. The look on Gordon and Rick's faces was priceless. There is more to write, and I will as time permits. In my six years at Microform, I forged a long lasting friendship with both Gordon and Rick that I will cherish the rest of my life.

1980 - Artelonics:

Artel was founded by Bill Odell in Palo Alto. And eventually renamed Artelonics to avoid a similar named company legal action. Artelonics was funded by Shell Canada. We developed the first Intel 8086 PC, ahead of Convergent and IBM. I personally did the demo at one of the first COMDEX shows to a contingent of IBMers before they announced the IBM PC. The Artelonics 8086 had a Pascal environment developed by Bob Stillman of Award Software fame. The machine was aimed at the Office Automation market. We had over 100 top engineers including Xerox Star developers. The Artelonics had a 864x512 bit map graphics overlay on top of the Text Screen and was huge. I was the National Sales Manager. In the short life time of Artelonics we had tremendous support financially from Shell Canada, and I was on the inside track so to speak with the Shell executives. Eventually Shell decided to erase the company, and they gave the designs to Stanford and bought back the install base. The company never happened...

1981 - GKE Software:

Since Artelonics had built one of the first CPM86 based 8086 PC s we constantly were pursued by various Software Developers, including Condor Computer Corp. in Ann Arbor, Michigan. The CEO of Condor at that time approached me to help sell their Relational Data Base, and with the knowledge that Shell Canada planned to shut down Artelonics, I accepted the Condor offer to be a independent Sales Rep. Within the first year, I had closed a new retail store called BusinessLand. Working with Enzo Torresi and David Norman, I became a consultant working for BusinessLand and selected the initial PC s to be sold by BusinessLand, including the Xerox 820 PC and the Condor Data Base and shortly thereafter I closed an major distribution deal for Condor for Micro Age and Micro-D a rapidly growing national distributor. I also do to this tremendous success, signed a Publishing deal with Condor Computer for the Western Half of the US.

It did not take long to dramatically increase Condor s sales, and in fact my GKE Software, d.b.a. was selling more Condor than Condor itself. I accepted an offer to sell GKE to Condor. One of the business deals I created was with Skip Barkis and the formation of Transparent Data Systems, Inc.

I had convinced Skip that the future of the PC industry would require data integration of various software titles, and Transparent was then added to the Condor acquisition list as a result... Condor also in its acquisition fever bought StarSoft, Inc. a DOS Accounting company by becoming its Angel investor and acquired StarSoft from the US Bankruptcy Court, in what was called a Chapter 11 Cram down. This was a method of acquiring a company in Bankruptcy and at the same time cramming down or removing all other shareholders and creditors. This was complex and GKE Software had moved all of its employees and customer base into Condor s new West Coast HQ in Palo Alto. Very shortly after that Condor reneged on their purchase of GKE since they already had all the customers and employees, and

found themselves in financial trouble due to the acquisitions and failure to compete with Ashton Tate and dBase II.

I received a telephone call from David Wertzberger, an old DEC sales rep that I knew from Microform Data Systems days. Dave said, You like boating right? And I said YES, and he said how would you like to go sailing with me in Lake Tahoe? I Said sure, and then he added, How would you like to sail and live in Lake Tahoe, I said, who do I have to kill?

I resigned as the VP of Sales for Condor Computer and moved to Lake Tahoe.

1983 - Handle Technologies:

My new job was with Handle Technologies, the largest employer in Tahoe City, behind the local Safeway, right on the lake. It was awesome, they were developing a UNIX Office Automation Suite. It turned out that Handle had R&D in Lake Tahoe, and it s HQ in Houston, TX. With Tommy Harlan as its CEO. Handle had a VAX 750, and many AT&T C2 and C5 Unix minis, and Convergent, etc. We had flex hours and some of the top UNIX developers in the world there, they could ski during the day and work all night! What an experience. Due to my extensive technical background, I as the VP of Product Development soon realized that everyone was lying to Harlan (who became a good friend to me)... The Data Base group was yet in another city and none of the software fit together... It was a disaster. \$18M blown on software that did not have a Data Base that worked. They quickly learned that it is not prudent to build all of their own tools, but it was too late. Future funding dried up, I went to Houston as a consultant and shortly thereafter the company closed it doors. Great Programmers, led by poor management results in failure. So I returned to consulting.

