

Karen Garsson

Interview conducted by

Helen Weiss, PhD

September 22, 2016

SAN DIEGO TECHNOLOGY ARCHIVE



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Karen Garsson



Ms. Garsson was Vice President of Corporate Responsibility at SAIC, where she designed and executed corporate citizenship strategies involving employee engagement, community outreach and environmental sustainability initiatives. She collaborated with SAIC's CTO to create a nationwide program that facilitated the engagement of the company's scientists and engineers with children at schools in their communities.

Previous to her four years in this role, Ms. Garsson was Vice President of Stock Programs at SAIC and President of the broker/dealer subsidiary that traded SAIC stock. During her 20 years in this field, she held various roles leading up to the executive positions heading up the Stock Programs Department and the broker/dealer Bull, Inc. Karen performed a key role in the company's effort to go public in 2006, and facilitated post IPO activity within the company and its various new vendor relationships.

Ms. Garsson currently serves on the boards of the UC San Diego Alumni Association and the San Diego Natural History Museum. She has also served on the boards of Athena San Diego, Project Wildlife, the San Diego Regional Chamber of Commerce and the San Diego Science Alliance. She received her bachelor's degree in Management Science from UC San Diego and her MBA from the University of San Diego.



THE SAN DIEGO TECHNOLOGY ARCHIVE

INTERVIEWEE: Karen Garsson

INTERVIEWER: Helen Weiss, PhD

DATE: September 22, 2016

WEISS: I'm Helen Weiss for the San Diego Technology Archive, housed at the special collections at the University of California San Diego Geisel Library. I'm interviewing Ms. Karen Garsson on September 22, 2016. Ms. Garsson joined SAIC in 1988. When she retired in 2012, Ms. Garsson was the vice president of corporate responsibility. She held various positions in management of SAIC stock programs. We're interviewing Ms. Garsson today at the UCSD Geisel Library. Thank you, Ms. Garsson, for making time for this oral history interview.

We'll be walking through your background, education, and then find out about your experiences at SAIC, especially here in the San Diego area. So tell me about your background before you joined SAIC in May of 1988. You graduated from UCSD, but where did you grow up, and why did you choose UCSD?

GARSSON: Hi, Helen. I grew up in the Los Angeles area. I ended up graduating high school, and in my family, college is simply what you did next. It wasn't really a question. My sister went to UC Santa Barbara, so in my infinite wisdom, I decided to go the same distance the opposite direction and ended up at UCSD, which turned out to be a very good choice. I spent my entire career here – education here, even though I'd planned on going back East.

I started with studying electrical engineering, computer science, and about two and a half, three years into it, I realized that just getting your homework done at the time was so hard. People didn't have their own computers; you had to go stand in the computer lab in your pajamas at 2:00 in the morning just to get your homework done. I figured it would be hard to get a job if I could barely get my homework done. I added some economics courses, and they had a major at the time that they called quantum economics and decision analysis, but that morphed into management science, which is what I graduated in with minors in Spanish and communications.

WEISS: At that time, in the mid-1980s, you were in high school. Did you have any interest in business at the time, or were you thinking “I’m going to definitely gear towards engineering science” when you did the application?

GARSSON: I’d like to claim forethought but really my master plan was to simply work for a large corporation – get my foot in the door. I figured once I did that, then I could move around and take advantage of opportunities. I always managed to have a job of some sort. My best friend in fifth grade and I worked in the cafeteria for free pizza, and ever since from then on, I always had at least one job. At UCSD, one of my favorite jobs was one I created. I created the first florist at the college. That entailed driving up to Solana Beach to a flower warehouse every morning and loading up my car with fresh buds. It was a beautiful job.

WEISS: What was the climate at UCSD in 1988 in terms of numbers of women maybe in your engineering courses?

GARSSON: Honestly, I can’t really remember anything that stuck out, although I did sense there was a little bit of skepticism from a few of the professors in some of the higher math and science classes. But you know, moving past that, I didn’t really notice anything rather than a little bit of an imbalance between males and females.

WEISS: So then you’re graduating and you have your masters or your bachelors.

GARSSON: Yes, bachelors. Again, I’m shaking my head, thinking, “What was I doing?” I graduated and sat down with the want ads on the weekend after I graduated. I decided I needed to get my foot in the door at a large corporation. SAIC at the time had a contracts position they were advertising, so I knew the minute I pulled up there that I would be working at that company because I like to collect buildings. Architecture has always been my passion, so SAIC’s main building was really – at the time for San Diego – a very unique one. I’d seen it maybe a year before thinking, “I love that building. I’d like to work there.” That’s what I ended up doing in a roundabout way.

They didn’t have the contracts job available anymore. They had filled it by the time I showed up, but they had a job, entry level in what they called stock programs. Then that’s where I spent the next 20 years.

WEISS: To begin with, where was this building that was so impressive? Was it in the valley or on the mesa or where exactly?

GARSSON: It’s actually just across Genesee from UC San Diego. It’s not very far. There’s a little business park down there. At this point, I think other companies are

60 in that building. SAIC had possession of most of the buildings down in that area at
61 the time.

62 **WEISS:** When did you first meet Dr. Beyster?

63 **GARSSON:** His offices at the time were on the seventh floor of that building that
64 I'm talking about, so I'm sure I ran into him. I didn't really start interacting with him
65 until probably about five years into it.

66 **WEISS:** So was he known as Mr. B, as Dr. B?

67 **GARSSON:** Dr. B. [Laughs.]

68 **WEISS:** As I've heard from some of the pioneers at – Dr. B.

69 **GARSSON:** Yes, unless he was standing in front of you, in which case it was Dr.
70 Beyster. [Laughs.]

71 **WEISS:** What was the ambience there? You went to the stock program. May I ask
72 who hired you, and what was it like, just jumping right in with your bachelors?

