

COMSAT HISTORY PROJECT

Interview with Matthew Gordon

Interview conducted by Nina Gilden Seavey

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COMSAT Headquarters
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Matthew Gordon: Okay, we're doing this in an office that I used to occupy, here on the 8th Floor, at 950 L'Enfant Plaza. [I] got here after starting at Tregaron, which is in Northwest Washington on the old Davies Estate, and we can have so many digressions as you go, at any rate.

Nina Gilden: I want them all.

MG: You want them all. At any rate, that was, this old Davies mansion--Davies being known for a book called Mission to Moscow--and Mrs. Davies came one day looking for her icons that they'd accumulated in the Soviet Union.^{1/} And so the young lady who was then working for COMSAT, who was a Tydings of Maryland, and she called me, they couldn't find anybody else, I guess, to get permission to have Mrs. Davies come into Tregaron

^{1/} change to: The old Davies mansion was at one time the property of a former U.S. Ambassador to the U.S.S.R., Joseph E. Davies, who wrote a book called Mission to Moscow. Mrs. Davies came to Tregaron one day looking for the icons that she and her husband had accumulated in the Soviet Union.

to look for her icons.^{2/}

NG: And this was when? This is after COMSAT already moved in.

MG: Yeah.

NG: So, there was still some connection between the Davies' Estate and the Davies themselves?

MG: No, it was the former Davies Estate. There was not actually any connection. But at any rate, she came and she was Marjorie Merriweather Post and she came in there with her chauffeured Cadillac and all that, and she came with a fellow who was some famous type^{3/} from the Waldorf Astoria in New York, to look over her icons and things of that nature which she wanted to re-purchase and bring to her estate, which was competitive with what Tregaron used to be. When Joseph Davies took possession of that estate [Tregaron], she set up one,

^{2/} change to: A young lady, Susan King, who was working for COMSAT--she was a member of the Tydings family of Maryland--called me, (they couldn't find anybody else, I guess), to get permission to have Mrs. Davies come into Tregaron to look for her icons.

^{3/} add: named Oscar

Hillwood, in Washington, and that became a showplace, too. Well, there we're digressing.^{4/} And the road here came from Tregaron, then to 1900 L Street, and then there was another building set up down the street for technical, indeed where there was even a little control center for launches.^{5/}

NG: That was the first launch center?

MG: Yeah, and that was totally inadequate to handle the burgeoning situation. And [we went] from there to where we are now, in 950 L'Enfant Plaza. [At] the beginning, in Tregaron, I got here because...and I believe I was the fifth person in this noble enterprise.

NG: And how did you come here?

MG: They were recruiting for people to be a part of their original organizing staff. And I had previously left the UN

4/ delete: Well, there we're digressing.

5/ change to: Then we went from Tregaron to 1900 L Street. There was another building set up down the street to handle the technical aspects, indeed there was even a little control center there for launches.

[United Nations] when Secretary General Dag Hammarskjold died. And then I got into sort of a loose arrangement with Lawrence Rockefeller people in investment capital deals, if you could believe such a thing. And I had an office in Rockefeller Center.^{6/} So, the people that came to see me were the Newmyers who were the originals dealing with the Incorporators--public relations firm in Washington, DC, and sort of advised corporations.^{7/} I believe, as a matter of fact, that they recruited Leo Welch. Arthur and Jimmy Newmyer. Jimmy was the younger one, but I'm afraid we can't put him in a young man category right now.

NG: Probably not anymore.

MG: At any rate, so they came to see me in Rockefeller Center and they had a big competitive situation. Oh, I don't know, this was regarded as the brave new world created by Act of

^{6/} change to: After that, I had a loose arrangement with Lawrence Rockefeller people in investment capital deals, and I had an office in Rockefeller Center.

^{7/} change to: Among those who came to see me were the Newmyers, who were the original people dealing with the COMSAT Incorporators. They had a public relations firm in Washington, D.C., and advised corporations.

Congress in 1963.^{8/} [The Act created a] private or public corporation, depending upon how you wanted to look at the word[s] private or public, with participation by the carriers. A big hodgepodge setup in this compromise was worked out in a congressional contest, which took place in its creation. It was quite a contest.^{9/} Filibusters and everything.

NG: But you weren't around in that time? This was before your time?

MG: No, I was in New York. And then Sam Harris talked with me in New York, and then I saw Leo Welch here, at Tregaron, actually. He was downstairs as you entered the so-called mansion, which didn't have air conditioning^{10/}--they had room air conditioners. And so, then he was sitting there right off the hallway as you came in. The only other people [with

8/ change to: They came to see me in Rockefeller Center and they had a big competitive situation because of what was regarded as the brave new world created by Act of Congress in 1963.

9/ change to: A big hodgepodge setup was worked out as a compromise in a congressional contest, and it was quite a contest.

10/ add: central

COMSAT] there at the time were David Melamed, who was down the hall there and sort of went out into a garden, and [Joseph] Charyk who was upstairs.

NG: In the master bedroom?

MG: In the master bedroom, which was supposed to be Dena Marrow's bedroom; she's a movie actress.

NG: Oh.

MG: Dena Marrow. Dena Marrow is an offspring of the Davies. That was supposed to be her bedroom. She married Cliff Robertson, and I think they're on the outs now, I just read in the paper. [Laughter.] So it is said.

NG: Was Allen Throop around by that time?

