

Wayne Coleman

Interview conducted by

Helen Weiss, Historian

September 22, 2016

SAN DIEGO TECHNOLOGY ARCHIVE



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Wayne Coleman



Dr. Coleman was born in Miami, Florida. In 1958 he was granted a football scholarship at the University of Tennessee and entered the University's nascent nuclear engineering department. (UT established the first nuclear engineering department in the USA in 1957.) As an undergraduate he served as president of the student government association. In 1963 he married high school classmate Barbara Beck. Barbara taught nursing in Knoxville while Wayne went on to earn his Masters and PhD in nuclear engineering at UT. His graduate work was performed in conjunction with Oak ridge National Laboratory and focused on computational methods for analyzing 1) the penetration of nuclear weapons radiation into protective shelters and 2) the transport of high energy radiation in space and accelerator environments.

From 1968-1969 Dr. Coleman served a two year tour of duty as a captain in the U.S. Army at the U. S. Army Nuclear Effects laboratory at what is now Aberdeen Proving Ground, Maryland.

In January 1970, Dr. Coleman became the first person from outside of San Diego to join Dr. J. Robert Beyster's fifteen person company (then known as SAI) in La Jolla, California. In his early years at SAIC Dr. Coleman focused on the development and application methods for analyzing nuclear phenomena including the characterization of nuclear radiation environments from various sources. These efforts related to a variety of applications including human safety, measurement of materials concentrations, detection of weapons (buried mines to high altitude nuclear explosions) and radiation therapy. Dr. Coleman participated actively in the early culture of SAIC which called for not only technical prowess, but also project management skills and the development of new business. Above all else, the hallmark of SAIC was entrepreneurship. Later he was a key developer of, and managed, the company's marine technology and services organization which provided services in ocean engineering, physical oceanography, naval architecture, computer science and data processing to commercial, national and international clients.

In his later years at SAIC Dr. Coleman was primarily engaged in the development and marketing of selected science and technology intensive business areas. This included penetrating new markets and expanding existing businesses. Business areas included: combating terrorism, development and delivery of next generation information networks, management and technical support of major health research and development programs (including operation of the National Cancer Institute's Frederick National Laboratory for Cancer Research at Ft. Detrick, Maryland), and management and support of large, complex toxic material disposal projects. Generally, these endeavors were conducted on a national scale and occasionally they involved international activities.

Dr. Coleman retired as a Corporate Vice President with Science Applications International Corporation (SAIC) in April 2004. This culminated a career of over 34 years at SAIC.

PERSONAL

Married to Barbara Beck Coleman; Sons, Marc, Greg and Eric, five grandchildren, and one great granddaughter.

Active in support of various church ministries, the University of Tennessee, Tickle College of Engineering, Hillsdale College, and the University of San Diego, Joan B. Kroc School of Peace Studies.



THE SAN DIEGO TECHNOLOGY ARCHIVE

INTERVIEWEE: Wayne Coleman

INTERVIEWER: Helen Weiss, Historian

DATE: September 22, 2016

1 **WEISS:** I'm Helen Weiss for the San Diego Technology Archive, housed with the
2 Special Collections at the University of California, San Diego Geisel Library. I'm
3 interviewing Dr. Wayne Coleman on September 22, 2016. Dr. Coleman was a pioneer
4 at SAIC joining the company in 1970. When he retired after more than 35 years of
5 service, he was the corporate Vice-President in Business Development. We're
6 interviewing Dr. Coleman today at the UC San Diego Geisel Library.

7 Thank you Dr. Coleman for making time for this oral history interview. We'll be
8 walking through your background, education and then finding out about your
9 experiences at SAIC, especially here in San Diego. Our notes show that you were the
10 first person Dr. Beyster hired in La Jolla who came from outside the San Diego area.
11 You joined SAIC in January, 1970 as a recently graduated Ph.D. Dr. Beyster was a
12 nuclear physicist who had been working at General Atomics before he jumped ship to
13 establish SAIC the year before you came. Before you discuss your working with Dr.
14 Beyster and your 35 year career with SAIC, tell us about your background. Where did
15 you grow up and what were your interests in school and hobbies as a child?

16 **COLEMAN:** First of all Helen, thank you for having me here. It's a pleasure to
17 contribute what I can, particularly on the perspective of SAIC and what they add to
18 the technology culture of San Diego. I was born and raised in Miami, Florida. I guess
19 you would say my strongest interest early on was math. I was pretty good in math,
20 and so, like a lot of people when you're fairly good at something you tend to focus on
21 it.

22 I also had the good fortune of having a little bit of fine art talent too. I like to think I
23 have a little left brain right brain balance. [Laughs]. Although, I've never gotten back
24 to cultivating the fine art talent as much as I should. My wife is still after me to do it. I
25 had a fair interest in sports. As a matter of fact, the way my college route developed

26 was I received a football scholarship to the University of Tennessee. I went to the
27 University of Tennessee and started as a freshman in 1958 and, for those of you that
28 remember, that was the heyday of the race for space with the Russians. They had just
29 put up Sputnik and the likes, and so the rage for many young folks, both males and
30 females, was aerospace.

31 When I went to University of Tennessee on football scholarship, which I was
32 fortunate to get because I was not a huge player, I got to play quite a bit. [As a
33 freshman] I was relatively naive, I was counting on aerospace engineering and it
34 turned out they didn't have aerospace engineering. The closest they had was
35 mechanical engineering, but it turned out they had something that was equally as
36 exotic, and in the long run was fortunate for me, and that was nuclear engineering.

37 A lot of people don't realize it, but the University of Tennessee has long had, since
38 the early 50s, an undergraduate program in nuclear engineering. There's a reason for
39 that. The main campus is 30 miles from Oak Ridge National Lab (ORNL), which was
40 the headquarters for the Manhattan Project. As a matter of fact, today, the University
41 of Tennessee's nuclear engineering program ranks about number six in the nation. So
42 it's up there. Jumping over the details, I signed up for that [major] as a freshman and
43 since I was on a football scholarship, it took me four years and one quarter to
44 graduate.

45 However, the football scholarship allowed me to go on beyond that extra quarter, and
46 when I and the head of the nuclear engineering department discovered that, he said,
47 "You know, why don't you just take courses towards your Master's?" So one thing led
48 to the other. However, in parallel, my wife graduated from the University of Miami in
49 nursing, specialty in cardiology. When we both graduated with our bachelor's we
50 were married. I had a modest fellowship at the University of Tennessee, but she really
51 put me through graduate school. She taught nursing [at the University hospital] and,
52 [compared to a grad student's stipend], made a fairly handsome income. So fast-
53 forwarding a little more, on through graduate school, I had an ROTC commitment,
54 but it was only a two year commitment. The Vietnam War was going on then and I
55 was assigned to what was the Army's Nuclear Defense Laboratory, in what is now
56 Aberdeen Proving Ground, Maryland.

57 [While at the Army Nuclear Defense Lab, I worked on projects that were of interest to
58 the Army and ORNL.] Essentially, [the Army and ORNL] had a quid pro quo [for my

time]. Both my Master's and Ph.D. topics came from ORNL. At ORNL, rather than the conventional nuclear reactor people, I found myself more in the camp of the high energy accelerator and space radiation physicists. When I got ready to get out of the army, the man who had been my advisor said, "You know, there's a physicist in La Jolla, California [who has started a small company]. You should call him up, because he's on our technical advisory board at the Neutron Physics Division. He just might be interested in you."

So I did that and interviewed with a few companies out here in California. Of course Dr. Beyster was one of them. That interview was in October of '69. When I interviewed on a Saturday morning, he had the whole company there, ten people. By the time I joined them in January, there were 15.

That Saturday morning I basically gave an hour and a half talk on what my dissertation was all about. After that [Bob] and I walked around the cliffs of La Jolla and in a self-deprecating disclosure, he said, "You know, I'm doing something a little different with this company. I'm offering people equity in it. Would you be interested in any stock?" So I knew quite a bit about neutrons, but I didn't know anything about finance. I said, "No, I'm not interested." He didn't push it then.