1984 - Award Software:

René Vishney called me out of the blue and asked me to join Award Software as a independent sales rep, commission only. I accepted.

Bob Stillman from Artelonics was the co-founder of Award, and he and René had a small ROM BIOS company. I quickly learned what a BIOS was, why Award was a legal IBM compatible BIOS (Stillman wrote it in C .) And all of a sudden I was going to Canada and the Far East, mostly Taiwan. The sales plan was to license the Award ROM BIOS in unlimited deals. It was a very hard sale at first, because Phoenix had already closed most of the Taiwan PC clone manufactures and virtually all of the major USA based companies. I found that the smaller PC manufacturers needed the Award BIOS but could not afford a unlimited license and at the same time, René was getting greedy... So I came up with selling the Award BIOS on a Sticker basis. I can still hear the Chinese say here comes Mr. Kraft time to buy more stickers! Within two years, I had sold over 5M Award BIOS stickers. This was one of the most profitable software companies in the world. Award gave the customer the right to burn their own EPROMS containing the Award BIOS code, and the evidence of sale was a holographic sticker. There was NO COST of goods involved, less engineering costs, and I was selling Award BIOS stickers at that time for \$6-\$12ea.

In fact I was doing so well selling stickers, that René and Bob asked me to move to Taiwan. I chose Hong Kong. Within the first 90 days in HK, I sold over \$400K of stickers, but my wife and kids hated it there... Then one early morning, Bob Stillman called me in HK and said, I am firing René, come home now.

Here I was making over \$30K a month, and the company was booming, and René and Bob could not agree on anything. This was a disaster. So with both of their approval, I left and started selling my home grown QAPLus Advanced Diagnostics software that I had written to these same PC manufacturers. Award was a battle ground for the next several months, and I was glad to be gone... In the end, both René and Bob lost the greatest opportunity they ever had. Leslie

Richard's from Eurosoft was their rep in Europe...

1987 - DiagSoft:

I created my QAPLus Advanced Diagnostics in 1986 as a viable alternative for the PC Clone industry which at the time only had illegal copies of IBM's DOS Advanced Diagnostics to use. I created the initial version of QAPLus by buying the Assembly Code DIAGS source code from Delta Data and I wrote a Borland Turbo Pascal QAPLus shell with Benchmarks, which I later replaced my benchmarks by the purchase of POWERMETER Benchmarks, which was based on a very similar design. I hired Gene Farnham and a little later Alan Marconet as programmers for my Interim Solutions, d.b.a. During the initial meeting with my SJ attorney Art Plank, I was swayed to change the name to DiagSoft, Inc. I owned 100% of DiagSoft.

I contracted Lynn Wubbles a San Jose CPA, to install a turnkey accounting system, and we were off. My first customers were Hyosung and Micronics, and it was the QAPLus version bundled with the Micronics 386 boards that caught Intel's attention, and I then closed an OEM agreement with Intel for their AT&T platform deal with the Intel Group in Oregon.

Micronics later turned out to be a possible Compaq clone 386 board, this happened by Compaq using a Taiwan PC Fab... that may have shared the Compaq 386 board design... this tactic is how Taiwan has grown to be our primary US supplier, and was common in those early days of Taipei, DOS, and Award Software ... I had many friends there, and ACER was an early Award customer and Distributor for Award in Taiwan...

Later, after difficulty with Intel not paying much attention to their large AT&T OEM deals diagnostic requirements in which Intel had grossly underestimating the degree of effort to simply change QAPLus into a AT&T look and feel, and being told bluntly, by AT&T that it expects and therefore gets!

Intel placed several top execs in DiagSoft's offices in Scotts Valley (Cliff Fahey great guy from Intel taught me to use Intel's "clear and crisp communications"), and all of a sudden we had more Intel and AT&T personnel than we had DiagSoft personnel in our building. I used to joke, I think the Intel Bus just unloaded in front of our offices... We were instructed by Intel to continue and do whatever AT&T wanted and that Intel would pay the development costs...

1990 - DiagSoft: - cont.