MG: Throop came in either simultaneously with me or about two days later. He came from a very large law firm in New York,

and I think he had retired from it.11/

NG: He had just retired from it.

MG: He had just retired from this very large, major law firms, anyway he was here. And then the Davies Estate, which I assume other people have told you, where they had a big room in that thing there where the movie Advise and Consent, part of it was made.12/

NG: No, I didn't know that.

MG: Advise and Consent, used that room for one of the scenes. And they had a kitchen in the back, which was very elaborate kitchen--which, jumping ahead of myself, was used to put mimeograph machines on, on the stove.13/

11/ delete: He came from a very large law firm in New York, and I think he had retired from it.

12/ change to: By the way, I assume other people have told you that part of the movie Advise and Consent was made in a big room at Tregaron.

13/ change to: There was also, in the back, a very elaborate kitchen. COMSAT staff put mimeograph machines on the stove.

NG: I think Donald Greer mentioned that.

MG: Greer wasn't here yet.

NG: Right, but he knew that had happened, yeah.

MG: And we put the supplies in some of the kitchen cabinets. And upstairs, in the linen closet, I put the documents which seem to have disappeared, from the Senate and the House hearings, and all that. I stored them all in the linen closet.

NG: All right.

MG: And I had a rather large office down the line there on the second floor there. And then Lou Meyer came in and, at a later date, John Johnson and some of the technical people were up closer to the orbital position because they were in the attic.

NG: [Laughter.] Nearing closer to geosynchronous orbit.

MG: [Laughter]. Right, they were up in the attic, with their slide rules. They used slide rules in those days.

NG: And calculators.

MG: Before the computer age. And then, I think, Lou Meyer wanted my some sumptuous office, it wasn't very sumptuous, but he wanted it.^{14/} So, I moved down to a room down the hall in a long, long corridor in a little office next to the sauna bath.

NG: How convenient.

MG: How convenient. And had bars on the windows, sort of went out into a--I don't know what you call it--an esplanade, but at any rate, the projection [Inaudible].^{15/} And they had bannisters--whatever you call them--as you went down, and ornate chandeliers. I referred to Mrs. Davies, she wanted the chandelier, too. She was with Oscar of the Waldorf, now that I remember. And they looked at these chandeliers, she had a run

14/ change to: Then Lou Meyer occupied my "sumptuous office" it wasn't really very sumptuous.

15/ change to: There were bars on the windows which overlooked an esplanade.

in her stocking.^{16/}

NG: What were some of the first things you did? What were some of your first tasks?

MG: The first thing I did when I got into this thing, it was just me--and by the way, the other girl's name was Susan King, she was part of the Tydings thing, she was the one who called me on this Mrs. Davies thing, I think she got there through one of the directors.^{17/} [Also,] Pat Waring, [who] I think was kind of a dynamic lady, and she was helping me a bit. And that was about it, pretty much. The first thing I did? Well, the first thing I did is, I think, well, of course the...there was some involvement by the State Department personnel and which seemed to be a transgression on COMSAT's authority. And I think the first thing I did was put out a note relating to that in a rather carefully worded form. And I think that I got a call from Leonard Marx, who was a local attorney, [in the

^{16/} delete: She was with Oscar of the Waldorf, now that I remember. And they looked at these chandeliers, she had a run in her stocking.

^{17/} change to: When I got into this, it was just me and Susan King, who I think got there through one of the directors.

District of Columbia], and was a member of the Incorporators, a member of the Board of Directors, and later became director of the USIA [U.S. Information Agency]. [He] was close . . . with Lyndon, President Lyndon Johnson, and now is, among other things, counsel for the White House Correspondents' Association. And he called me to say, "You drew blood."

NG: What did he mean?

MG: My little press release announcement drew blood,^{18/} over at State Department, got them all . . .

NG: . . . all shaken up?

MG: All shaken up, or whatever.

NG: I guess whatever diplomats do.

MG: Not exactly diplomats, whatever they are. Okay. So, the problems that COMSAT had right away were these. There was no stock issue yet, you gotta recall. It was just using a line of

^{18/} change to: My press release announcement had drawn blood,

credit, as I recall. And it had to develop a system, contemplate a system, had to organize what it was supposed to be and all the rest of it. Ground up, with the so called mandate under the Communications Satellite Act of 1963.^{19/} So, they were supposed to figure out what kind of a system they [should] have and to try to organize a pattern of relationships with various other entities, is the language they use.

NG: You mean, other countries.

MG: Yeah, other countries. In other countries, or other countries. In most other countries the communications entities are directly under the government's supervision or become a part of the government apparatus. So, then it was a pretty...I went to...this is getting a bit rambling...I went to some sort of a public seminar which Bernie Strasburg and maybe was [it] Gil Carter, were making a big pitch for government involvement in this thing, in this discussion. And I think I stood up and

^{19/} change to: COMSAT was just using a line of credit as I recall. Furthermore, it had to develop a satellite system, to consider what system would be best, and had to organize and all the rest of it from the ground up under the terms of the so-called mandate in the Communications Satellite Act of 1963.

kind of ticked them off by saying that they were out of bounds, and they weren't in the context of the Communications Satellite Act.^{20/} And they had to say that I was right.

NG: So, they did this in some kind of a public forum?

MG: That was their contention.^{21/} They were always trying to push for and get^{22/} an executive order to try to expand the so-called-role of government in this whole thing.

NG: So, where was this place you had the confrontation?

MG: That was my first exposure to that.^{23/}

NG: And where was that, do you remember?