I ended up hiring on, about three months later he walked into my office and said, "You know, I've been thinking about this. You need stock in this company. I'm not going to give it to you, you're going to have to buy it at this stage." I didn't have any money, so I borrowed \$2,500 from my dad. It kind of became history from there in terms of participation in the stock program.

So, that's how I got to SAIC. I don't know if you want to transition to another question now, or...

WEISS: Tell me about your first impression of Dr. Beyster when you met him and then which other companies were you interviewing with when you came out here?

COLEMAN: Well, that's interesting. Let's take it in the order you asked: my first impression of Beyster. One aspect of Bob Beyster that not too many people know – but those that know him are all aware of it – he's a pretty poor orator. [Laughs]. He was never a great speaker. He just had a monotone style about him and so to outsiders that didn't know what was up, he was kind of a boring speaker.

90 But one-on-one, he was amazing. He was an incredible recruiter. There were
91 probably four Secretaries of Defense that were on SAIC's board at different times.
92 But, you asked about the first impression. What I was impressed with was his
93 technical insight. I developed a model of certain classes of high energy radiation as a
94 dissertation, and then I applied [the model] computationally to compare with certain
95 experiments, and had the good fortune that it turned out pretty favorably. But, in any
96 case, he was the only one that asked me a question that I'd never pondered. I won't
97 even try and repeat what it is because it's a little too detailed, but when he asked the
98 question, I realized this model can't predict that. It can't even account for that. That's
99 all there is to it, and he knew that when he asked me.

100 So, I had the good fortune to have at that time about a half a dozen interviews. There
101 was one in New York, one in Dallas/Fort Worth, and there were a couple in Los
102 Angeles. TRW was in the picture. I interviewed too with General Atomics. There was
103 a company, at the time, up in Sacramento too. I will say one thing about the people I
104 interviewed with, which is a little bit humorous. At TRW, the man who interviewed
105 me and who would have been my boss, about six months later, he was working for
106 SAIC. Same thing at GA. [Laughs]. The guy that interviewed me and I'd have been
107 working for, six months later, is at SAIC.

108 The company was growing that rapidly and that certain irony was there. So, in the
109 beginning I was just impressed with [Beyster's technical] prowess. [Unconsciously] I
110 was very impressed with his one-on-one charisma as I describe it, but that hadn't
111 struck me yet, and I wasn't even conscious that that was what was happening.

112 He was [a motivator in several ways]. He was so smart technically that the things he
113 asked you technically, romanced you.

114 **WEISS:** We're going to talk a little bit about Dr. Beyster. What was your relationship
115 with him? You mentioned a scientist and the thesis you had written, and you came
116 on to the company and you were employee number 10? Dr. Beyster was not actually
117 employee number one even though he was the founder?

118 **COLEMAN:** That's correct. And Dr. Beyster wasn't number one.

119 **WEISS:** Tell me about that whole story – how ten and one happened.

120 **COLEMAN:** Well, it was actually a very logical explanation. When the company
121 had grown to approximately 50 people, someone in the administration, of which
122 there was precious little of at that time, realized we needed some way of identifying
123 employees and keeping track of them for various purposes, for fringe benefits,
124 payroll, etcetera. So, when they assigned the employee numbers, nominally 50 of
125 them, they did it alphabetically. And that is why Bob Beyster wound up with
126 employee number four.

127 I remember there were two A's and one B in front of him, and that's why I wound up
128 with employee number 10. I was actually about the 15th person in the company, but
129 since C is relatively [early] in the alphabet, that's just the way that turned out.

130 But to move on a little bit, one of the things I want to touch on is what you might call
131 the manifold character of the attributes of John Robert Beyster. He was just a guy of
132 more talents than most people realize, because most people, over time, saw some of
133 these talents. I was with him for 35 years so I got to see quite a few, and I'll just try to
134 go briefly through some of them.

135 The first one was he was a scientist. Many of us witnessed him exhibit that quality
136 numerous times. At one point we had won a contract with the Army to look at the
137 feasibility of detecting buried landmines using nuclear methods. There were two
138 parts of it. There was individual research, and there was a board we assembled of
139 notable nuclear experts, one of which was Beyster. One guy got up and he was talking
140 about this data and asserting it was data [describing reflected radiation] from a
141 certain element. Beyster looked at the data and he said, "That's water, that's from
142 water." [Laughs]. He just recognized it and it turned out the guy was wrong. The
143 point wasn't that the guy was exposed so much, it was that [Beyster] could just tell by
144 looking at this data what the material was from the [character of the reflected]
145 radiation. He was a noted and great scientist.

146 Another obvious thing is he was an incredible entrepreneur. He was [exceptionally
147 savvy] for [what was or would be valuable]. For many years, SAIC grew in the double
148 digits. Sometimes 25 percent a year. A lot of people just thought Beyster and some
149 others were very good at picking these nascent things that developed explosively into
150 ongoing business. That's not the way the company grew. What he did was foster what
151 we grew by modest extrapolations from the base that we were. There was never a big,

152 far out risk. He wasn't an Elon Musk. We just grew by these modest extrapolations
153 from the base, but we grew omni-directionally.

154 In the beginning, it was nuclear, and then it was other adjacent physics, and then it
155 was software. It was things that we could move into that we knew enough about and
156 we'd go hire an expert in that area. Then we'd begin to grow in that area. But usually,
157 the growth came through hiring very good people who were experts in those areas.
158 What you wanted to do was have the confidence that this person knew what they
159 were talking about and that there were customers who really wanted their services.

160 **WEISS:** Were you surprised when you were first hired? Did you know being hired
161 that not only were you going to be doing nuclear engineering, but that you had to go
162 get those customers? You had been at Aberdeen and had a little bit of experience
163 directly with the military there. Did it seem different and something set it aside from
164 TRW and General Atomic? Did that appeal to you?

165 **COLEMAN:** It did appeal to me. It turns out that what Beyster did, looking back on
166 it – particularly in the early days of the company – without announcing it, he looked
167 for people who had three general attributes. One of them: was there something
168 already in-house, a contract we had, that a person could walk in the door and go to
169 work on. If they could do that, they were direct charge and they weren't a drain on
170 the overhead. It didn't take months of funding to support them to get them going. So
171 number one: can they do the technical work; can they contribute to something we
172 already have going.

173 Number two: can they manage a project. Harder to judge than the first one. Harder to
174 judge, but nonetheless, that's what Beyster did. While many engineers, physicists,
175 and other types of scientists may not have the inclination, but almost all of them can
176 pick up real quickly on basic accounting. [Laughs]. I mean, to know what a P & L
177 statement is, ain't rocket science. So he would look for people that had the self-
178 discipline to manage a project within cost.

179 The third thing he'd look for is: do they have the potential to help us in the omni-
180 directional growth, to bring in more business, in either the same or related other
181 business areas. Those are the things he sought. It turned out I didn't realize it myself,
182 because I was so steeped in the technical aspects in the beginning. After I was in the
183 company for about three months, he came to my office and said, "You know, you
184 need some stock in this company." So he tacitly pressured me to do it, thank God. So

185 I bought some stock in the company early on, and then I quickly began to see, "Oh,
186 this is how this works."

187 **WEISS:** So, you came through with ROTC. I guess your wife helped you through
188 graduate school because she was in nursing and teaching. But, here you joined a
189 start-up as opposed to going to other solid companies. How did it feel to you to be a
190 risk taker yourself at that point? A newly minted Ph.D.

191 **COLEMAN:** It's a good question. Of course, I've thought about that very carefully. I
192 guess the answer was in the very the last year and a half [of graduate school], I
193 actually was brought on as a consultant at Oakridge National Lab, to not only finish
194 what turned out to be the dissertation, but in fact, to apply the tool that I had
195 developed in some more cases. What I'm trying to say is, I knew what it was like to
196 work at a major national lab.