73 **GARSSON:** I did undersell myself on the way in the door. I ended up being a
74 receptionist, but that turned out to be a great position because I got to really get a
75 handle on how the entire department worked, and then over time, I managed to end
76 up doing all the positions in the department up to running it. The manager at the
77 time and his assistant manager are the ones that offered me the job.

78 **WEISS:** So when you came in, I mean this is an employee owned company, and
79 you came in right out of school as a receptionist. What did that mean for you in
80 terms of understanding how the stocks may relate to your future?

81 **GARSSON:** It involved me saying, "Yes, I can do that," a lot in terms of learning
82 how their systems worked; what software they used that I was unfamiliar with. The
83 job was unique – or the function was unique, not my job specifically, but the stock
84 programs department was very unique in that we were required to comply with
85 governmental regulations, the SEC at the time, the National Association of Securities
86 Dealers, the NASD, and yet we needed to operate the programs consistent with how
87 senior management wanted them to work. We did a lot of melding of policy into
88 requirement when it came to running the department, or actually all the functions.
89 For me, it was one long learning curve. When they asked me if I'd be interested in
90 acquiring some of the broker's licenses, I said yes.

91 Unfortunately, I think we all experienced that just a portion of what we had to learn
92 to get the licenses actually applied to what we were doing. It was a requirement, so
93 we did it.

94 **WEISS:** I see from your Linked In biography that you worked your way up through
95 the company, staying until 2012. At one point, you went to USD for graduate school.
96 From the interviews I've watched with Dr. Beyster and some of the company
97 pioneers, I think education seemed to be very important to them. Did they help you
98 through graduate school? Were you allowed to go as an employee and have them
99 facilitate that?

100 **GARSSON:** Yes. I was told by the corporate secretary – who my boss reported to at
101 the time – that if I wanted to proceed at the next level of management that I needed
102 to get an MBA, a CPA, or law degree, my choice. So I went for the MBA using USD's
103 executive education program at night. SAIC did help pay for the education. I
104 probably ended up paying for it a little bit in terms of decreased salary until I
105 actually got the degree, but that's what I did. I think I did it a couple years at night.

106 **WEISS:** So you go from receptionist, moving up through the ranks. At what point
107 did you go to USD?

108 **GARSSON:** I went to USD, but it was prior to me becoming head of the
109 department.

110 **WEISS:** And at that point, how large was the department when you started your
111 feeling – how many people were there, and eventually, did it grow tremendously?

112 **GARSSON:** Actually, it was interesting. The evolution of the department changed
113 based on what our policy requirements were and what Dr. Beyster and other
114 management and in some cases the board required of the stock program's function.
115 We also had to change based on what the SEC regulations were from time to time.
116 Our employee base in the department grew until we were able to more or less satisfy
117 the workload. We ended up over time adding temporary employees to fill in the
118 gaps. Our brokerage activities were through Bull, Inc. We traded stock through Bull,
119 Inc. four times a year, which sounds simple, but it was a long process. Both before
120 and after each quarterly trade. So I'd say at the peak, we had about 20, 25 employees,
121 and up to 70 temps.

122 **WEISS:** Many women?

123 **GARSSON:** Yes, actually a lot of women. Our primary function was not to push the
124 stock, it was more administrative and educational in terms of making sure people

understood what they had, and the value of what they had, and how they would go about exercising a stock option, for example.

WEISS: So explain a little to me when was Bull, Inc. launched and when did it end? And you stayed on with the company after the Bull, Inc. went out of business?

GARSSON: Yes.

WEISS: Its functionality.

GARSSON: It was created, I want to say in 1973, and it was created specifically because the company had achieved a certain level of growth in terms of its stock system, and that required that the stock be traded through a licensed brokerage firm. Very typical of SAIC instead of outsourcing us, we created a subsidiary brokerage firm. My immediate colleagues and I lived in a very different world at SAIC than the rest of our employees did.

Most of the employees were scientists and technical individuals. We were basically stockbrokers with the happy requirement we didn't have to push the stock. People came to us.

WEISS: So was it a requirement of all the employees there to invest in their own company?

GARSSON: It was considered an opportunity, not a right. The ability to acquire stock and the rules behind that changed over time. In the early days, there were individual contracts per each stock purchase. A very long, detailed process that went into how many shares you could buy and how that process would work. Then as the thinking on ownership changed a little bit, individuals could apply to buy certain shares. And with their manager's approval, they'd be able to do that. The thinking behind that is they wanted to make sure that the good solid employees who are adding value to the company were the ones that would become employee owners.

In addition to being able to purchase stock, management had pools of stock options that they could match to a purchase. For instance, an offer to an individual might mean that they could buy 100 shares at the next quarterly trade, and based on that purchase, they would get 200 stock options, which would allow them to make a purchase say four years down the road at today's price. The stock options were very popular because with very few exceptions, the stock price went up and up and up. So stock options became worth their weight in gold.

WEISS: Were you responsible for working with outside investors?

158 **GARSSON:** I was not. The treasury department and finance departments handled
159 that. We also had a retirement programs department, and they handled the third
160 party vendor that managed our retirement plans. And SAIC stock was an option with
161 the retirement plans.

162 **WEISS:** Why did Bull, Inc. go out of business?

163 **GARSSON:** Bull, Inc. again, was created specifically to trade SAIC stock. And when
164 we looked at going public, we realized Bull, Inc. didn't have a function. No purpose
165 for Bull, Inc. because one of our charters was we would only trade SAIC stock. By
166 default when the company went public, we closed Bull, Inc. down.

167 **WEISS:** But you stayed on at SAIC. Why did you do that and did you look at other
168 opportunities at the time?