20/ change to: I went to some sort of a public seminar in which Gil Carter of the State Department was making a big pitch for government involvement. I stood up and kind of ticked them off by saying that they were out of bounds. That such an idea was not in the context of the Communications Satellite Act.

21/ delete: That was their contention.

22/ delete: and get

23/ add: idea

MG: Some hotel where they were having some discussion of satellites and communications, or something or other.

NG: So, it was for the public?

MG: Yeah. Not for the public, for industry people.

NG: I see.

MG: Well, it's been a long road to this place, and now you have satellites up and some competitive situation and you have certain modifications that have taken place, as I understand it, from the original concept of Communication Satellite Act. So, now you've got a certain degree of "deregulation." And you've got people trying to crowd into this act, and I don't mean the Communications Satellite Act. And it's an entirely different thing.^{24/} Then, COMSAT was all alone. And there was a great deal of public interest in [it]. The scale of the news [coverage] was entirely different [from] what you see now.

^{24/} change to: The situation now is entirely different.

NG: In what sense?

MG: Well, it was a page one story. And you had people coming over all the time, and their reporters. It was a definite news story on a certain degree of magnitude.

NG: So, what were the kinds of things you did, the demands on you daily at that time?

MG: Oh, I would get them to interview Charyk, Leo Welch or whatever concepts, plans, and things of that nature.^{25/} We already had FCC regulations to cope with. It was a...magazine articles.^{26/}

NG: Then what you're saying is that you didn't go out for the business, the business came to you, and basically you had to make sure that COMSAT put it's best foot forward.

^{25/} change to: Oh, I would get people who were interested to interview Charyk, Leo Welch, or others, on whatever concepts, plans, and things of that nature that were relevant.

^{26/} change to: People wrote magazine articles.

MG: I don't know about the best foot, an accurate foot forward anyway. That's my style.

NG: Well, what about some of the big issues at that time? You talk about getting....

MG: Well, casting your mind back, as the phrase goes, the big issues they had were: They had no financing, "What do you do?" and, "How do you do it?"; what sort of satellite system would you have--would it be a random orbit satellite system such as AT&T...^{27/}

NG: TELSTAR?

MG: Well, that type of thing. AT&T had a fellow who was very well known, [John] Pierce...

NG: John Pierce.

^{27/} change to: Well, casting my mind back, the big issues they had were: 1. We had no financing; and 2. "What do you do?" and "How do you do it?" What sort of satellite system should they have? Would it be a random orbit or synchronous satellite system?

MG: And they were saying synchronous will last a long time in the future.^{28/} And the random orbit [system] required a number of satellites going around, and so on. And they weren't, at least as I recall it, Bell Labs and AT&T weren't interested terribly much in the synchronous satellite, which was being developed by Hughes Aircraft and so on. So, there was a lot of discussion about what you do, and if you went for the synchronous satellite, maybe I'm truncating events, then you had the question of time delay and echo and all that.

NG: Yeah. Whether it's commercially acceptable or not.

MG: Yeah. And the AT&T guys had certain reservations about that.

NG: Well, did they in making these decisions, if you recall, were you consulted as to sort of the way that these decisions would be presented to the public? How did that get worked out?

^{28/} change to: People were saying that synchronous satellites would take a long time before they could be made operative.

MG: I don't think so.^{29/} Not a hell of a lot. They were sort of mucking about inside their Directors' meetings with these things.^{30/} And they . . . brought in consultant science types. One was Jack Ruina, now of MIT. Another was, I can't recall his name off hand, now that I think of it--formed a company of his own, not in the communications field--and I recall some other people. But anyhow, there was this whole business of what type of a thing would you do? Where would you get the financing for it?^{31/} I may not be historically accurate, but I think AT&T people were saying they [would loan] COMSAT \$50 million or something like that. They wanted to keep it low, you know, funding low for start up purposes and all that sort of thing. And you had to discuss would you do a public stock issue or how would you do this thing?^{32/}

NG: Well, let's talk about the stock issue, then. Because

29/ delete: I don't think so.

30/ change to: There were considering inside their Directors' meetings what decisions to make.

31/ change to: There was also the question of where would they get the financing for it?

32/ change to: And they had to discuss would we do a public stock issue or how would the financing be handled.

that's the next really big event that occurs after the Act, was the capitalization of the company.

MG: No. Well, no. Then you begin a whole...well, I recall that a number of Europeans came over, this may be novel to you, but the....I got involved in all this because it was a small place and you were involved.^{33/}

NG: Sure, everybody was involved.

MG: So, the French were rather wary or more of the UK British and vice versa.^{34/} And [the French] thought the British were trying to put cables around them. So, the French were interested in making a separate [bilateral] deal with COMSAT to get out from under^{35/} the UK communications types. And then I recall that there were visits made abroad by Charyk and John Johnson. I don't know whether you [have] talked to

33/ change to: I recall that a number of Europeans came over. I got involved in all this because it was a small place and you were involved.

34/ change to: The French were rather wary of the British, and vice versa.

35/ change "out from under" to "away from"

John Johnson.

NG: Not yet.

MG: Well, at one stage, he was not in favor of this whole INTELSAT operation.

NG: What do you say he was in favor of?

MG: He was in favor of doing the direct deals with some of these people. Then it got to be a whole mishmash of...

NG: And you say you agreed with that.