197 I was also offered a job at Sandia National Lab in Albuquerque, too. In fact, I knew
198 that if this little company called SAIC initially went belly up, I would have a job at
199 Oakridge National Lab. They told me, "If you change your mind, you can come back
200 here." I felt like, if I don't do this now, I'll always wonder what it was like.

201 At the same time, there were a couple of other companies that were about the same
202 size as SAIC was then. One was in New York and one, I think I mentioned, was in
203 Texas. They existed for about another decade, but they never grew like SAIC. Life and
204 my career would have been much different had I gone with them.

205 **WEISS:** How much time did you get to do your science versus business development,
206 and was that something that you had expected?

207 **COLEMAN:** The other thing Beyster did is – tacitly, as you look around you see
208 these fellow employees and you realize you had this common thread. You were all
209 workaholics. [Laughs]. We were almost maniacal about this thing. Of course, the
210 stock and equity had a lot to do with it, but it went beyond that. You were in there on
211 Saturday mornings, usually most of the day on Saturday.

212 Beyster would be there. Then on Saturday morning, that's when we would have our
213 business meetings. That's when we'd sit down and say, "Okay, that contract is
214 finishing up. What are we going to put Joe and Moe to work on? What's coming in
215 the pipeline, and where are our major expenses right now? How can we cut them

216 back?" So we had those kinds of sessions, when perhaps some people at other
217 companies were having a normal weekend.

218 **WEISS:** Where were the SAIC offices?

219 **COLEMAN:** The very first office of SAIC was called, at different times, both
220 McKellar Plaza and Prospect Plaza. It was located at 1250 Prospect Plaza on Prospect
221 Street. In the back of that building there is still a set of offices that overlook La Jolla
222 Cove. There was a dance studio, I remember. The initial offices were in that building,
223 and I remember sometimes hearing the syncopated beat of the dancing classes going
224 on next to us. So that was the very first office.

225 Over time – I think I counted them one time – I had nine different offices in
226 downtown La Jolla, in the village of La Jolla, in different buildings. La Jolla financial
227 building, the El Patio building, they – we were just all over.

228 Finally in about, I want to say it was 1987, we consolidated most of the local company,
229 meaning San Diego, or certainly La Jolla, into a place on North Campus Point Drive.
230 At that point, there were other subsidiaries of the company. One of the subsidiaries
231 was located in Sorrento Mesa. We had offices down on Hancock Street near the Navy
232 as well. So, we were out around the San Diego area, but the nucleus of the company
233 was still in La Jolla. Then in about 1987, those in the village of La Jolla moved out to
234 Campus Point.

235 **WEISS:** I understand in terms of no frills, that it was Gene Ray and in his interview
236 talked about 'yes he was hired, he came – there was an empty room and he wanted to
237 put his books up and he had to well, "order your bookshelf" and then he had to put
238 up his own bookshelf. Another employee, I think at the [Beyster] Memorial, was
239 talking about how there was no office for him and a lot of people were traveling at
240 that point. So, you just moved from office to office. How did this kind of disparate
241 structure relate to how the company tied itself together? Where did everybody meet
242 on Saturday mornings?

243 **COLEMAN:** Well, that's a good question. We had a little library at McKellar Plaza,
244 I'll call it. We would meet in the library or we would squeeze into somebody's office.
245 Typically it would be Beyster's that we'd squeeze into. So, let's see though, what was
246 the first part of your question now?

WEISS: Bare bones, you were expected to put your own bookshelves up if you wanted your own bookshelf.

COLEMAN: I remember my first office was, in fact, in the library. I didn't have an office for about the first five days. Then I got an office and marveled at my office because it overlooked La Jolla Cove. There's no air conditioning, you don't need it. You open the sliding door and you walk out on the balcony and there's La Jolla Cove and the Pacific Ocean. It took me a while to realize, "I work here."

It was just hard to get by at first. But, you mentioned Gene Ray. I'm jumping around a little bit, I know Gene Ray quite well. We're good friends. He went to the University of Tennessee as an undergraduate and majored in physics. He hired on at SAIC slightly after me. When he came, he knew me and I didn't know him. The reason was because he followed football at Tennessee. [Laughs]. The irony is that he remembered me from football, not from nuclear engineering.

So, I have to tell you a quick story involving Gene that gives you a notion of the character of the early SAIC; particularly with respect to entrepreneurship and the innovativeness. We would probably come to this anyway at one point. One of the contracts we got involved in began as a solicitation from the then Bureau of Mines, which later became part of the Department of Energy. They were hoping for something off the shelf, which was rather naive because it didn't exist. It turned out to be more of a development contract. They wanted a sensor for monitoring the content of a coal slurry that is pumped out of a coal mine. More specifically they wanted to monitor the three primary components of the slurry: water, coal, and refuse. The reason they wanted to do that is they wanted to automate the mining head that was grinding through the mine, to keep it in the richest veins of coal. In order to minimize the refuse, a certain amount of water had to be there to make the slurry, of course. SAIC aspired to bid on this contract.

There were two groups within SAIC, and this was not uncommon, that were interested [in bidding]. At this point, the company had grown to where there were things other than nuclear science. I was in the nuclear camp and Gene Ray headed up the division that was mainly non-nuclear, but other technologies and so forth.

He had guys working for him that wanted to bid this job. They wanted to use ultrasonic and optical methods to do this. Of course the guys in the nuclear division wanted to use neutrons and gamma rays and measure the change in transmission

280 through the slurry to infer the slurry content. I remember I had to make a trip to
281 Washington [on a separate matter], and when I had discovered this, I told the nuclear
282 guys, "You need to go talk to Gene Ray's guys and work out a combined approach to
283 this thing." When I came back from the trip, each camp essentially said, "Those other
284 guys don't know what they're doing and our way is best." So finally, knowing Gene
285 real well, I went to him and I said, "Gene, we've got to do something here. Both
286 camps are hell bent on bidding this job." So, we submitted two proposals, under one
287 cover letter. Accelerated story: we won both of them.

288 **WEISS:** About 90 percent of SAICs business over the years was federal government.
289 Were these RFPs in the federal register that you would respond to, or did you help
290 craft how the RFPs were written?

291 **COLEMAN:** The answer was both. In the beginning of the company the term "help
292 craft" is not too strong to describe some cases. [Contractors helped the government
293 customer determine the best general approach.] There was a significant amount of
294 sole source contracting in the earlier days of SAIC. [DARPA (Defense Advanced
295 Research Projects Agency) and the Defense Nuclear Agency were two agencies where
296 this was common. The latter agency changed names over the years and may be
297 named differently today.]

298 Some government entities would have their favorite contractors. There was probably
299 a personal thing that entered to some extent, but for the most part, it was where the
300 expertise was. In some cases, we would have the expertise on some aspect; some of
301 the competitors would on other aspects. But, there was sole sourcing. As time went
302 on, sole sourcing became more and more rare because the requirements to sole
303 source something became egregious. Even if the customer wanted to do it and knew
304 that you could do a better job than anybody else, you couldn't do it anymore. Had to
305 go competitive. So, a lot of it became RFP.

306 **WEISS:** Soon after you came, there was a presence in Washington with an SAIC
307 informal office. The nuclear engineers and the scientific expertise was here, but you
308 had a Washington presence. How and when was that established?

309 **COLEMAN:** Absolutely. The Washington presence grew very rapidly, I would say
310 within six months. I joined in January, by June we had a Washington office of
311 probably almost a half a dozen people. The man that was the early senior statesman
312 of that development was Dr. Bill Layson, who, I would encourage you to consider

interviewing. He still lives in the northern Virginia area. He's retired, of course. He's my senior, by probably four years or so. He's getting up there. But, he could add immense perspective to the Washington scene, more than I could, because he was so present there.

WEISS: How often were you involved over the years in going to Washington and making those direct presentations? Were they to both military and civilian agencies?