169 **GARSSON:** Yes, actually ten years into my employment there, I started to actively
170 look at other options. I spoke to my managers about that, and they knew what I was
171 thinking. But then we began working on an improved stock system because we had a
172 proprietary software with lots of bells and whistles involved, and in order to create
173 something that would last into the future – this was before we were thinking of
174 going public – it involved a lot of time with people who really understood the
175 system. I agreed to stay on so we could get that right. Then I was going to move on.
176 Then we decided we were going to go public, and I said, "Okay, I'll stay on until we
177 get that done."

178 Literally 20 years after I started, I thought I was going to be walking out the door,
179 but at that time, the board was really looking at starting a corporate responsibility
180 function for the company. That's when corporate responsibility, corporate social
181 responsibility, all those topics were starting to make headlines. They asked me to do
182 it. They literally handed me a four-page Power Point and said, "Go do this. Make it
183 happen." So I agreed to do that because it was a great opportunity. Why not?

184 The trick was that SAIC didn't fit the mold of many of the companies that would
185 really run with the corporate responsibility function. We didn't have a large budget
186 for philanthropy, but what we did have was really, really smart people, scientists and
187 engineers. I coordinated with our chief technology officer, and we created a program
188 to get our employees out into schools to help educate kids on STEM and get them
189 excited about learning the technical skills.

190 **WEISS:** So throughout your time there, how much did you interact with UCSD?

191 **GARSSON:** Almost not at all. I didn't really come back, even though literally we
192 worked across the street, I didn't come back to UCSD until I started my corporate
193 responsibility function role, and I was contacted by a fellow employee who was a
194 UCSD alum and on the alumni association board. He said, "Why don't you take a
195 look at this? We'd really like to have you." That's what got me started. It was simply
196 a change of title that opened that door.

197 **WEISS:** So you were trying to relate to nuclear engineers and technology people,
198 but you had a background – an understanding of that language and what they did.
199 So did that make it easier to relate to what was really the bulk of the workforce
200 there?

201 **GARSSON:** Absolutely. Not only working with fellow employees to help them
202 understand how to navigate the stock system, but also I worked closely with our IT
203 staff and legal department translating rules and requirements into legally
204 appropriate modifications to our proprietary stock system. It was an interesting job.
205 I got to travel around the world, as a matter of fact, as well. Back before the internet
206 was a thing, we had over 400 offices in the United States alone. I literally opened a
207 map and looked at where groups of our offices were. I called them up and asked if
208 they would like somebody to come out and explain the system. They said yes, and I'd
209 go on these road trips.

210 I often went with the woman who ran our retirement programs department, and we
211 did a dog and pony show, and so that was a great way to get out and meet
212 employees. One of my favorite stories working with employees was taking a call from
213 an individual who worked in our environmental arm, and he wanted to know about
214 stock options and investing schedules and all kinds of questions. I finally couldn't
215 stand it anymore because I kept hearing [makes slurping noises], and I had to ask
216 him what is that noise. It turned out he was working on a contract for the EPA in a
217 little dingy boat off the coast of New Hampshire taking water samples. So it was the
218 water slapping against the boat I was hearing. Since he was out there, he thought
219 he'd call and talk to somebody about options. [Laughs.]

220 **WEISS:** Did you ever work with Dr. B on the road at any time and presentations?

221 **GARSSON:** I tended to work with him most at board meetings, I was always part of
222 the wallpaper. There were a number of us on staff that were there and available to
223 answer questions but probably worked most closely with him during what we called
224 operating committee meetings. This is where I would bring lists of stock purchase
225 requests and recommendations by management to grant stock options and stock
226 bonuses to the members of the operating committee – which Dr. B was the chairman

227 of – and they'd assess and evaluate whether or not they thought those opportunities
228 for people to acquire stock were appropriate.

229 That was tough because they wanted detail on pretty much everybody. We're talking
230 in many cases thousands of people. We learned how to narrow it down to the
231 highest say 50 candidates of people purchasing or requiring the most stock out of
232 that particular group, and they'd want detail. What does this person do? What kind
233 of value do they add to the company? That sort of thing.

234 **WEISS:** What was your first impression of Dr. B – did it change over the years?

235 **GARSSON:** It did change a little bit. He definitely commanded a lot of respect.
236 People did respect him a lot for what he had achieved in the company and the kind
237 of company he had formed. It worked well for the very entrepreneurial-minded
238 employee. Working with him through operating committee and other times, it was
239 clear he was very detail oriented. He'd get into the weeds within seconds, so you
240 needed to be prepared for a whole 360-degree discussion about pretty much
241 whatever he wanted to talk about. That was good in many cases, but it also
242 presented obvious challenges.

243 **WEISS:** And this employee culture, what kept so many people loyal to SAIC,
244 yourself? Just the whole organization and company seemed to have a whole culture.

245 **GARSSON:** I kind of studied that myself at the time because I was hiring people,
246 and of course you want to hire people who are going to fit in well and stay. The
247 people at SAIC who seemed to work out the best and stay the longest were folks who
248 were intellectually nimble, willing to take risks, entrepreneurial in some aspect, and
249 people who really worked well in teams and leading teams. Sometimes you were a
250 leader, sometimes you were just a participant, but nobody got anything done by
251 themselves.

252 **WEISS:** So the business model of mainly nuclear engineers and eventually people
253 and all kinds of technology having to go out and solicit clients without having
254 somebody do that for them, how was that whole interaction?

255 **GARSSON:** From my perspective, which was not in the business side, it was kind
256 of like the Wild, Wild West. The early part of the company was grown by individuals
257 looking out across the business landscape and saying, "I think there's some business
258 over there. If we do this, they'll want to pay us for it." They come talk to executive
259 management and say we're interested in this business opportunity, we think we can
260 do it. Are you going to give us some money to get started?