MG: I had a certain hesitancy about getting too involved in an over-internationalized thing [whatever] accolades they give it now as the world's greatest international system and so forth. Because having come out of fifteen and-a-half years at the [United Nations] I could see that when you get a number of countries involved, whatever the voting percentages are, more voices against one voice change the dynamics of the situation and the parameters of the whole thing, no matter what.

NG: So, what you're saying is that you were worried that the US voice was going to go down.

MG: I thought the [United States], which had originated this whole thing, which had developed it under the National Aeronautics and Space Administration, and which had pioneered and was really going to be somewhat submerged in this whole process...So, while it may seem unusual for a fellow who had been in an international environment, it wasn't unusual to me, because I thought I learned something out of that

NG: Sure.

MG: . . . which was that you protect your own interest, not necessarily individually, but as a corporate entity. So, I didn't go for this over-internationalization in my mind.

NG: So, how did it work out that that's what we ended up with, as you recall?

MG: Well, jumping ahead somewhat, in order to force the issue, I remember this whole business about what type of satellite

things, finally we started out with pushing the thing, with the synchronous satellite at 22,300 miles up.^{36/} And there were a certain amount of [testing] done. And I remember one [test] on the telephone booth thing to see how they would work, how would the time delay would go, and so on. And I think we were dragging, however the phrase would be, AT&T along with it, which was downgrading it all the way.^{37/} And [we] had to establish that that was a workable system. So, we had a certain amount of tests, [and] certainly got a lot of attention, public attention and all that. This was a big beef,^{38/} a lot of reporters were covering this thing at that stage. It was a lively affair.

NG: Sure.

MG: So, the first one was launched, which was designated,

36/ change to: Well, I remember this whole business about what type of satellite, and finally we started pushing the thing with the synchronous satellite at 22,300 miles up.

37/ change to: We were dragging AT&T along with us and AT&T was "downgrading" the synchronous satellite orbit concept all the way.

38/ change "beef" to "news feat"

turned out by me, Early Bird.^{39/} And that came about because John Finney of the New York Times, and another friend of mine who was, who I'd known from before from the Associated Press, called and said, "What do we call this thing?" And I said, "I guess you can call it the Early Bird."

NG: So, that's where it got it's name?

MG: It got into print. It went through all the news mechanism, and that's how it stuck. Then they fudged it up later-on with all this INTELSAT I, II, III and all that sort of thing.

NG: Right. But it's still known as Early Bird. It isn't known as INTELSAT I, really.

MG: I know, but they got into all that INTELSAT mishmash with by [Inaudible] designation.^{40/} I didn't think INTELSAT I, II, or III was a great name. In fact, all the Bird sequences

^{39/} change to: So, the first one was launched and was designated by me, Early Bird.

^{40/} change to: I know, but they got into all that INTELSAT designation.

became such a thing that when you had one later the Hawaiians called one of theirs Lani Bird, and all that, and they got into this aviary.

NG: What about....you also said that the COMSAT logo, you had some input in that?

MG: That was very simple. I mean, I just drew it.

NG: So, you did it?

MG: I did it. And I figured we'd do it like a satellite thing, with, it would look like a satellite, and you'd put spokes in it and so forth and put the COMSAT thing across there.^{41/} Nobody said much about it. It was just put in the publication that way.

NG: Just put it on. What about....

MG: And that became a big thing, too. And some people, I

^{41/} change to: I figured we'd do it to look like a satellite with spokes in it and so forth, and put the word COMSAT across it.

understand later, were discussing what arcane significance this whole thing had, and God knows what.^{42/} There was a piece in the COMSAT publication....

NG: COMSAT news or something, Channels?

MG: Yeah. One of the editors, he called me about it, and said he'd heard that I did that, and I said, "Well, you came to the right place." And he said, "Well, what was the meaning of this?" And I said, "Well, I was just trying to simulate a satellite, that's all."

NG: And that was your rendition?

MG: That was my rendition. And I'm not a very good artist either.

NG: What about the PR...what went into the whole PR for the launch of Early Bird? That was a big event.

^{42/} change to: And that Logo became a big thing, too. I understand later some people were discussing what arcane significance this had.

MG: Yeah. The launching Early Bird was a big event, because I recall that we were [Inaudible] and I recall that we were at Tregaron, and this thing took place down at the Cape, Florida. And I didn't have anybody down there.^{43/} We had no person.^{44/} I didn't have any staff.

NG: Well, it was you.

MG: Me. So, we had it rigged up with...there was a press...the press gathered in Tregaron. And we had an AT&T thing, a hook-up which was amplified.^{45/} And you could hear the countdown and all that sort of thing. And somebody, that I was talking to on the phone, said, "I'm leaning out the window, and this thing is doing this and that and going up and so forth."

43/ change to: The launching of Early Bird was a big event. I recall that we were at Tregaron. The launch took place down at the Cape in Florida and I didn't have anybody down there.

44/ delete: We had no person.

45/ change to: Se, we had it rigged up. The press gathered in Tregaron and we had an AT&T hook-up which was amplified.

NG: So, he was describing it.

MG: Right.

NG: So, you could hear it and hear was this guy describing the lift off.

MG: Yeah, from a window.

NG: [Laughter.] From a window. That's great. But [Hubert] Humphrey was there?

MG: There is a picture of Humphrey and Leo Welch. Humphrey's talking satellites. Charyk's in the front row and Mondale is involved. He came over, and he was a little...I have the Early Bird Press Kit.^{46/} We had a kind of...you know we made a cover to sign.^{47/} And it's signed by Humphrey, Mondale, and others. I do these things. I had them all sign these

^{46/} delete: He came over, and he was a little...