COLEMAN: They were. I became heavily involved [in the Washington scene] very quickly. As a matter of fact, let me just share one thing with you, and the listeners I guess. After I was with the company for a little while, I realized there was more than one reason that Beyster hired me in particular. But, there was one really special reason he hired me, and that was because he knew that there was a certain agency in Washington at the time that was engaged in a classified project that today I'm sure is unclassified. But I'll still treat it as classified. He was aware of the project because he had been summoned as a consultant into that project. He didn't tell me about the project, but he said, "I want you to go see this guy that's in this agency. I want you to go in and talk to him and tell him what your dissertation tool can do." And I did that.

I left that day. [The guy I met with was the government project manager.] He said, "I'm going to direct one of my present contractors to issue a \$60,000 start-up contract to SAIC, because I want you to start using that tool on this job." Beyster knew that was going to happen. He just knew it. It was a one of a kind tool and there was nothing wrong with that.

WEISS: Did you make presentations with Dr. Beyster from time to time?

COLEMAN: I did. Very often Beyster would go in and see customers one-on-one. [His discussions with customers generally addressed the larger picture of the customer's mission and how they could best pursue their mission.] He didn't usually make a presentation himself. There were exceptions, but it was unusual for him to participate in a particular presentation on either an existing contract or on a proposal for new work. It happened some, but he would be involved more in helping other people prepare for who to talk to and how to work that scene.

WEISS: I understand over the years, and this was mentioned at his celebration of life, he had a reputation for wearing a blazer that was a blue jacket. Very simple. He felt

like he didn't wear the fancy corporate suits. He also carried a special book around. Bob's Book. Could you tell me a little bit about that?

COLEMAN: Sure. I'll tell you about that, and then I'll come back and try to rapidly complete the description of Beyster's manifold attributes.

First of all, let's talk about his apparel. He was kind of sensitive about that. In fact, some people would forget that he was sensitive and on occasion make a teasing comment and he would be a little irritated by it. But, the truth is, he did have the standard blue blazer. He would typically wear a tie, but one of his signatures was he would wear white socks, [a habit for which he was] teased by some employees. One of the legends about him that was not true, but fit with the character, was that when Beyster got ready to go into the customer's office, he would stop outside before he went in and use the bottom of one shoe to scuff up the top of the other shoe so they'd look a little scruffy. [Laughs]. [I think the motivation of whomever contrived that legend was to emphasize that Bob's style was anything but slick.]

I must say that there were precious few people at SAIC that ever went into a government contractor who were dressing or acting slick. I remember one time, we had a contract with the Army [in the Aberdeen Maryland area]. It had to do with chemical demilitarization, and it was a major contract for the company to help the Army plan [and execute] the destruction of the [U. S.] chemical [munitions] stockpile. There was a relatively new fellow who'd come in the company and he was the new manager of the group that [was responsible SAIC's chemical demilitarization] contract.

I knew that customer quite well. [I was asked to introduce the new SAIC manager to the customer.] The new manager picked me up at Tysons Corner and we drove up to Aberdeen in his rented black Lincoln. I said to him "don't ever rent a Lincoln and go to the Army." "Fords and Chevrolets are what you rent. Wrong image." I said, "We're going to park this car in the back where nobody sees it." It was just part of the image. That [customer, like many government customers, was heavily staffed] with civil servants. Many of them did not like contractors. They would just as soon not have to contract anything, partly because of that image that you guys are making all the money and we're slaving away here. There was that kind of perception.

WEISS: Well, I understand that Dr. Beyster really believed in made in America cars and himself drove a very modest vehicle.

377 **COLEMAN:** He did.

378 **WEISS:** So did he understand that culture, or you talked about – getting back to his
379 entrepreneurship and business strategy. Tell me about, was this part of what he –

380 **COLEMAN:** Let me finish the little book first. The little book we're talking about by
381 the way, it was simply a little spiral tablet that fit in your breast pocket. He set the
382 example, and it really wasn't a bad idea. Rather than have a big portfolio, you unfold
383 with a customer like this eight and a half by eleven, you had this little book and you
384 would take brief notes in that little book. But he carried the little book everywhere;
385 even to Company parties.

386 He'd pull the book out, put things in it. Then, most of us carried the little book.
387 [Laughs.] It's not a bad idea. So, that became a kind of a tradition with – not all of us,
388 but many of us. I picked it up because I thought it's not a bad idea, it's a simple way
389 to do it. You can keep it in your pocket and you don't need really detailed notes, you
390 just need enough to jog your memory. Oh yeah, we talked about that.

391 **WEISS:** Were pocket protectors and slide rules part of that culture?

392 **COLEMAN:** Well, the slide rules had kind of gone away. There wasn't much of the
393 slide rules, but pocket calculators were around. We didn't typically pull those out, but
394 it was really more of the little book. It was a little spiral book typically. I think you
395 can still buy them in the stores. They're around.

396 **WEISS:** So, when we're talking about Dr. Beyster, are there attributes that you see?
397 Obviously his entrepreneurship, and you talked about building SAIC from one man
398 consultancy to more than 40,000 employees at one point. In the early days, did he
399 imagine the company growing that large? Was there a vision?

400 **COLEMAN:** I think there was a vision, but I don't truly know the answer. But I just
401 don't think even he imagined that it would get to over 40,000 people. I think he was
402 sincerely driven by wanting to do high quality technical work for customers. He liked
403 the federal government, partly because he was a tremendous patriot. He didn't flaunt
404 his patriotism, but that was an important part of it. I mean, he loved these United
405 States and the principles the country was founded on and promotes.

406 But on employee ownership, there are a lot of aspects I could talk about. Other
407 people know a lot more in details – case in point, Mary Ann Beyster. But, what he did

[with employee ownership in SAIC] was an antithesis of the current widely held image of the greedy CEO.

He ended up owning way less than one half of one percent of the company. Think about that. He could have owned easily half the company if he wanted to. What I'm saying is the man was incredibly [and admirably] unselfish.

The company was his baby, there's no doubt about it. It was his personal passion, but it wasn't for personal glory. [He was obsessed with] doing good work and he was the Simon Zealotes of SAIC. [Laughs]. Employee ownership was the mechanism by which he made hundreds of millionaires, and then some. Maybe we already touched on it, but another quality was his ability as a recruiter. That certainly was near the top of the list in his attributes too.

I can't remember if we talked about that beforehand, but some of these people he recruited— four or five Secretaries of Defense at one point were on our board of directors. People like Mel Laird, and Harold Brown, if you remember some of these names. Harold Brown was, by far the most intellectual Secretary of Defense the country has ever had. He was a Columbia Ph.D. whiz kid, and I had the good fortune of getting to work pretty closely with him. But there were many others. Bob Inman and Bill Perry, who was another Secretary of Defense. And not just Secretaries of Defense, all kinds of people, but let me go on.

He was an incredible recruiter and somehow, when he was with small audiences, particularly one-on-one, he was just incredibly effective. As I mentioned earlier, he was never a great orator, but one-on-one he was just amazing. People were infatuated with him and with what he was trying to do. And they wanted to be a part of it.

WEISS: So I understand that he really wanted employees to stay, too. What do you think – in addition to the employee ownership, what kept people so loyal to SAIC? And if they left, I understand that he would leave their stock, or if they had the stock for a while in the company, he'd try to win them back essentially. What was the whole loyalty to him?

COLEMAN: Yes. He did that in a lot of cases. In some cases, there were people that left the company. Of course, some were spin offs that became competitors. Gene Ray

439 was one of those. There was another guy [who left and formed a competing
440 company], Jim Young. There were several others.

441 For the most part, Beyster didn't hold malice on that. Certainly not with Gene Ray.
442 He remained long-time friends with him. But there were people that left – not great
443 numbers, who joined the government. Often they were part of the notion of truly
444 wanting to see good things happen. Not only to them, but for the country and the
445 well-being [of our citizenry]. I know it probably sounds overly altruistic, but I'm
446 telling you it's true.