At the 1990 COMDEX show in Las Vegas, I had our engineers install one of the first Creative Sound Blaster cards that I got from Creatives Lim brothers in Singapore, into QAPLus and it "Talked" using Star Trek sound bytes... And I had our engineers add PC Anywhere for a Remote Diags capability. I also had our engineers add "Intruder Alert code" if QAPLus was modified in any way, which it then became a precursor of Virus Detection and by 1990, I had the message Illegal Copy of QAPLus displayed on the screen, and I remember the time a Asian customer called me all freaked out, and said that my software just told him that it was dialing the Police! Funny at the time, since it told us that he was using a modified copy or had removed some of our tests. And at that time, if QAPLus did not run on your PC platform, it meant that your PC was NOT IBM COMPATIBLE... ie. you had a BIOS incompatibility problem. or sometimes even a real hardware design problem.

QAPLus was blamed for stopping the Intel PC production line in Puerto Rico one time, and I had a lot of Intel VP s screaming at me to fix the problem with QAPLus, a day later we proved that it was a genuine Intel design problem. This happened several times with our various OEM s over the following years. And soon QAPLus became the defacto industry Gold Standard for PC compatibility...

In fact Don Harris a close friend and sometimes our VP of Sales, told about 50 Tandy executives and engineers in Fort Worth, while walking back and forth on a stage in a Tandy meeting room, that in the olden days, the Pharaoh's cubit, or method of measurement, was the unit of measurement used to build the pyramids in Egypt, and demonstrated that the distance from his elbow to his finger tips was a Cubit. And that QAPLus was the Cubit or unit of measurement for PC Quality... I crapped myself.

During this difficult time (very demanding were the AT&T personnel) Lynn Wubbles was instrumental in asking Intel in a meeting to discuss a possible investment in DiagSoft, with Intel offering \$250K and Wubbles asking them to sweeten the deal a little it became \$300K, and DiagSoft received a \$300K investment from Intel for 35% of DiagSoft stock. Wow working with Avraham Miller VP Bus. Dev. and Arvind Sodhani the Intel Treasurer, try saying that fast... And me wondering how in the hell I got here?

With Intel as our outside investor, and tremendous difficulty with satisfying AT&T, DiagSoft and QAPLus evolved into a family of Diags for the end user, the Field Service Reps version (QAPLus/FE), and our ISO 9000 focused QAPLus FACTORY for burn-in, DiagSoft grew to a prominent market defacto standard for PC Diags.

During this rapid growth, I licensed QAPLus source code to TouchStone Software and it became the basis of CHECKIT for the retail channel. Unfortunately, TouchStone decided to change enough of our code (actually weaker testing) and a nicer front end, they informed me that they would no longer pay royalties to DiagSoft. I was pissed off, but could not get Intel to support our suing TouchStone Software for Fraud. So we continued to evolve the QAPLus Family to include a dBase variant Log for Multi PC unit testing which caught the eye of several PC manufacturers desiring a ISO 9000 PC Testing System that could log hundreds of PC test results simultaneously and DiagSoft became the company to use as part of ISO 9000 Test, Collect, and Report PC Manufacturing.

1994 - I opened DiagSoft's Pac Rim HQ in Maui, Hawaii with Intel's approval...

I had a letter from the Governor of Hawaii inviting me to do this (a Hawaiian State DBET group found us at COMDEX). I went over to the Manoa Innovation Center, which was the State of Hawaii's Honolulu Incubator (I was very impressed with Frank F. the man in charge there), but felt that Honolulu was kind of like LA, lots of traffic, and I was living in Scotts Valley, Ca. During this trip I learned that the State of Hawaii also had a IBM SP2 Super Computer Center under construction in Maui and another incubator facility. I went to Maui, rented a couple of offices in the MRTC in Kihei, and DiagSoft had it's R&D in Maui! I also founded Big Kahuna Productions a Film/Video Production company with Richard Mann as my Producer/Director/partner from (RMG Hollywood) LA, we also trained 5 full time animators doing 3D Studio Animation for advanced "3D Virtual Sets" in Maui. In total we hired over 10 employees that were living in Hawaii and it was awesome, watching their talent grow working there in Maui, the most creative place on the planet...

A local hawaiian told me once, hey Big Kahuna kinda like da pope! We were always respectful, and I look forward to the Hawaiian Nation achieving sovereignty like our Native Americans in the states. Hawaii is a awesome and beautiful place, and I always told people that it was like that because God created it last, and he still it...