^{47/} change to: We made a cover design.

things.^{48/}

NG: Sure.

MG: I began this historical stuff when I handled the World's First Peace Time Atomic Energy thing.^{49/} I had everybody sign them, you know, Nils Bohrs and everybody--homemade historical documents. So, I did it here, too. So, I recall Humphrey was late, and he was very enthusiastic, and clapped his hands, you know, and all that sort of thing. And Mondale was in there, too. He was kind of quiet, and he was in a shadow of Humphrey...

NG: Not surprising.

MG: ...at that stage. So, anyway, before the Early Bird, we had things to do to establish the situation. You had the SYNCOM I and II. The SYNCOM II was used, after some hassle, in

48/ change to: I had them all sign the press kits that I had put together.

49/ change to: I began this historical stuff when I handled the world's first conference on the peaceful uses of atomic energy.

which I played a rather strong role, to use it for the Tokyo Olympics. And that was a big hassle.

NG: Why was that?

MG: Why? Because I wanted to get....use that to carry the Tokyo Olympics and NBC had a commitments with them and they wanted it put on at different times--11:30 at night--you know, not necessarily in prime time, and all that, was one factor.^{50/} Factor two was the higher persons, so called, at COMSAT, were not in favor of it.^{51/}

NG: Why weren't they in favor of it?

MG: Well, first of all it was being argued that they wouldn't get anything out of it, no money. It was not a commercial thing. That was one thing. Then Sig Reiger said it was

^{50/} change to: Because I wanted to use it to carry the Tokyo Olympics. NBC had a commitment with the Olympic Committee and NBC wanted it put on delayed at different times such as 11:30 at night, not necessarily in prime time. That was one factor.

^{51/} change to: Factor two was that people at the top at COMSAT were not in favor of it.

technically unfeasible.

NG: So, they were worried about the broadcast?

MG: They weren't only worried about the broadcast, in their definition of things,^{52/} they didn't see any financial value to it.

NG: Who was that?

MG: The upper echelons of this Corporation. And I had, oh geez, all kind of stuff^{53/} with the European broadcasters. And I remember meeting with the German commercial television [people]--German [Network] II--at a hotel in New York. And the point was that they would pick up some of the tab for this thing, for the cost factor.^{54/} And it was my contention,^{55/} when I brought them into the game some people here got a bit

52/ delete: in their definition of things

53/ change "stuff" to "discussions"

54/ change to: The point was that they would pick up some of the cost.

55/ delete: And it was my contention

irritated and said, "What are you doing? You're trying to force us to do this thing." And my contention was, "I'm going to make you do it."

NG: Why did you feel so strongly about it?

MG: Because I wanted to establish that the SYNCOM satellite could work and it was to be a big event to carry the Olympics. How much more vivid can you get?

NG: So, it was a matter of prestige for you.

MG: Well, it was a matter of establishing the later on value of that satellite system, in a very vivid way to say the least. Okay. Then it was contended that they didn't have enough band-width in that satellite to do it. And there was no ground station that would carry, that could handle it and all sorts of things. And one of the people that was supporting me, later went to RCA, I think he was the only Ph.d. in the whole thing, gee, at the moment his name is eluding me [Spencer Spaulding], we'll fill him in later, tall, very good looking fellow.

NG: He was a Ph.d....

MG: He was tall, very good looking, later he left, he went back to RCA in Camden. Anyway, I'll remember it. And he was supporting me; Reiger was opposing me. He [Reiger] said, "I'm going to declare it technically unfeasible." And I said, "You go ahead and do it," or something like that. It got quite argumentative. And then the Navy offered to give, to loan the Point Mugu earth station. Then the Japanese said that they had compressor equipment which wasn't being used as a compressor, which could amplify the capability of the satellite with limited band-width and that with this [kind of] picture, it would work. So, these people, I'm using that, were dubious .

NG: These COMSAT people you mean?

MG: These COMSAT people were quite dubious. And that's where they got into this whole thing about it won't work. And I said I had a lot of faith in the Japanese. Anyway, they had a big meeting, which for a while they didn't want to invite me to, in New York, with NBC. Well, I was the guy pushing this thing.

NG: Well, not only that, but you would have been the contact with NBC.

MG: Not necessarily. They could have, on a technical basis, they could have gotten various people. But anyhow, I raised a bit of a fuss; got a little indignant; stomped around a bit....

NG: And what happened?

MG: So, they took me along.

NG: And what happened at that meeting?

MG: And we had a meeting at Rockefeller Center and then at the RCA Building. And the Japanese were there, and the NBC guys were looking down whatever length of noses they had, and they said, "Well, no, you know this wouldn't work," and so forth and so on. And the Japanese fellow said, "We think it can work, and we're sure after you get this through this, and our equipment will...." You know, the Japanese were not as highly regarded then as they are now in technical capability. Now,

everybody thinks they real oriental balls of fire.^{56/}

NG: Really?

MG:real balls of fire in various areas. But the Americans still had this arrogance, that the Japanese were imitators, not innovators, and all that sort of thing.

NG: So, there was some distrust then of the Japanese? At least here at COMSAT.

MG: And also there was a vested interest on the part of NBC which was fighting this thing. And Sarnoff, young Sarnoff, went over to Tokyo, to persuade the Japanese not to do this thing, and so forth and so on.