261 That's how in the early days, the company was really, really diversified because
262 people were just looking out across the landscape and encouraged to go find
263 business. In the early years, it was interesting. We were all over the place, and I think
264 by the time I came along, they were starting to think about honing in on a couple
265 specific areas of business where they really thought they could grow.

266 I think that's when the company started to fine tune a little bit. Of course as time
267 went by, they got better at fine-tuning what it is they were going to do, and the
268 company actually split into two companies to segment out what each part was going
269 to do. It got a little messy competing for jobs when lots of different activities were
270 being done in the same company. Some of the jobs the company wanted really did
271 require some diversification.

272 **WEISS:** And that second company that was the split, what actually happened?

273 **GARSSON:** It's called Leidos. I think they split in 2013.

274 **WEISS:** The bulk of SAIC's business over the years since the very early days has
275 been contracts with the federal government. How was that facilitated? I mean you
276 were contracting, and this was a business. Do you – talking to other employees about
277 potential contracts coming up at all? Was it going to make the company more
278 valuable since you were the stock manager? Did you have any input into that? What
279 about the risk taking?

280 **GARSSON:** From my perspective, I wasn't out there trying to bring in new
281 business. And equally as unique, I didn't have anything to do with setting the stock
282 price. Since our stock was not set in a public market based on supply and demand,
283 there was actually a formula the board used to set a stock price each quarter.

284 **WEISS:** We are really looking at how you interacted with SAIC in other locations.
285 When you went there, you gave the briefings. What did you see? And what – in
286 addition to having somebody call you from a boat, what kind of other technology or
287 support services did you see, both military and non-military?

288 **GARSSON:** Domestically, we did business with all the armed forces, so I ended up
289 on bases down here in San Diego on Coronado in the base there. I spoke to a group
290 of guys who had created a business out of the ships that showed up who were in dry
291 dock for getting overhauled. They actually went in and took out the ovens and other
292 cookware from the kitchen and had a business in cleaning those. Internationally, we
293 did usually IT services. For instance, in Scotland and the UK, I would go there
294 periodically to talk about the stock system, which inevitably was slightly different
295 than what we had domestically because of the securities laws.

We did stock programs available to folks in the UK, Scotland, Germany, France, Canada, Australia, and Venezuela. For example, when we started with the joint venture down in Venezuela, I went down to talk to them about the stock system and I realized real quickly I needed to back way up. In their minds, an employee owned stock system kind of meant communism in a way. I had to back up and break it down for it was more of a benefit instead of just employee benefit.

WEISS: As you went to other locations, were the bulk of the engineers and scientists still here in San Diego? We're really focusing on the San Diego story in this archive. Did they remain here and then they just went out for temporary assignments, or did you have a workforce that was emerging from the different countries you were in?

GARSSON: I believe we had roughly 12,000 to 15,000 employees here in the early 2000s still. Our headquarters had moved over to McLean, Virginia, so we had actually a larger employee base in McLean, and throughout the country and other countries, we had smatterings of employees. Probably larger groups in Canada, for example. But usually it was where opportunity arose. Individuals who were based in San Diego might move for an opportunity. Contract coverage was a big deal. That's how employees worked. For many folks, if their contract was up and there was another opportunity elsewhere, they would move.

WEISS: The Navy had such a big presence and the Marines here in San Diego were a lot of the contacts done to support the Navy and Marines?

GARSSON: Yes. We had a variety of contracts, and those changed over time based on the needs of the armed services.

WEISS: At one point, you said you were looking ten years in to maybe move around. Were you looking with all your financial background to maybe move to New York or some other global financial hubs as that emerged?

GARSSON: Honestly, I didn't have a chance to really formulate my game plan because it was clear I was going to stay around a little bit longer.

WEISS: In terms of UCSD when you took over the corporate responsibility avenue then, how, over the years prior to that – you may not have been involved – did SAIC come to solicit San Diego area or Southern California area engineers and scientists?

GARSSON: Yes, it was my understanding there were concerted efforts by our HR departments and some of our scientists to locate talent on campus. Obviously, this is a wonderful place to find the kinds of employees SAIC really needed, so we still have

– through the efforts of some of our employees – a presence here on campus and an interest in helping to promote the kinds of individuals that would work well with SAIC or Leidos.

WEISS: Did you interact with other executives on your level in other companies on the Mesa or in Sorrento Valley or as they emerge into Carlsbad and other places in San Diego area?

GARSSON: I did not. While I was with stock programs at Bull, Inc., once I moved into the corporate responsibility function, my perspective changed, and I did end up working with some of those folks, but primarily as a function of being a board member, for example, with Athena San Diego. I got to meet a number of really impressive individuals, many of whom came from or represented the biotech industry.

WEISS: And tell us a little bit more about Athena from your perspective.

GARSSON: Athena is a women's professional organization designed to promote leadership within the San Diego community, and primarily focused on science and technology in biomed industries, and the service companies that support those.

WEISS: After leaving SAIC, you've continued now to donate your expertise to nonprofit environmental organizations and causes, and you're on the board of the San Diego Natural History Museum board of directors. Tell me a little bit about how you've transferred those skills and what you're able to do for the community ongoing.

GARSSON: After spending almost 25 years with the same company, 20 of which in the same department, I knew I needed some new landscapes. I was primarily interested doing something on the other side of the corporate desk, and that translated for me into joining a number of nonprofit boards. So currently, I'm on the UCSD Alumni Association Board, and the San Diego Natural History Board. I was on the board of Athena San Diego, the San Diego Science Alliance, and a few others including an organization called Project Wildlife.

WEISS: In terms of the charitable support and organizations that SAIC was involved with, do you maintain a relationship with any of their nonprofits that you helped to kind of build ties in your tenure?