447 **WEISS:** What about you? You stayed more than 35 years, working with all these
448 customers that you had, understanding the federal government, and a lot of the
449 international kind of operations too. Did you think at some point about going to
450 work for either a government agency or another international company?

451 **COLEMAN:** I gave some thought about the government. I gave some thought, but I
452 never got real close. I have to say, in my own case, I never even had a second thought
453 about joining a competitor because I just couldn't imagine anything better than SAIC.
454 I can't remember a day where I woke up that I wasn't enthusiastic about going to
455 work for SAIC. I mean, that's a pretty good job, when you feel that way.

456 So, [among other attributes Beyster was a] recruiter, business strategist and tactician.
457 I put those last two together. He had strategies, but he could be tactical too, about
458 doing things. I'll jump ahead and tell you about one job that I don't know if we would
459 come to later or not.

460 In the early 90s, SAIC had a few people that were in the life sciences, but the vast
461 majority of [the technical employees] were in the physical sciences and engineering.
462 There was a relatively young guy that had recently joined the company. In fact, I had
463 been involved in recruiting him. He was in the Washington area. Wonderful guy, still
464 good friends with him today. Might be a guy you want to interview some time. His
465 name is Ken Sunday, like the day of the week.

466 He came in the door, and looked around at external procurements that were coming
467 up. He saw this one coming out of the National Cancer Institute. It turned out it was
468 a re-compete of the largest single contract that the National Cancer Institute had, and
469 it was to operate the Frederick Cancer R&D Center at Frederick, Maryland. Basically,

there were roughly 1,200 people that were there. They were contractor employed people, and the NCI outsourced the operation of that facility to the contractor.

The majority of those people were managing animals and experiments and so forth. Of that 1,200, they were probably on the order of 350 people that were Ph.D.s, MDs; real scientists that were involved in the science. [The science] was both applied and some basic research in cancer and AIDS. Our involvement in the life sciences was with people that were in some classified things and involved in such things as biological warfare and so forth.

Overall we had precious little [capability in the life science area]. Our first reaction with this procurement was – I told Ken, "Boy, this would be a long shot for us to bid this. We just don't have the corporate experience to do this." I can't take the time to go over all the details, but there were some unusual things about this procurement. At least at that particular time, again, this is about 1992, NCI had a paradigm for their contracts and grants. The vast majority of NCI contracts were much smaller than this. This contract was, like I said, managing 1,200 people [engaged in cancer and AIDS research] at a sprawling facility. The vast majority [of NCI contracts] were research projects like you would see at UCSD. There would be a principle investigator and it might be a \$200,000 contract. The [single most important NCI criterion for awarding a contract] was the credentials of the principle investigator. That was primo. They would look at the proposed research and the logical things that you would look at. ["Corporate experience" was a distant secondary criterion.] Cost was weighted, but not hugely important. [Contractor employee salaries constituted the major part of contract cost and salaries on government contracts were limited by government regulation.]

In doing our due diligence, we discovered that the guy that was heading up the contract for the incumbent made the mistake of making a not so smart statement. As soon as they won the contract, he was going to boogie [to take residence off the continent]. I don't know if the customer knew that, but we knew it. That was one thing. Secondly, we discovered that their whole paradigm for [contractor selection on] this \$140 million contract [was the same as for the vast majority of their much smaller contracts with typically university researchers]. They didn't put that much weight on how much management experience you had on \$140 million contracts, managing life science projects. They put the weight on the principle investigator. We set about finding the principle investigator, and we recruited him. He happened to be

the Vice President of Oncology at a prominent university that is probably best not named. Not because there's anything to be ashamed about. We went to the university and to him and he said, "You can't afford to hire me. You can't pay me that much. I make X hundred thousand dollars, and under the contract you can only pay me this much."

Well, we can't pay you under the contract, but we can give you a bonus separate from the contract. Furthermore, he said, "Well, the President of the university will assassinate me if I leave my job here." So we came up with the notion of cutting the university in. They can be a participant with us. You get the idea.

We won the contract, and it was a pretty amazing thing.

WEISS: So this really launched SAIC into a new realm of –

COLEMAN: Life sciences.

WEISS: Business development in the life sciences. Let's bring the story back to San Diego. At that point, 1992, how many of you were engineers? Now you're jumping into life sciences, and biotech is growing here, and biomedical in San Diego is starting to grow. How did that relate to SAIC maintaining its headquarters here?

COLEMAN: To be honest, the answer is it was a long time before SAIC got truly involved in the biotech community here in San Diego, at least that's my impression. I personally never became heavily involved in [the biotech arena].

The lion share of the [San Diego] local work that came to SAIC was with the Navy. The majority of it with SPAWAR, and what was then called the Naval Electronics Laboratory; a lot of anti-submarine warfare over the years. I retired from SAIC in about 2006, so I think some of the bigger involvement with the biotech community came even after that. Most of it was still Washington based. In terms of the business base, if you counted up the SAIC revenue dollars that came in the door, what came from Washington pretty much dwarfed what came from local San Diego.

WEISS: So, let's talk about the San Diego business climate. The Navy was important, and SPAWAR, and the electronics. What about the Marines in Pendleton? Was that also –

533 **COLEMAN:** It was, but it was minor. I can't quote you with the revenues, but my
534 impression is there was never a major element there. But remember if you could
535 define a diversity index in terms of your customer base, [among contractors] SAIC
536 would be far and away the most diverse. Some people say, 'well, they do so many
537 things, they can't possibly do any of them well.' The fact is, we did.

538 At least on the vast majority of them. We weren't perfect. A lot of that came with
539 trying to hire the best people in those areas, and sometimes there'd be people coming
540 out of the marines, for example. Some of that occurred, especially in areas like Special
541 Forces.

542 **WEISS:** So was there a commitment to try to hire veterans?

543 **COLEMAN:** Not an overt commitment. I don't ever remember being told or even
544 hearing that we were targeting hiring a certain segment of ex-military. We hired
545 based on what made overall sense. And to be very honest, there was a good fraction
546 of ex-military that came into SAIC, and it just didn't take. They just had a rough time
547 adapting to the SAIC environment.

548 I can't tell you what the difference was. [Some ex-military] came in and hit the
549 ground running and it was sweetness and light. It just seemed to work.

550 **WEISS:** So, during your time with SAIC, 35 years, how much were you involved in
551 any of the Navy projects?

552 **COLEMAN:** Not too much myself. There was one fairly major Navy contract that I
553 was involved in, but it was classified. I doubt if it's classified today, but I can't go
554 there.

555 **WEISS:** But, you did expand into the development of your certain idea of aerospace.
556 You went and established a Huntsville office, the US Army Missile Command in
557 Alabama. Tell me about that, and tell me about how that might have branched SAIC
558 into the whole space area.

559 **COLEMAN:** Let's see, what year would have that have been? It was fairly early on.
560 One of the customer bases Beyster had contacted – targeted I should say, was the
561 Army Missile Command in Huntsville. That was because of missile and anti-missile
562 work, and SAIC had quite a bit of capability [in those technical areas]. But [our then

existing customers were] in Washington. Bob saw a good bit of work coming out of Huntsville with some of our competitors that he felt that we could do. He was right.

Serendipitously I got personally involved with the Huntsville business objective. There was a classmate of mine, a fellow graduate student with me at Tennessee who gave me a call. He was a southern boy, grew up in Tennessee, and at that time headed a group at Brown Engineering in Huntsville. [Brown Engineering] had a strong presence in Huntsville at that time, but now we're talking maybe the mid-70s.

[We knew each other well.] The purpose of his call was to complain. He was grouching to me about one of my fellow colleagues that came down there, and was trying to get business from his customer. "Don't do that. That's not fair. Why is your guy coming down here?" I said, "Well, he's entitled to pursue the work. What did he do that was so bad?" We got talking and it turned out he didn't do anything real bad, as far as I could tell.

So, we had the conversation and he said, "Well, how happy are you at SAIC? Why don't you come on down here and come to work for me at Brown Engineering?" I said, "Well, how'd you like to come to work for SAIC?" [Laughs]. "Well, I don't know about that," and so forth. That conversation ended. I hung up the phone.