I spent as much time there as I could afford, while still running DiagSoft and having to deal with sales, tremendous evolution timeframes caused by Intel, Microsoft, etc. We released a GOLD Master of QAPLus almost weekly!

While in Maui, I created my greatest product idea yet. "Electronic Technical Support Centers ETSC" using QAPLus with Carbon Copy or PC Anywhere, we had the perfect solution for the Tech Support industry to ensure that the Customer Support Rep of a company knew exactly what was in the customer's PC and if it was working right. A simple concept, that blew everyone's mind that looked at it.

Given resource, I blow out COMDEX with over 5,000 attendees to our show that I designed, the SCRIPT, the booth with Chris King's design influence, the Moore Sailboats UltraLight Futuristic Dual Monitor Work Station a Chris King Project, and Skip our live NASA actor on stage all week long... this was an awesome success for me, and I was so very proud of the Audio System that I setup, with Carver Dolby Digital THX, and ADS sound system, the Pioneer Surround Sound Leather Chairs, etc. a unbelievable homerun for DiagSoft and me and the \$300K I spent to pull off for this week at COMDEX. (just think what I could do with significant funds, I am a PROMOTER and SHOWMAN and BUSINESSMAN I thought to myself...

In 1994, I introduced ETSC at the COMDEX show in Las Vegas in an all out splurge for a 40 x50 booth in the Hilton Hotel. We hired a mural artist, and we created a beautiful artistic original work airbrushed canvas backdrop that was a 15 tall, 35 long, raised stage with a 60" SVHS Pioneer big screen TV built in like Star Trek, had a professional video done to play on it, and a LIVE actor to talk to the big screen TV. We originally designed the booth to look like the bridge of Star Trek, but after trying to get Data from the show Star Trek to be our actor, and not being able to afford him, I hired a Radio personality from the Santa Cruz - Monterey Bay area to be our actor. We changed the theme to the bridge of the USA Space Shuttle, Star Ship DiagSoft, and got clothing from NASA, and had custom futuristic computer workstations made by Moore Sailboats in Santa Cruz. These workstations had TWO PC monitors, one keyboard, built in, and we had the first ultra light (sailboat talk) futuristic Tech Support Work Stations in the world. For seating, I purchased 12 Pioneer Surround Sound leather chairs for \$1500ea. These chairs had a 12" Sub woofer speaker under the individuals butt. We had sound tracks from NASA of a real space shuttle blasting off into space, with accompanying video, and a live actor on stage to interact with the big screen TV, just like in Star Trek. And the coolest thing was that QAPLus was actually loaded in the real space shuttles computers, NASA was a customer of ours...

We also added 12 movie star high chairs behind the Pioneer Surround chairs with wireless Sony Headphones. A Carver Surround Sound AV System, and ADS Studio Surround Speakers in the booth... The show was so awesome that we had a line of waiting people reaching up to 300-500 people long from out booth all week long including the tear down time of the COMDEX show. We were so popular that I ended up on the ABC Business Week show from there with Bill Gates. AND collected over 5,000 new sales prospects! Intel was there in our booth many times during the week, because of this popularity, and stated that little ole DiagSoft had more customer traffic than Intel did at that show... And ETSC was launched. This experience was the most creative opportunity I had ever dreamed of. All I could do was grin and it took weeks for the grin to wear off, I was so proud... DiagSoft was now believed to be at least a \$50M company by the audience. We were \$7M at this time.

And one of the funniest parts of this story is that women did not want to leave those Pioneer Surround Chairs... :)

At this time, DiagSoft had tremendous growth and we had sold over 20M copies of QAPLus, yes that is right over 20,000,000 copies! By Aug. 96 we had sold over 35M copies of QAPLus via OEM bundling deals, and we had over a 85% Global market share.

This market share was told to us by Microsoft, because they said that we were in ALL of their accounts worldwide, and they asked us to AUDIT the Microsoft Technical Support Centers in Redmond and give them suggestions for improvement.

Not only did we create the PC diagnostics market, and our Intruder Alert Virus Detection was one of the first Virus products, but we were recognized at the time as one of the most advanced Tech Support Development Companies by Microsoft...

The Audit of Microsoft ran into problems after we had a team of DiagSoft personnel in Redmond for a week, Microsoft decided that they wanted to own ALL intellectual property rights of our study, and anything that we created in our future products, I pulled our team out. Microsoft clearly has a long term vision of the Microsoft world... Come on Apple!

