

Schmidt: Well, I was very interested in the; one of the people that we got to know was an engineering company in — jeez, it's really fuzzy now in my memory — but they wanted to build a computer and I thought that would be a lot of fun to do that. So we started Mascor. And Mascor's timing, starting up Mascor, was very bad. The venture capital market completely collapsed.

Yost: 1969 was a boom time and the following year [pause]

Schmidt: 1970 was terrible. Yes.

Yost: I understand Tymshare, at that time, had to lay some people off.

Schmidt: Yes. We had raised \$20 million to go into Mascor with this engineering company and we expected to do a lot more, but the venture capital people pulled in their horns and the crew that I'd hired from IBM went into another company financed by the Chinese, and with the Japanese; anyway, it was an Asian company. And they started up a company and we couldn't make it, and we were closing our doors, so they all left and went to that company as a group. And we just shut the doors. Perfect bad timing.

[Laughs] We couldn't have picked a worse time.