GARSSON: The one that I crossed paths with from time-to-time is called First Robotics. That was the foundation of the program that the CTO and I based our employee-wide philanthropy on – a focus for philanthropy. First Robotics happened

to be a pet organization for our then CEO, Walt Havenstein. He was actually chairman of the First board, and it turned out to be a wonderful way to get out there into schools and get our scientists aligned with students who are trying to get robots to do certain things and win competitions. Since I was behind getting a bunch of our employees out there, I decided I had to do it myself. Happily, they had a junior league, if you will. It was Lego League they called it, and that was about my speed for mentoring. I did that, and I've done a few things with them since then.

WEISS: As you look over the landscape of the development of business, especially in innovation here in the San Diego area, where does SAIC fit into that whole growing emerging landscape?

GARSSON: That's a tough one for me to answer. From what I can tell, they are still focused very much on supporting contracts with the armed forces since we're obviously a big Navy town and we've got Pendleton up the street. There's a lot to choose from. To the extent that part of the organization also supports environmental sciences, there's a lot to work with here. The part I don't believe we've had any touch point with is the biotech. I could be wrong, but it seems that being so prevalent here in San Diego is something that didn't overlap with what SAIC was doing.

WEISS: I saw at one point that the National Cancer Institute was a contract with them, and that moved SAIC into the life sciences area.

GARSSON: That's true. As a matter of fact, I was out at NIH to give a presentation on the stock system. I don't know if they're still associated with them or what the details of their contract were. I think it was IT related.

WEISS: Volunteerism was a big part of that SAIC culture. Can you talk about how people would be encouraged to participate and volunteer for different activities in San Diego?

GARSSON: I know that a number of our employees actively volunteered when I was in the stock programs. I just didn't really focus on those activities very much. Once I rolled into the corporate responsibility function, it became clear that employees were definitely out there already working with various organizations. The USO, for example, was a prime touch point for a company like SAIC. So there were a lot of employees that supported various USO and initiatives. Many employees were already out in schools; many here working with students at UCSD as well just to help mentor them along.

WEISS: I understand that apart from that, there were social activities, and Dr. B was – the America's Cup was a big part at one point and important to him and the

399 company, and he loved to sail and involve people. Were the water activities any part
400 of your involvement with the company?

401 **GARSSON:** No, but I heard the rumors. It sounded like they were doing exactly
402 what I would expect they were doing. They were applying science to the business of
403 sailing as best as one can. I know a couple people that regularly sailed with Dr.
404 Beyster, and they really enjoyed that activity. As far as social activities, one event we
405 all got behind once a year was called Employee Ownership Day. It was kind of a
406 carnival atmosphere and a show and tell. We would literally clean out one of the big
407 parking lots over there, and all of the business units and the relatively large number
408 of corporate departments would have booths.

409 Again, it was a show and tell. Sometimes it was fun – kind of a game to educate you.
410 Other times, it was just basically: this is what we're doing and isn't it cool. And it
411 always was. It was a fun, family oriented day.

412 **WEISS:** Speaking of family, I guess Dr. Beyster considered SAIC one big family and
413 felt that giving back was important. Can you talk about that, and did you ever talk
414 with people that worked for other companies that may not have had that approach
415 to their businesses?

416 **GARSSON:** I know Dr. Beyster created the foundation and he and his family have
417 been very generous in the San Diego community. I think that helped to set the tone
418 with many of our employees, specifically the more senior ones, to the extent that
419 they chose to support organizations that they really were enthused about. I can only
420 guess that they did. I don't know.

421 **WEISS:** The employee ownership model, which has become now very big in
422 Silicon Valley, apparently was before its time. Can you talk about where that fits in
423 from a business perspective?

424 **GARSSON:** Employee ownership in terms of the way SAIC did it was very unique
425 and I'm not sure it can be duplicated in exactly the same way. It was unique because
426 it grew organically, and if you want to judge uniqueness by just the sheer complexity
427 of the program, then you can say it was definitely a unique program. More
428 specifically, the fact that we traded stock through our own subsidiary broker dealer
429 that was chartered only to a trade SAIC stock, made it unique. The SEC and the
430 NASD would come and audit us, thinking, "Ah ha, this is strange, this isn't right,"
431 and I actually invited them down a couple times, when we got a new auditor, just to
432 do a show and tell of what we were doing. They agreed yes, everything was being
433 done right, but I don't think another organization could or would be able to

necessarily create that type of a brokerage atmosphere simply because it was a one off. And it worked at the time that it was founded here for SAIC, but I'm not sure that the government organizations would necessarily want to allow another brokerage firm to exist like that.

WEISS: In terms of other people that you may consider interviewing in San Diego that are involved in the technology, sciences, or business community – they can be either at SAIC or not – we have some names, but are there other people that you've had the chance to cross paths with either during your tenure there or after leaving, are there people in particular that you think we should talk with?

GARSSON: Yes, I was thinking of a few names you might already have. Bill Proffer. He is currently with Leidos, which is one of the two companies that exist now. Kathy Hedges, she worked in our program management. She actually led program management, and I believe she's still teaching a course here at UC San Diego. I can think of a couple younger women scientists. Rachel Balsam, I believe is still with us at SAIC. I can give you a few names of folks who weren't necessarily in the science. For instance, Elaine Kalin headed up the retirement plans department for many years, so she was my counterpart over there. Steven Fisher was the treasurer. He might be interesting. I'm sure I've got more names in the back of my head.