NG: Now, why is it that NBC would not want...

MG: Because they [had] bought the commercial rights to the Olympics, totally. And if we put them on free here, certainly

^{56/} change to: Now, everybody thinks they are real technical balls of fire.

we did it all live and offered it to everybody, then that obviated their commercial interest.^{57/}

NG: I see.

MG: And also [NBC] wanted to program it as they saw fit. Fly it over, put it on whenever they wanted to, and yet here was a thing that could be put on live.

NG: Well, so how did it resolve itself?

MG: It resolved itself that we would go ahead, but [the broadcasts] would be on a limited basis. And that's why Sarnoff was rushing over saying, "Hey, I paid for all this." You know that's young Bobby Sarnoff, not old David, of course. So, he said, "We've paid for all this, we've got these arrangements, and this is going to screw this whole thing up." I went to....I used to live then at 3120 Ordway Street. And next door to me was Sandy Vanocour, then of NBC, now of ABC, and he had a big function at his house. The head of NBC sports

^{57/} change to: And if we put the games on free here, all live, and offered to everybody, then that affected their commercial interest.

was there, and [Sandy] brought me over. And they said, "Why are you doing this? You're going to ruin our commercial thing. We paid for this," and so forth and so on. He said, "You're the guy who is pushing this whole thing and you're getting this all done." And I said, "Well, I've got the European broadcasting community in for it, and now we're going to do it, if the Japanese concur." And they did. So, finally it all worked out that we would do certain [parts], and they would still have their commercials.^{58/}

NG: They would tape part of it and then what did they do, tape it?

MG: They flew a lot of it [over].

NG: They'd tape it and then they flew it over. So first they taped then flew.

MG: Right. So, if you look at these scrap books, which you've furnished here. I've just noticed and that's why its so useful [to put these scrap books together and keep them]. I just

^{58/} add: to work into their schedule of events

noticed looking through there, that story by Jack Gould, who was the radio and TV editor of the New York Times. And this story says that this was an "unmitigated, unadulterated and overwhelming triumph. That sitting in your own living room or wherever you could see the opening day ceremonies, which came [through] as clear as if you had been seeing them on domestic TV right here. All right, we were all foregathered, or we were gathered, or whatever the designation would be, in the room in Tregaron, which was kind of the room which was used for a big dining room.

NG: The one used for board meetings?

MG: They used it for board meetings, but before that it was used as a dining room or whatever, and it was a scene for Advise and Consent, the movie. And we were foregathered in there, we had the TV going, and this thing was coming in and it came in as they say loud and clear. So, at that point they said, "Great stuff, wonderful thing, marvelous." You know, they took a lot of credit for it.

NG: Who took a lot of credit for it?

MG: All the people who opposed it.

NG: Of course. So, now basically everybody was sold on this idea of SYNCOM?

MG: Not completely. It was, it had been established as a, to carry TV, but the major use of the satellite system, after all, was going to be telephones. And then you entered the area of the time delay, 3/10ths of a second and so on,^{59/} because of the distance, speed of light, such other matters of physics, and echo suppressors, and all that sort of thing. So, whether it was, it could be used primarily for [telephonic communication], that other area^{60/} entered into it. But whether it could be used for TV, that's clear. That was clear enough. But TV would not be the main economic sustenance of a satellite system. So, the telephone thing remained to be sorted out, or fought out, or whatever you want to call it.

NG: And did you have any involvement in the working out of that?

59/ delete: 3/10ths of a second and so on

60/ change "area" to "problem"

MG: Well, every time you had to get into questions of tests on time delay, and we had a lot of those, and echo suppressors, the development of new echo suppressors, and things of that nature, yes of course.^{61/} But the Olympics was a big one because it was a worldwide event; there was a lot of participation.

NG: Yeah. It focused a lot of attention.

MG: Well, obviously. So, that was part of the establishment of the synchronous satellite [system], rather than the low orbit, random orbit, or the medium orbits which as a variant.^{62/} So, the synchronous [system] became established, not to go last,^{63/} as AT&T people had said, but first. I regard that as a very important effort obviously, because the whole thing of the establishment of a synchronous satellite as

61/ change to: Well, every time there were questions of tests on time delay and we had a lot of those and the development of new echo suppressors, and things of that nature, yes, of course.

62/ change to: So, that was part of the establishment of the synchronous satellite system rather than one with a low, random orbit, or a medium orbit which was a variant.

63/ change "not to go last" to "not as a final eventuality"

a first thing to use in the whole medium and it changes the whole character of earth stations, and the whole business of this transmission [Inaudible].^{64/}

NG: Sure, you need a lot fewer.

MG: Okay. Of course, Hughes Aircraft was pushing [the synchronous satellite system], because they were the developers of it. You know, parenthetically, and a diversion, there would be....before this, there was TELSTAR and there was RELAY. RELAY was a name that was given by, RCA picked up.^{65/} And the AT&T people told me that RELAY was their first choice. They had a competition at AT&T for designating a satellite name.

NG: And it was RELAY?

^{64/} change to: I regard that as a very important effort obviously, because the establishment of a synchronous satellite first of all affected the whole character of the system, the earth stations, and the whole business of transmission.

^{65/} change to: You know, parenthetically, before this there was TELSTAR and there was RELAY. Relay was a name that was used by RCA.

MG: RELAY was the winner and TELSTAR was way down the list.