I walked down the hall to Beyster's office, and I said, "You've been saying you want to have a Huntsville office. There may be a chink in the armor here." [Laughs]. I introduced Beyster to him and Beyster recruited him. That was the beginning of the Huntsville office. It started out in missile defense through that episode.

[The Huntsville development] is an example of how SAIC grew. There were two things that happened. I mentioned earlier Bill Layson, then head of the McLean office, as we called it at the time. Bill had recently brought onboard in McLean a guy named John McCrary who later became a very successful executive VP of SAIC. Very competitive guy. He was a little bit unusual for SAIC. He had a software background and there wasn't that much work in the software area [at SAIC in the early to mid-70s. SAIC] was more hard science and physical science, rather than computer science, although there was a fair amount of that. McCrary had actually managed some software development which nobody in SAIC, for the most part, had really done then.

The guy that we hired down in Huntsville said, "You know, there's this procurement coming out. I can learn a lot about this procurement by this guy I know down here,

but we're going to have to find the right person to bid – to head that project up."
Well, McCrary became that guy. We bid him and he moved from McLean down to
Huntsville, and he eventually became the head of that whole Huntsville office.

We won what was called the Army's Missile Defense Software Validation and
Verification contract. They had all this software that was extremely important in
terms of its reliability, and so forth. It was so important they wanted an independent
contractor to verify all the software, to confirm that it was working properly. [That
win was the largest in the history of SAIC to that point in time.] McCrary is a guy that
you might hear about on some other occasion too.

WEISS: So, now you've encompassed all these things, you're taking in scientists, the
entrepreneurial spirit, to develop this. And obviously, Dr. Beyster's the one who's the
recruiter, who really makes this all happen or ties them together and understands
where business is going. Now you have a few other personal ideas about him that you
put in this tribute here, about having moxie and passion and his single mindedness.

COLEMAN: Yes, you could argue moxie and passion are not mutually exclusive. I
think of the word moxie when I think of Bob Beyster – it covers a set of his attributes.
There were more. If you look up moxie in most dictionaries, it has three meanings. It
can mean all three. And when I use it, I mean all three.

One meaning of moxie is a person who has courage. Brave, courageous about moving
ahead. The other meaning is skill or know-how. And the third meaning is pep or
energy. So you can have courage, but you've got to have the energy to execute.
Beyster had all three of those. The other thing I'll say about these Beyster attributes,
maybe it's apparent by now, is he hired people that had the same attributes, to some
degree.

He hired people with moxie, who were passionate about things. So when I say he was
passionate, he was passionate about anything having to do with SAIC, to the point
where at times, I was kind of concerned about his family. It was rough on all our
families to an extent. It's nothing to be proud of, but SAIC had its share of divorces.
Some spouses just couldn't put up with this stuff. It was just a little too over the top. I
had the good fortune to be married to the same woman for going on 53 years now,
but she had to put up with a lot, too.

WEISS: Over the years, when you talk about the tough mindedness, and stick to it-
ness, but, I think we want to have a handle on that. When you mentioned spouses,
were there mainly men at that point, in the engineering and physics? I mean, that's
who the field was, and when did the recruitment expand to include women in
engineering?

COLEMAN: The company was founded in '69. To be honest I would say [concerted
female hiring] started setting in in maybe the 80s, the late 80s. I mean, we really
became more conscious about making an overt effort to get more women into the
company.

WEISS: What about here in southern California, especially UC San Diego, San Diego
State, were there active recruitment in the engineering, physics, and chemical
engineering departments?

COLEMAN: There were, but SAIC's approach was generally less formal than a lot of
the major science and engineering companies. Beyster in particular didn't make a
major issue of gender and/or other even forms of equity. But, I never, ever detected
from Beyster any bias on ethnicity or anything. He was completely color blind. That
never affected anything.

On the other hand, it took the head of HR to remind him, we need to hire more
minorities. There's pressure to do that and we should do it. We need to actively do it.
So, he didn't naturally gravitate to that, but he certainly didn't oppose it in any way.

WEISS: In terms of how he worked with you – you refer to him as Beyster, though he
had Dr. B, Dr. Beyster, how did he refer to you?

COLEMAN: Wayne. [Laughs]. Well, when I was in a meeting with him one-on-one,
I would call him Bob. I'll share with you one more thing, maybe two more about
those sessions, if we're not going too far over the time. There was a period of time, it
was well over a year, where I was personally focused on recruiting, mainly at Beyster's
strong encouragement. So, I did.

But, I was obviously – I was a retread nuclear engineer. I didn't know anything about
the things that professional recruiters are trained in, although I had the model of Bob
Beyster. I remember there was a period for about a year, when, for the first time Bob

hired into the company a guy that we referred to as a professional recruiter. That led us to using external executive recruiters for [senior personnel] needs.

About once a week, we would have meetings and there'd be just Beyster, the recruiter and me. We'd sit down and visit two camps in the company, two categories. First category we would visit was the internal. We'd look internal in the company, and Beyster would lead this conversation. We'd look down and say, "Who are the people that are coming uncovered on contracts, and that don't have any apparent coverage?"

Many among these people were those whom Beyster felt, or other people knew, were highly valuable employees. We want to retain them, but we might have to retread them. We did some of that. We'd spend significant time once a week just looking. "Okay, we have Joe here. Can we use him over here? He's smart enough where he can pick this up. He's a good employee, he's been with the company 10 years, blah, blah, blah."

The activity of finding new jobs in the company for existing employees went on way past the one year I was doing it. Which was one ingredient to why the company had such a good record against attrition. The other part of the time, we'd say, "Okay, we're growing in this area. We probably should be thinking about going in this area. Who is the best artificial intelligence scientist in the nation right now? Could we recruit him or her?"

Those are the kind of conversations we would have. We would identify and begin to put together a profile of what we wanted in various areas. We'd typically come out and have maybe four profiles in different areas and go out searching for those kinds of people to hire them.

WEISS: How soon after you joined in 1970 did SAIC have a presence internationally from Europe to Asia to Latin America to Africa?

COLEMAN: I'm not the best one to give you the most accurate answer to that. I want to say it was about 1980. I think the biggest single contract that came internationally that really put us on the international scene was a backdoor contract. It was a contract where the work was for the Saudi Navy. Our contract was actually with the US Navy, which we liked, because of, among other things, payment reliability.

687 The Saudi Navy is not a huge navy. But it's respectable. The contract was to redefine,
688 redesign, and install their command control communications system for their navy.
689 We had some people in our Washington office that had some connections – exposure
690 to the Saudi government, and the right kind of navy exposure too. There were a pair
691 of [retired U.S.] Army colonels who had a [trusted relationship] with the Saudi
692 government, and then later, others.

693 The senior SAIC individual that became involved was Dave Heebner. He had a lot of
694 top level contacts within the US Navy, and that contract materialized under him. The
695 contract was tens of millions of dollars. So that was, in my memory, the first big
696 international contract we had. If that answers the question.

697 **WEISS:** You stayed with SAIC and you left or retired in 2006. Why did you decide to
698 leave at that time?

699 **COLEMAN:** Good question. I guess I reached the point where I wasn't unhappy with
700 the company, but I didn't aspire to be among the very top of management. I'd gotten
701 to the point where I was contributing, but I just didn't feel like I was contributing like
702 I was earlier. There began to be things that I wanted to do a little more with my
703 family. My wife and I are pretty active in our church now – some of those things. So,
704 it was a combination of things.

705 Having said that, ironically, after formally leaving SAIC I consulted for about another
706 year with a university in New Mexico, who was under subcontract with SAIC. At
707 White Sands [Missile Range], on which Trinity Site is located, there's a small, but
708 significant nuclear reactor that is used to simulate tactical nuclear weapon
709 environments. I was a consultant for about a year after retirement in connection with
710 a study involving that reactor. The reactor utilizes highly enriched uranium.

