



The SAO Marks its 15th Anniversary

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Abstract: The SAO has come a long way in 15 years, from a handful of scattered, small operations to an industry of full-fledged, thriving companies. Oregon itself has emerged as one of the handful of software centers in the country. See how we've grown!

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When IBM unveiled the first PC in 1981, enterprising souls immediately saw the potential and got to work. Those first software companies were small and scattered, isolated from one another. Some were spin-offs of Tektronix, Intel or IBM. Others were home-grown enterprises, operating out of garages. Many started with just an idea and a friend. They knew they were on to something, but didn't know who else was out there. Eventually a few companies in Eugene banded together to form the Eugene Software Council. That was the beginning of the spirit of collaboration that has characterized the software industry in Oregon. When they elected Nancy Willard as their president, she really got the ball rolling. She started talking to legislators about the needs of this nascent industry and its lack of attention from the state. Grattan Kerans and Larry Campbell responded by spearheading legislation to form the Software Industry Development Council.

Strategic plan designed to foster economic development

By this time, Oregon was struggling through the worst depression in decades. The timber industry had slid into a slump, stores were closing, employees were being laid off. In an effort to bolster the economy and get the state back on its feet, then-governor Neil Goldschmidt developed a strategic plan that focused on key industries to stimulate growth. When the state learned how fast the software industry was growing, it invited the newly-founded Software Industry Development Council to join the process and present a report.

As the council members met, they realized there were basic questions that were still unanswered:

- How big *is* the industry?
- Where are the companies located?
- What kind of companies are they?

They realized what was really needed was a trade association that could represent the industry and its needs. So they included this proposal in their report to the governor. Goldschmidt offered \$75,000 in seed money if they could come up with matching funds from the industry. So in June 1989 the SAO was formed, with the Council as its interim board and Dan Whitaker as its first executive director. Dan set up an office at his home and then hit the road.

New software organization has immediate appeal

To the small software companies, Dan was a welcome sight. They'd been operating on their own, having a great time building software, but now they needed resources:

“Where do we go to get this thing shrink-wrapped?”

“How do we find a good lawyer?”

“Who knows how to market software?”

The idea of an organization that could serve as a central gathering place had immediate appeal. Memberships and sponsorships started rolling in. In three months the SAO matched the governor's seed money and from that point on was self-sufficient. In December 1989, with the first annual board retreat and elections, the SAO was in full swing.

With companies hungry for collaboration, the first thing the SAO did was set up monthly dinner meetings. For the first hour and a half, people would talk and network. The energy was contagious. They were finally able to find the resources they needed: a new engineer, an accountant, marketing expertise, help with a particularly nasty bug.

Afterwards there'd be a speaker: Andy Rappaport, Bill Gates, big names from all over the country. After working on their own for so long, these small startups realized they were part of an increasingly important economic force.

There were other benefits too. These companies hadn't been able to afford health insurance. Now, with their combined purchasing power, they could. They formed special interest groups to talk about marketing, specific technologies, the challenges of running a company.

Dan Whitaker put it best when he said, “The time was right, the people wanted it, and they worked together to make it happen.” Did they ever! People stood up and volunteered, donating their time, talent and resources to make this work. From the first newsletter to the big annual events, it is the people who have made this organization successful.

The energy continues today

That energy is just as palpable today. Recently the SAO announced its START! GROW! MOVE! initiatives. Busy people took time out of their schedules to put serious thought into meeting the changing needs of the industry. These plans include:

- Partnering with the city of Beaverton to start its software incubator, the Beaverton Center for Software Innovation.
- Becoming a training broker for the state to bring in-demand high tech training to Oregon so companies can keep their staff up-to-date on their areas of expertise.
- Partnering with various marketing initiatives of the state to attract software companies to move to Oregon.

The SAO has come a long way in 15 years. No longer scattered and isolated, many of these garage-shop operations have become full-fledged, thriving companies. Oregon itself has emerged as one of the handful of software centers in the country. Through it all, it has been the people who have made it work – their energy, their enthusiasm and their unflinching spirit of collaboration.

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