NG: And then RCA ended up with it?

MG: RCA ended up with RELAY. It just didn't turn out to be a very vivid name at all.^{66/}

^{66/} add: TELSTAR turned out to be a commonly accepted name for satellites.

NG: It certainly didn't change the...

MG: It wasn't very vivid and TELSTAR turned out to be a much better name. And we're getting ahead of ourselves, and COMSAT people started picking names like COMSTAR later on, which I thought was a rather boring type of name for a domestic system, very unimaginative.

NG: Okay. So, now the system itself is set here...

MG: Not really, because you had to do more than that. At the same time you had to have international acceptance, because you can't communicate with yourself, although that might not be so bad.

NG: A lot of people do that.

MG: But, you had to get these other people to agree to the same thing. So, that means, I remember Jimmy Gill of the United Kingdom's Post Office. And he was an active person in this whole international arena. And then you had...oh, I don't know, this is getting a bit, the juxtaposition of time and place is not necessarily sequential here. And then you had the organization of the international conferences that they had

over at the State Department. We had several of those.^{67/} I didn't think much of those.

NG: Why didn't you think much of them?

MG: Because I thought [we] were going down the garden path.

NG: Because you still thought we should be negotiating with these guys individually?

MG: Or some other variant. The way AT&T, AT&T did that.^{68/} They put 18 guys^{69/} on the cable abroad. They said, "Well, [satellites are] different." Maybe. Maybe not. But at any rate, I thought that this was so...I was sitting with Nick Zapple [member of the Senate Commerce Committee] and we would watch some of this stuff go. And so far, we had a lot of hassles with the State Department, I did.

^{67/} change to: There were several of those.

^{68/} change to: Or some other way, such as the way AT&T did it.

^{69/} change "guys" to "countries"

NG: Why did you have hassles with the State Department?

MG: Because they were trying to push the agreement...[Inaudible]...to make it look as if it was all international and COMSAT gets the short end of the stick and so on.^{70/} They even changed...they bought an argument by...In one of these there was an Italian president of the conference, and also, whose name is eluding me temporarily without verification, and I knew him from before from the UN, and...[Inaudible]...sort of thing.^{71/} Then, [there was the] question of what the composition would be of the so called INTELSAT Board of Governors, and whether you needed two-thirds or whether you need a simple majority,^{72/} and all kind of things like that.

NG: So, it became very bureaucratic.

70/ change to: Because there were trying to make it look as if it was all international and COMSAT would get the short end of the stick.

71/ change to: In one of these sessions, there was an Italian president of the conference. I knew him from before, from the U.N.

72/ add: to make decisions

MG: Well, it was important to the voting arrangements.

NG: Yeah.

MG: And all that sort of thing...it was important in the voting and all sorts of things. The weighted voting or whether there should be weighted voting, and all that sort of stuff. And I remember at one stage I didn't particularly like the way this thing was running and I talked to this Italian, he was the Ambassador from Italy, and I said, [You can] "declare war on the United States by the majority vote or something,"--if I have this right--and [I] "said you guys are doing this."^{73/} And I always remember what he said. He said, "Well, if they do it why not?" [Which] means, "If we can take these guys," meaning the U.S., "Why not?"^{74/}

NG: So, if you can force them into a position of like

^{73/} change to: I remember that at one stage I didn't particularly like the way the thing was running and I talked to this Italian, he was the Ambassador from Italy, and I said, "You can declare war in the United States by majority vote."

^{74/} change to: By which he meant, "If you can take these people," meaning the U.S., "Why not get what we can?"

two-thirds...

MG: You didn't have to force them, he said, "If they do it, why not?" In this discussion I said, "You're really conning them," or some word like that. Because I knew this character--fellow--from the UN and I could talk to him a little more differently.^{75/} And I said, "You're really," I didn't use the word conning, but that's why he said, "If they do it, why not get what we can."^{76/}

NG: So, you thought that kind of aided to...

MG: I thought that. Then they had another INTELSAT conference and Leonard Marks was involved in that one. Then they had another one and I had a big hassle with the guys at the State Department [Because] they put out an announcement, of course they sort of left out COMSAT's total position [and it] was misstated totally, (and this was still Tregaron), and I called

75/ change to: Because I knew this fellow from the U.N. and I could talk to him a little differently.

76/ delete: And I said, "You're really," I didn't use the word conning, but that's why he said, "If they do it, why not get what we can?"

up this fellow, I think his name was Johnson...

NG: At the State Department?

MG: Yeah, Assistant Secretary of State, and I called him up and I told him, "If you put that thing out the way you have it...." and I went to Leo Welch and I showed it to him and he got all excited and said, "Well, you know we can't do that we haven't...[Inaudible]...shareholders" and all that sort of thing and he got very angry and so forth--and I told this fellow, "I'm going to put my own out. You can put yours out at the State Department. Do what you like. But I'll put mine out, too, and it will be entirely different from yours. And if you want an open confrontation, then I'll give it to you."^{77/}

NG: And so what happened?

^{77/} change to: Yes, Assistant Secretary of State. I called him up and I told him, "If you put that thing out the way you have it..." I went to Leo Welch and I showed it to him and he got all excited and said, "Well, you know we can't do that..." He got very angry. I told this fellow, "I'm going to put my own announcement out. You can put yours out at the State Department. Do what you like. But I'll put mine out, too, and it will be entirely different from yours. If you want an open confrontation, then I'll give it to you."