WEISS: That's fine. We appreciate this. If you had to look back from when you were in fifth grade I guess it was, starting your own business or starting the florist shop here on campus at UCSD, could you have imagined the kind of career path you've taken and what it's provided and the experiences now? You're still young and you have a kind of whole -

GARSSON: I'm looking at a second career right now. No, I'd never have even dreamed a job like this existed, and that it oddly took advantage of many of the skills I had. The electrical engineering computer science was wonderfully helpful when I was talking to our programmers about changes that needed to be made. The communications was essential because I dealt with everyone from literally the janitor up to the board of directors, and one individual versus 20,000 individuals, and that required a little bit of expertise in communications. Minor in Spanish also helped because I was down there in Venezuela. All that came together very nicely in this role.

WEISS: You mentioned looking at a second career. May I ask?

467 **GARSSON:** Yes, as I've been on the board of the alumni association, I've been
468 watching the UCSD Health Sciences Organization grow, and it's so impressive. I
469 would love to be part of that. So I'm looking into that.

470 **WEISS:** Any other comments that you choose to make, either on or off the record?

471 **GARSSON:** One of the things that was unique about employment at SAIC – you'll
472 probably hear this again – SAIC was often laughed at. We would say Saturdays Are
473 InCcluded. Most of us work Saturdays, sometimes Sundays as well. There were several
474 times during the year when I wouldn't even come home. I knew that was a problem
475 when I went to work on Friday and I realized Sunday morning that I hadn't even
476 called my husband to tell him I wouldn't be home. His response was, "I knew where
477 you were. I'm not worried about it." I thought, "This is wrong," but many people
478 worked very, very hard, and that was the culture.

479 I'm sure we'd have liked a little bit more time off, but we were inspired and
480 encouraged and personally motivated to work like that. I think that's one of the
481 unique features of the SAIC employee.

482 **WEISS:** I watched Dr. Beyster's celebration of life they had on a Saturday. They
483 said, "Of course." They also talked about the book, Dr. Beyster's book. Did you see
484 that book? Tell me about that.

485 **GARSSON:** I'm not sure which book.

486 **WEISS:** It was a book he'd carry around. Other people would show technology and
487 inventions, maybe that wasn't part of your -

488 **GARSSON:** He did have – there were several books about SAIC and -

489 **WEISS:** I don't mean a book about it. I mean a physical notebook I think he would
490 carry around with him.

491 **GARSSON:** Doesn't ring any bells.

492 **WEISS:** That's off topic. In terms of working Saturdays and Sundays, you see
493 scientists and engineers that are absorbed and experiment and they don't want to
494 leave. Now you're in the business side and you're working Saturdays and Sundays.

495 **GARSSON:** Yes. A lot of it had to do with the fact that we didn't have enough staff
496 to do the job, so we were all really overworked, and then the job would get even
497 more complex in a matter of moments if they decided they wanted to change a
498 policy. And perhaps that policy adjustment wasn't accommodated by software

change, or we didn't have time to make a software change, so we did things manually. Usually when I went to work and when my colleagues went to work on a Saturday, we're looking at piles of papers and documents and materials we had to go through to validate and verify stock transactions.

WEISS: At any one time, how many different businesses from startups to contracts with different parts of big federal agencies were going on? Did you have a handle on the complexity of that?

GARSSON: I knew there was a lot going on. I don't know how many, but a couple of those folks – Kathy Hedges probably would be able to answer that question.

WEISS: In terms of mentoring today women in business, what would you say about this kind of an experience and loyalty to a company? People tend to jump careers a lot now at this point. The value of investing in yourself to stay through different – as you rise through corporate ranks.

GARSSON: A lesson I learned early on was to just assume I should be sitting at the table with everybody else. Once I learned I shouldn't exclude myself just because I was new or because I was female, then life got a lot easier. I was often the only woman in the room, which was fine. Another thing that worked for me is that over the course of the early years of my employment at SAIC, I did get to move up through the ranks rather quickly. If that hadn't happened, I probably would have left. I went through I don't know how many business cards by the time I was rolling into year 5 and 6, and that's exactly what I needed personally, so it worked for me.

It was a very dynamic organization at the time. I'm not sure if corporations that large, especially in San Diego, experienced that much change at this point.

WEISS: When you first went in as a receptionist, how many weeks or months was it before it was essentially just becoming part of the whole staff beyond receptionist?

GARSSON: I think within the first year, something opened up so I went in and did it. But I started actually studying for the broker's licenses when I was a receptionist, which was an unusual opportunity.

WEISS: You've mentioned large corporations, but SAIC also was involved in some startups. What is your concept of what a startup may have meant in the early days in San Diego specifically and what it means today in these incubators that are popping up?

531 **GARSSON:** Yes, I think it was a lot more bootstrapping back in the day. They
532 made it up as they went along. My perception of the environment here in San Diego
533 now is you have a lot of people who have had the experience of creating a startup,
534 failing, succeeding. They've got a wonderful perspective they can make available to
535 other individuals who are interested in starting up. Just similarly like we have here in
536 UC San Diego, The Basement that is literally designed to help kids sort it out in
537 terms of what would a startup look like, how would it work, how can we succeed. I
538 would imagine it's a little bit easier than it used to be.

539 **WEISS:** Anything else you'd like to add?

540 **GARSSON:** The only thing I can add about my experience at SAIC is that it was
541 unbelievably challenging, but also unbelievably rewarding. I'm grateful for having
542 had the experience and opportunities there, and I'm glad I lived through it because it
543 was a challenge at times. The folks that are still with the company and folks that
544 have moved on, I think we'll always share kind of a fraternal/sororal kind of feeling
545 amongst ourselves. We did it. We were part of that.

546 **WEISS:** Thank you so much.

547 **GARSSON:** Thank you.

[END RECORDING - Recording restarted]

548 **WEISS:** You left SAIC in 2012, can you tell me about why you chose to leave at that
549 time?