711 Any time you have highly enriched uranium around, it's a target for terrorists and
712 there's the cost of managing [the facility, especially insuring the security of the
713 enriched uranium]. So the question arises, are there ways that you can simulate a
714 tactical nuclear weapon without using highly enriched uranium? And without going
715 into any more details, I was involved in [evaluating] alternative methods which
716 involved [examining the use of various] high energy accelerators in lieu of a reactor.
717 In summary, we examined the feasibility of simulating the radiation environment of a
718 tactical nuclear weapon by bombarding low enriched uranium with high energy
719 accelerator electrons.

720 **WEISS:** So, you leave SAIC, but you support the Foundation for Enterprise
721 Development. Just tell me a little bit about that project. You said you're involved with
722 your church. Any SAIC type charities? They have a lot of public commitment to some
723 charities here, too.

724 **COLEMAN:** Yes, I'm trying to think. Maybe not too much in connection with SAIC.
725 I might be overlooking some things, but the main one was the Foundation for
726 Enterprise Development. I've done some informal things over time that involved the
727 Beyster Institute. I think of them as the university sister to the Foundation for
728 Enterprise Development.

729 By that I mean people would come to me and say, "I'm starting a small company and
730 I'd like to know something about employee ownership." I said, "Well, what are you
731 talking to me for? You need to be talking to the Beyster Institute, or maybe the
732 Foundation for Enterprise Development," depending on what aspect it is. I referred a
733 lot of people there. My wife Barbara and I are modest contributors to the "FED" as
734 they call it and we call it. We're not huge contributors, but I'd say the bigger one that
735 may be coming up is – it's not the university, but it's probably worth mentioning. You
736 probably know about it.

737 There's an initiative underway to establish a technology Hall of Fame at the Fleet
738 Science Center in Balboa Park. If you don't know about it, after we wind up here, I'll
739 tell you a little bit more about it. In fact, three former SAIC people conspired to put
740 this thing together, and they went around and solicited donations from ex-SAIC
741 people to establish [a technology hall of fame at the Fleet Science Center]. It would
742 have Beyster's name on it, but it wouldn't be exclusively in recognition of Beyster. It
743 would include other San Diego area technology notables, for example, the Qualcomm
744 founders.

745 The whole idea is to have a technology center at the Fleet Science Center, with a
746 focus on education, particularly to enhance the [education of] young people in the
747 area, going all the way down into grade schools. There's expected to be about 10 of us
748 that are committing \$50,000 over 10 years to get the project off and running; founders
749 if you will.

750 **WEISS:** So how do you feel about that as a legacy project to involve the San Diego
751 community?

752 **COLEMAN:** I think it's great. Like the rest of us Beyster was not perfect. Along the
753 way, he could be kind of harsh at times with people. And, in fact I'll give you one
754 example leaving the person unnamed. There are some people even today that I know
755 well and I'm friends with, and they don't feel nearly as indebted to Beyster as I do, or,
756 as I think they should. Some of them had some lip quivering words with Bob.

757 But, all that's in the noise to me. I don't think they have the right perspective. Would
758 you be where you are today if it weren't for this guy Bob Beyster? Chances are, no.
759 You'd probably be okay, but not where you are.

760 So, not everybody feels that way. But, I'll give you one example. It's related to the
761 major contract we won at the Frederick Cancer and Research Center. Remember I
762 said Ken Sunday was a key player in winning that contract. Ken and I were heavily
763 involved, but there was of course a team on individuals that contributed. It wasn't
764 just the two of us.

765 Sunday was based in the Washington area, so after we were awarded the contract,
766 Beyster asked me to come to his office [in La Jolla]. He said, "Oh, we want to talk
767 about this." He knew I knew a lot about the contract, obviously, being involved in
768 marketing it over that number of months. I told him some of the priority things we
769 should be doing here to – to be blunt, to ingratiate ourselves to the customer.

770 I said, "Well, the very first thing we should do is you should go meet the head of the
771 NCI. He'll want to meet with you. This is his baby. This is the single most important
772 contract to him. Number one, you should go see him." At that time we had three,
773 maybe four executive Vice Presidents. I said, "Number two you need to appoint one
774 of these executive VPs to be the shepherd. Not to manage the contract, we've got the
775 guy to manage it, but we need to make sure things are going okay; [we need senior
776 oversight. This appointed individual needs] to periodically go by and see the head of
777 NCI and also see the relevant NCI division heads to insure we are doing the job for
778 them. What can we do better? Now, do we need to hire more people? What do we
779 need to do?"

780 So we had a discussion of who to appoint for this role. I knew all of [the candidates]
781 well. [But of course not as well as Bob.] I said, "There's a couple of people that come
782 to mind to me." I nominated who I felt was "the most obvious guy." I won't name
783 him, but he was an obvious guy. He was an Ivy League, Ph.D., smart as a whip, very
784 good speaker. What else can I say about him? Very cosmopolitan, worldly,

comfortable with anybody and a very bright guy. He was an executive VP at the time, and there were several groups under him.

So, I nominated him. There were some others that could do it, but Beyster said, "No, it's not going to be him." And I said, "Well, what is it that you don't like about him?" And he said, "Too arrogant." I said, "Bob, I don't get it. SAIC is a sea of arrogant people. Bob, explained to me what he meant. He reminded me that there was a particular group that was under this guy at that time. We're talking about several hundred people. They were very good scientists and engineers, and they'd worked for decades in anti-submarine warfare. Anti-submarine warfare, at this stage, was contracting. Bob's view was we retread these people into the company. We find them jobs. They've been loyal employees. And he said, "This guy said, tough for them." He was just going to lay them off. And Bob said, "That's it for him. His days are numbered." So, Bob was going to fire him. And he did, eventually. That's what he meant by arrogant. The guy was arrogant in a way that was at the expense of others.

WEISS: So, he saw SAIC somewhat as a family?

COLEMAN: Yes.

WEISS: When you have 40,000 plus employees, can you comment on the IPO? Do you want to talk about that? You don't have to talk about that on tape if you don't want to. How that affected you personally, and what you think – if it changed the culture at SAIC?

COLEMAN: I'm not the very best one to comment on that. The IPO per se didn't hurt me like some involved. We got a big dividend when the IPO hit, which didn't really hurt anybody that was for sure. But, as it turned out, it signaled a dramatic change in the culture of the company.

From that time on, a couple of things started happening. One of them was – Bob was getting up there in years. He did not hold the traditional notion of succession for the company. The traditional thing is either the CEO or the Chairman and the CEO, the very top management, decides what the succession is going to be; when Moe, who is the CEO, reaches age X and should be stepping down. What's the follow on succession plan? Beyster never really did that. Instead he played a little bit of a game. And everybody knew he was playing the game. The game he played was he would have one of the top people under him believe he was going to become the CEO. He

817 used that as bait to keep these top executives working – make Johnny run faster. [It
818 was a game of motivation, and it worked well for many years.]

819 It worked in large measure, but it wasn't a succession plan. I think probably what
820 happened after the IPO is there certainly were a few cases where Bob's judgment was
821 not the best. He had a tougher time easing out and there then arose a contingent in
822 the company, particularly on the board, to take control of things. Once they got
823 control of things, the culture of the company changed. They didn't feel the need to
824 preserve [some of Bob's unorthodoxies that worked], which I thought was a shame.
825 They didn't preserve the spirit of the entrepreneurship that was there before. That's
826 the best I can put it.

827 **WEISS:** Leidos started and you were gone.

828 **COLEMAN:** Right, I was gone by the time that split came.

829 **WEISS:** So, just in summary, if you have to look at the landscape of San Diego today
830 and when you first came, how do you see the innovation economy here versus then?
831 Where does SAIC fit into this landscape?

832 **COLEMAN:** I have a tougher time answering that because I'm not the guy that's
833 really on top of it. I have an impression. My impression is that there's much more. It
834 couldn't have all been that Beyster and some of the rest of the people were just
835 absolutely magnets for these workaholics that came to be the SAIC, which was the
836 success story. Those people had to be there all along. They came from all over the
837 country, and by the way, as you probably know, the headquarters of SAIC transferred
838 to McLean, VA.