1995 - DiagSoft: - cont.

In 1995, I purchased M.A.S.T. Maui Analysis and Synthesis Technologies. They were a incubator company in the Maui High Tech Park, working on a A.I. Neural Network product focused on a prediction engine for Excel to forecast the S&P 500 index. And associated Data Mining.

You would be amazed at the number of available skilled programmers and computer artists working in the restaurants of Maui...

We had another 40 x50 booth in the Las Vegas Hilton for COMDEX, but this time we had Mel Cabang a well know Honolulu comic live on stage doing the ETSC demo. And we gave away 5 free trips to Hawaii. It was at this show that the tech support company Sykes, Inc. became interested in DiagSoft and ETSC. Over the next year I had several meetings with John Sykes of Sykes, Inc. and finalized the acquisition of DiagSoft by Sykes in a meeting in Jackson Hole, Wyo.

I went to High School in Cheyenne, Wyo. And Yellow Stone Park and Jackson Hole are my most favorite places to visit.

It turned out that Sykes wanted to acquire DiagSoft and announce it as part of their Secondary Stock Offering. I was given the right to piggy back up to 49% of my Sykes stock (stock swap deal). And all of a sudden it was like winning the lottery. I had about \$14M in my previous always empty pocket... I went a little nuts.

1997 - DiagSoft: - SOLD!

1997 Retired, buy Lazzara DREAMS:

I purchased a brand new Lazzara 76 Grand Salon enclosed Sky Lounge motor yacht for \$3.5M and had a cup of coffee and danish with John Sykes two days after commissing DREAMS do come true. John appeared to be not happy with me and this purchase, but hey you only get one turn in life. Then he went out and bought a Race Horse Ranch in Ocala, Fl.

I was retired. and I was really tired...

1998 TalkStory Offshore Racing, Inc.

I approached Dick Lazzara and asked if Lazzara Yachts would like to sponsor a APBA Offshore race boat I planned to buy. He said, don t ask him if I was not serious... I was, and the rest is on my website:

www.talkstory.com

1998 APBA Offshore Racing, LLC.

I also invested and co-founded the APBA Offshore Racing, LCC with Michael Allweise and joined the Board of Directors. I was active with the APBA Offshore Racing, LLC until we sold it in Jan. 2003. And I ended up as the Chairman of the Board during the final months of operation and the 2002 APBA World Championships in Alabama.

1998 StarPower Home Entertainment, Inc.

I was approached by Nathan Morton the Chairman of StarPower to invest. I did so and have been on the Board of Directors ever since. StarPower is a affluent buyer Home Theater retail store group located in Dallas.

1998 Broadband Networks, Inc. BBNC.

Plus I made a investment in BBNC, Inc. Ralph Manefredo.

1998 Moses Computer, Inc.

Investment in Moses Computer, Inc. Frank Berko.

both of these companies were founded by former Microform employees.

1998 Don Harris & Company

Plus investment to my old friend Don Harris.

1997 Artificial, Inc.

Artificial, Inc. was my idea of the next long term market opportunity: Artificial Intelligence products, Web Sites, and Robots.

2002 AiLibrary, Inc.

AiLibrary, Inc. was a replacement for Artificial, Inc. after my divorce.

2002 - current AiHome(tm).

But then I have a new product idea in the works, I call it AiHome or an Advanced Internet Digital Library and Home Theater.

Sykes, Inc. stock.

I did the above investments under the belief that Sykes was a conservative company and would grow well over time, and the fact that I had John Sykes hold 10% of my stock in escrow, for my real retirement, Sykes stock ended up being depressed by two things that I know about, the first being the demise of the .COM stock market which affected Sykes more than expected, and the second the need to restate Sykes earnings due to doing a deal with SystemSoft, Inc. for code

to use in ETSC. Sykes and System Soft swapped about \$8M in invoices... per Ed M.

This combination cost me about \$5M worth of escrow stock, since I had a stock swap deal with Sykes, and had asked John Sykes to place 10% of my shares into a escrow account for my real retirement... To this day, Sykes stock has not really recovered... and neither have I.

2006 Summary

So, like they say, it ain't over till it s over, and the Fat Lady is not here yet...