550 **GARSSON:** Sure. I thought I was leaving SAIC after 20 years in 2008, but again, the
551 opportunity to start up a corporate responsibility function was offered to me. So I
552 started that up and got that program running, and shortly after that probably in 2011
553 or 2012 is when the CEO at the time wanted to consolidate executive management
554 on the east coast. I figured that was probably a very good time for me to bow out and
555 allow them to take the program I started and morph it into something they could
556 use as the company continued to evolve.

557 **WEISS:** You spent some time actually based in McLean, Virginia, where the SAIC
558 central was?

559 **GARSSON:** Well it felt like being based – when your rental car knows exactly
560 where to go from the airport to the hotel, you are kind of based. But no, I did an
561 extensive amount of travel back there in the last couple years. I was with the
562 company once or twice a month. I would go back there. My boss was based back

there. But I was never formally based there except for being pulled back for the occasional special project. I think the most time I ever spent was about six to eight weeks.

WEISS: And you mentioned SAIC has made it possible for you to leave in 2012 and now just volunteer for different activities and explore a second career. How has that happened?

GARSSON: Well a lot of it had to do with the growth of the stock price for the majority of the time I was there through the granting of stock options, stock bonuses, and purchases of stock that I made. Happily, all of those appreciated over time, and gave me a good solid foundation so that as long as I didn't do anything stupid, I could take time off after I left SAIC, explore different things, and then move into the direction of a new career when I decided what it was that I wanted to be doing for the next many years.

WEISS: Thank you very much.

[END RECORDING - Recording restarted]

WEISS: We're just going to talk a little bit about SAIC being unique.

GARSSON: Actually, SAIC's stock system and brokerage firm were very unique. Again, that brokerage firm was granted the right to operate as a brokerage firm based on our limitation of transactions to SAIC stock only, and the requirement that all of appropriate staff have the required licenses. I for example had four brokers' licenses. I could have been in management based on those licenses in Charles Schwab or Merrill Lynch, any of those. It was kind of a little overkill to get the licenses, but that's what it took to be allowed to function as a brokerage firm. One of the things that SAIC did that was great – and this was very much part of the environment – was that if you had an idea on how to improve something, you were not told no.

You had to of course justify its value, and then you were allowed to go. When I started working there, we actually literally typed up stock certificates. If somebody bought stock, then we'd type the certificate and have to register it in our transfer agent logs, and that got really cumbersome when you start getting thousands of people trading, and you have to turn these transactions around with a limited amount of time. The other thing is that the internet was starting to become important, and so people wanted to be able to use it. I saw a need to basically give the power of the stock transaction to the employees instead of them coming to us

596 and filling out forms. They needed to go online and create a stock purchase or sell
597 their stock, offer their stock for sale.

598 I basically sold the need for an online stock system to our legal department and our
599 finance department, and of course Dr. Beyster. They agreed, and this is a great
600 example. Dr. Beyster actually wanted to take a look at the screens that employees
601 were going to be having to navigate to buy or sell stock, and he had his opinion of
602 what should be changed. But the buy in was there. We launched the stock trading
603 system, which included electronic fund transfers, which at the time was kind of new,
604 and certainly new for us using a proprietary system.

605 Once we got that working, then it was clear that employees could benefit more from
606 online transactions. I actually lined up our colleagues in retirement programs, in HR
607 and payroll, and we got our IT folks to create a combined report that was available
608 on demand for employees where they could pull up the report and it would tell them
609 what their salary was, what the benefits were, how many vacation days they had,
610 what the value of their stock and stock options was, what the value of their
611 retirement plan was, and to have all that in one place sounds like common sense
612 now, but at the time it was groundbreaking. The ability to envision that and make it
613 happen is something I really credit SAIC as a company for. That was right up their
614 alley, creating something that was of value.

615 **WEISS:** I understand that Dr. Beyster, as you said, looked at the screens and the
616 navigation, that he really had -

617 **GARSSON:** He had his hands in it, he definitely did. Once he was happy, we knew
618 everybody else would be happy.

[END RECORDING - Recording restarted]

619 **WEISS:** We're going to talk a little bit about the stock. When SAIC went public,
620 what did that mean to the employees and how did they react? I mean you talked
621 about coming out, you felt pretty well when you leave in 2012, but what year did they
622 go public? And how soon after? And how was the pricing done at the time?

623 **GARSSON:** The Company went public in 2006, I believe, and that was a major
624 change from our employees. The stock prior to going public had been sent by
625 formula, and the board was the entity that set the stock price. I'd literally sit in the
626 board meetings until they came up with a price, I'd leave the room, we'd get the new
627 price promulgated throughout the company, update the stock systems, and it was
628 kind of a big deal. Once a quarter, we have a new price. They would do things like
629 announce it on airplanes on the way coming back from DC It was a big deal, but

when we went public, that whole experience was something far different than we'd ever experienced before.

Many employees assumed that they would become instant millionaires just by virtue of the fact that we were going public. They assumed that all prices go up after an IPO, which isn't the case. The way that the IPO was designed, it actually resulted in some of the ownership position of employees being liquidated. After the IPO, they hadn't stopped for a new company, and they ended up in many cases with a very big check representing a sale of a certain number of shares that they didn't necessarily plan for from a tax perspective.

That was an experience that really taxed everybody, ourselves and the employees. At that time in preparation for going to the IPO, we'd actually outsourced our stock system knowing that it would need to be handled by an outside vendor after the IPO. Our employees had been really tugged around a lot, and it was a challenge for them to understand what it all meant. Bottom line, what does it mean – dollars and cents – to me? We didn't have all the answers there, but we did our best to educate people.

One thing I realized or learned about at least in the San Diego community is that many of the banks that our employees used were very aware that the stock in the company had gone public, and people ended up with big checks because suddenly, lots of employees were coming and depositing large dollar amounts without a big plan in advance of doing that. All of that transaction outsourcing the stock system and going public was, I think, well communicated. It was just complicated for people to understand.