839 After a while, many more people [came onboard at SAIC] in the greater DC area than
840 in San Diego. People all over the country. That spirit of entrepreneurship was
841 successful in small camps around the country.

842 The thing is today, I think many of the younger people don't have any sense of
843 loyalty. From the get go, they know – I'm going to stay over there until I'm unhappy
844 and then I'm going. The promise of stock ownership is a harder case to make. It's a
845 harder case to sell. Now we're getting in the territory where Mary Ann needs to be
846 talking to you instead of Wayne.

847 **WEISS:** So, in summary, is there anything that you want to add? You've mentioned
848 most of the points through your own personal experiences with Dr. Beyster, which
849 has been great. You have talked about him as a patriot and a motivator, and a
850 listener. Is there anything about his selflessness and benevolence that you wrote quite
851 a bit about, that you want to point out?

852 **COLEMAN:** Yes, let's see. Well, I don't know if I can say a lot more about that. What
853 I mean by the selflessness and the benevolence, [is what he shared] primarily through
854 the stock ownership. Yes, it was evident from the brand of employee ownership that
855 he instituted, and I guess I can't add a lot more.

856 He was just unselfish and to him what was much more important was the
857 combination of growing the company to do good technical work for customers, most
858 notably customers that had to do with, in broad terms, national prowess. Yes, largely
859 with the Department of Defense but, most of the time the DoD was not the majority.
860 [Defense work constituted] the plurality, but not the majority.

861 There was a lot of work in energy and environment as well. A lot of healthcare work.
862 One contract I didn't mention was – at the time we won, it was a billion dollar
863 contract. Let's see, how long ago was that? That had to be – I want to say it was in the
864 late 90s. It was a contract for the VA to develop a comprehensive information
865 management system. In spite of some of the bad press the VA has gotten in recent
866 years, I don't think that's necessarily a reflection on the information system.

867 I had a brother-in-law that was under VA care down in south Florida. He's deceased
868 now. He did die of cancer, but I was impressed with the healthcare he received. The
869 VA information system was among the most advanced in electronic automation.
870 They would take an image of a patient at Tripler hospital in Hawaii, and boom, the
871 people in Washington had it immediately because it's all electronic. That was back in
872 the 90s they were doing that stuff.

873 **WEISS:** At one point, the SDTA Archive was looking at how software, hardware,
874 biotech and life science grew, and now this [SAIC] is more material sciences. You said
875 that SAIC was active in all these different arenas. How has the evolution of
876 technology worked and what role has SAIC played in convergence?

877 **COLEMAN:** Yes, I think SAIC played a role in all of those areas. [Most of the
878 research that SAIC did] was in the applied realm. There was precious little research

that was done in SAIC that was what you'd call fundamental research. There was a little bit. Here they come back again, the Navy. [SAIC did have a number of contracts] with the Office of Naval Research. They do some very basic research along with a number of other government agencies. Typically that research gets done in universities or elsewhere at the very fundamental level, like maybe in quantum computing, or research that can have application in quantum computing. But SAIC wasn't typically involved in that; they were involved in applying it and developing models that apply some of the newer technologies.

They did a lot of – what we called technology insertion. I just saw an ex-SAIC guy this past week in northern California. He's has a 1938 Buick and on the outside, it looks like a [restored] 1938 Buick. Underneath, it's all modern technology. You'd never know it by looking at the outside. It's just an incredible machine.

WEISS: Speaking of technology, how about the whole social side of SAIC and the America's Cup and how that tied in. Were you involved at all in the America's Cup?

COLEMAN: I was, but not deeply. I knew many of the people that were involved quite well. In fact, I don't know how widely known it is, but SAIC had a cadre, less than a dozen people, who were specialized naval architects. I say specialized naval architects, but we're talking about people that really understood hydrodynamics.

Among other things this group worked on submarines, how to make submarines quieter, reduce the resistance, and all of this sort of business. Advanced submarine and surface ship architecture. There were two camps of those people. One of them was here in La Jolla, about a half a dozen and a small group in Annapolis, Maryland. Their main specialty was known as ship hydrodynamics.

That was the group that became involved in America's Cup. The first time America lost that Cup, they set to work improving the design of the keel for the next competition on which Dennis Conner was the lead sailor. America won the Cup back. The work of the SAIC ship hydro group on the keel design wasn't the only reason, but it was a significant contribution.

WEISS: Dr. Beyster loved to sail himself?

COLEMAN: He did.

WEISS: Did you ever go sailing with him or socialize with him that way?

910 **COLEMAN:** I did. Over the years that he was involved in sailing, I probably went
911 out with him several times. I wasn't one of the regular sailors. There was a couple of
912 other [SAIC] people who were.

913 Another person you might want to talk to is Chuck Nichols. Have you heard that
914 name at all? Chuck was not in the company quite as early as I was, but he was the
915 first attorney in the company. He's just a wonderful guy. To this day, he is involved in
916 America's Cup, and is a sailor. There's a couple of others in the company that are
917 sailors. Chuck did quite a bit of sailing with Bob Beyster. Bob, in his own vessel,
918 wound up much of the time not having a highly competitive sailing yacht. It was one
919 of those vessels that was combined sailing and power, but he certainly appreciated all
920 that.

921 Chuck, in fact, was recently at TransPac. It's a race from Hawaii to here or vice versa,
922 I can't remember which. I believe the group that Chuck led on their vessel, they
923 either won or came in second. It was very close. So he's still doing competitive sailing.

924 **WEISS:** Anything else you wanted to add in terms of your experiences? You filled in
925 so much of the whole arena. I appreciate all the background, your personal
926 experiences, your insight and the way that you've been able to personalize all your
927 time with Dr. Beyster and SAIC. Thank you very much Dr. Coleman for everything
928 that you've contributed to the SDTA and your valuable time today.

929 **COLEMAN:** Well, Helen, let me just say it's been a real pleasure to do so. I hope I've
930 added a little perspective and I guess, at least some of it was a little more personal.
931 Maybe more personal than technological.

932 **WEISS:** Dr. Beyster's papers are now held in the UC San Diego Library's Special
933 Collections & Archives, which also maintains the San Diego Technology Archive
934 (SDTA). It's always so helpful to hear from pioneers, such as yourself and your
935 personal experiences. So, the only area we did not touch on is if SAIC had any
936 patents. Because that is certainly an important part, and if the universities were tied
937 in at all with the patents. If this is not in your arena, that's fine.

938 **COLEMAN:** It's pretty much not. Remember I mentioned Chuck Nichols? He was
939 the general counsel for many years. Of course, there were several others. Chuck could
940 certainly speak to the patent situation which probably blossomed a little later. When

941 I say later, not necessarily after I left SAIC, but later than Chuck was at the helm as
942 the general counsel. But, he could certainly comment on that in a general way.

943 Mary Ann [Beyster] might have somebody in mind. One particular individual who
944 comes to mind is Dennis Heipt, who Mary Ann knows quite well. Dennis is an
945 attorney [who was a very senior player at SAIC for many years]. He can more than
946 comment on intellectual property at SAIC.

947 **WEISS:** Well, thank you again so much.

948 **COLEMAN:** Thank you.

END INTERVIEW

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The San Diego Technology Archive (SDTA), an initiative of the UC San Diego Library, documents the history, formation, and evolution of the companies that formed the San Diego region's high-tech cluster, beginning in 1965. The SDTA captures the vision, strategic thinking, and recollections of key technology and business founders, entrepreneurs, academics, venture capitalists, early employees, and service providers, many of whom figured prominently in the development of San Diego's dynamic technology cluster. As these individuals articulate and comment on their contributions, innovations, and entrepreneurial trajectories, a rich living history emerges about the extraordinarily synergistic academic and commercial collaborations that distinguish the San Diego technology community.