WEISS: Two years later, the economy in '08 certainly went through changes. What did that mean for – and you stayed on. You were weathering all that.

GARSSON: Yes, I was still there. I think at that point, the SAIC was still a little bit insulated from the world in terms of the impact of the downturn on SAIC stock. We were public, but it didn't kill us. There was a bit of a dip. For many SAIC holders, that was eye opening enough because in our stock price history, it basically showed the stock price going up year over year, quarter after quarter, with one very minor blip of a loss of like two cents, which sent people into apoplexy because the stock had never gone down. They didn't know it was really possible. Once they got past that two-cent drop and the stock kept going up, then we did the IPO.

The stock, again, didn't dip too significantly during the '08 downturn.

664 **WEISS:** In terms of some of the SAIC employees leaving then, when the IPO
665 happened, did they just leave the company because they disagreed with the way that
666 it would be run? And how did that impact your department?

667 **GARSSON:** I can speak first to my department. The day we announced the IPO, I
668 had to pull all my folks together and I told our CFO I really needed him there
669 because I could tell them what they needed to do, and they would rally to it as long
670 as they had an understanding of what it was they were rallying to. That was his job.

671 **WEISS:** So we're talking about the day the IPO was announced and your CFO was
672 there.

673 **GARSSON:** Yes, he was at my side to educate our stock system, our stock
674 program's employees, what that meant. Because not only was it news to them, but
675 they were handed four inch thick notebooks that were FAQs and other materials,
676 and they'd be on the answering end of phone calls from our employees across the
677 company who wanted to know, what did that mean to the stock system. They got a
678 double whammy, and in addition to that, because we were outsourcing our stock
679 system, we didn't need as many employees as we originally had. I had to speak to
680 every single employee that day to tell them whether or not they'd have a job, which
681 was brutal.

682 Brutal for them, challenging for me. Happily, we were able to give them like seven
683 months advance notice and a nice exit package as long as they would stay for that
684 period of time. It was rough on them all the way around.

685 **WEISS:** These were employees from the engineers to other support services?

686 **GARSSON:** No, that was my staff, the stock programs staff that also handled the
687 link.

688 **WEISS:** Once this IPO was launched, then what were your responsibilities? To
689 deal with other investors, or were you still managing all the SAIC?

690 **GARSSON:** No, not other investors. We were helping employees work with the
691 third party vendor to handle their stock transactions, and there was some
692 accounting fallout from certain stock transactions that we had to then filter back
693 through corporate finance. It was more of an interface role with a much smaller staff
694 after the IPO.

695 **WEISS:** Who was the CFO that helped you when the IPO was launched?

696 **GARSSON:** Tom Darcy was the CFO who announced to me we'd be doing an IPO,
697 and Mark Sopp was his successor.

698 **WEISS:** Had you read or heard about other companies that had similar
699 experiences?

700 **GARSSON:** No, I wish I had. We felt like we were making it up as we went. We
701 knew that employees would be very interested in the details, so preparing a lot of
702 information both electronic and handwritten to support employees who had access
703 to the information through their work computers, who couldn't get the information
704 at work and who'd have to go home, down to the employees who might have been
705 with the company a year before and still held stock, but then retired and maybe
706 didn't even have a computer. Lots of information was prepared to handle anybody
707 who might have a question.

708 **WEISS:** Speaking technologically from 1988 until 2012, it was light years in terms
709 of the technology. You talk about putting everything on one screen for the investors,
710 but talk to me about how the technology over time made your job different.

711 **GARSSON:** Without the technological advances, we would have not been able to
712 do the job, basically. We leaned on it more and more as it was able to help us with
713 the staff size we were able to have, budget wise, handle a growing group of
714 stockholders, which peaked out at about 50,000 stockholders.

715 **WEISS:** Within this technology, were any of these SAIC patented or proprietary
716 technology that allowed you to do this? Tell me a little bit if you were involved at all
717 in knowing about the patent process that went on.

718 **GARSSON:** Our proprietary software for the stock system was not something we
719 packaged. We talked about it and said, "Hey, this would be a great idea. Let's
720 package this." But it's not something that we had the bandwidth to fully explore,
721 and it was so unique to exactly the way our stock system was designed to work with
722 all the various programs and policies that we would have had to do a whole lot of
723 work to strip it down and sell it. It was a good idea, but not one we pursued.

724 **WEISS:** Any other involvement in possible patents that SAIC may have had over
725 the years in other fields?

726 **GARSSON:** I had no other involvement there.

727 **WEISS:** That's fine. That was just kind of a patent related question I was unsure of,
728 but this helped to now understand with the technology. Before, there was the

729 software evolution here in San Diego, and then the hardware evolution, and now it's
730 all converged. At what point did it converge for you in terms of software, hardware?

731 **GARSSON:** In the early '90s is when things started to get better, and at one point,
732 it was kind of – it was a lot of fun to work in the company in that department in the
733 early to mid '90s because if you could think it up in terms of, "It would be great if we
734 could allow our employees to do this or if we could make that available." If we could
735 think about it, more or less, we could have it done. We worked, again, very closely
736 with our IT folks and our legal folks to make a lot of information available and
737 transactional opportunities available for our employees when it came to stock
738 system.

739 Dr. Beyster's foundation was designed and still does help other companies that are
740 looking to take advantage of an employee ownership system. They've often looked at
741 our system to see how did it work, what can they use, and at this point, I think the
742 Foundation for Enterprise Development has helped many companies of different
743 sizes go towards the employee ownership model, and I imagine they have a lot of
744 interesting techniques at this point that we might not have been able to take
745 advantage of then.

746 **WEISS:** Have you interfaced with the foundation at the Rady School here on
747 campus?

748 **GARSSON:** Not yet, but I hear good things.

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.