MG: They withdrew. Because...

NG: So, do you think that the State Department had been in some way trying to horn in?

MG: Yes, they were trying to be more international, as I saw it, than to defend the interests of an American corporation established by Act of Congress. They were internationalizing this. They had other, to coin these dazzling phrases, they had other "fish to fry." They could yield things like a satellite thing, that's not their primary business, for all their interest, real or perceived, about playing ball with this or that.^{78/} "Well, we'll give them the satellite thing" and [the State Department would] get whatever they were going to get in their game of international relations for other reasons. So, to them this wasn't a primary matter. To COMSAT it was the only matter. Not what the U.S. conceived or what certain people conceived it to be their international State Department

^{78/} change to: They could yield things like a satellite arrangement, because that's not their primary business, in order to advance their interests, real or perceived, about playing ball with this or that country.

interest.^{79/} So, that's why, even if you want to take it institutionally without personalizing it, you want to take it institutionally, to the State Department this [was] not a primary matter and they [had] other things to do, to think about, or they think they [had]. So, therefore, they could yield this thing if they were in this game. That's not their interest. They could placate or play buddies with the Italian, French, or whatever you want to call it--Third World, Fourth World, Fifth World, Sixth World, or whatever world they're in. And rather than this, and my concede, my job here was to defend, primarily, the interest of COMSAT.

NG: So, you're saying that there was a real sort of...?

MG: All the way, at all times. Throughout.

NG: Discord?

MG: Throughout.

^{79/} delete: Not what the U.S. conceived or what certain people conceived it to be their international State Department interest.

NG: Well, what happened during the stock offering. How did that whole thing...

MG: The stock offering is a separate deal. That...

NG: But, now what I'm trying to do is get sort of...because that was in '64...

MG: The stock offering was...There was...I'm not sure if I'm precisely accurate in timing, sequence, and all that...

NG: That's okay.

MG: I think the decision was made by Board Members, assuming [my] recollections were correct, to go forward with this \$200 million dollar stock issue to force the issue, because there was game playing on the part of certain European interests at that time.

NG: What do you mean?

MG: They weren't going [ahead], they were still screwing

around, and they, and so forth. And the idea was you had to move dynamically to establish that, "We're going."^{80/}

NG: So, you're saying they thought \$200 million dollars was a lot of money?

MG: Well, not only that, but to say we're going [ahead] with the whole thing and we're not going to horse around with all these negotiations from here to eternity. And I think that was part of it. I may be wrong in my recollection without checking the...it might be worth checking on it. But I think the whole idea of moving toward the stock issue is to establish this thing before you had anything going.^{81/} Nothing was set up yet, you had nothing, really.^{82/}

NG: And so what are you saying?

^{80/} change "We're going." to "We're going, no matter what."

^{81/} change to: It might be worth checking on it, but I think the whole idea of moving toward the stock issue was to establish the concept before you had anything real going.

^{82/} change to: Nothing was set up yet, you had nothing much really.

MG: That it would force the Europeans primarily, because they were dealing here with European partners, into a realization that they couldn't drag their feet or play cable games...

NG: So, what you're saying is, if they raised a lot of money then...

MG: You're go! You could do it on your own.

NG: You could do it on your own.

MG: Right.

NG: And if they didn't want to participate...they might miss the bandwagon if they didn't act.

MG: The orbital bandwagon.

NG: The orbital bandwagon. The geosynchronous bandwagon. So, [we] decided to go ahead and pursue the \$200 million dollars? And I'm sure...

MG: AT&T was not happy with that.

NG: Why do you think AT&T was unhappy with that?

MG: Because AT&T wasn't terribly interested in COMSAT being established as a viable entity. They're competitive. They had cables, which they were pushing. They were interested in slowing us down, I think, it was obvious throughout.

NG: Do you think it was obvious throughout?

MG: Certainly. They were regarded as a competitor by the FCC throughout. Ask [Inaudible].

NG: Do you think that their presence on the Board hindered, undue influenced the Board to make decisions that maybe weren't in COMSAT's interest?

MG: Two things infleuced [the Board]. First, they were^{83/} regarded in these quarters here as the 800 pound gorilla that you couldn't fight. To fight AT&T was an 800 pound gorilla,

83/ change "they were" to "AT&T was"

you know, and what do you do with the 800 pound gorilla?^{84/}
You handle it very gently, or something, so that was that.
Secondly, there was a certain corporate mentality in some
people's minds. Some of these people came from big business or
whatever. And AT&T had a lot of prestige, not today maybe
that's why this whole phone system is kind of screwed up.^{85/}
Although they're trying very hard with Cliff Robertson and all
that.^{86/}

NG: Exactly.

MG: But, there was that. And thirdly, they were^{87/} directly
competitive as far as cables were concerned. They were pushing
cables. You forget that there was a hassle throughout here
between cables and satellites, and that AT&T was trying to lay
as many cables as possible, and they made more money out of

84/ change to: AT&T was an 800 pound gorilla and what do you
do with an 800 pound gorilla?

85/ change to: At that time, AT&T had a lot of prestige, not
so much as that today maybe.

86/ delete: Although they're trying very hard with Cliff
Robertson and all that.

87/ change "they were" to "AT&T was"

that.^{88/} They had a direct thing.^{89/} They could put it on they're rate base. What do you put on your rate base in your satellite system for them? Nothing.

NG: Nothing?

MG: Don't forget, you're coming into context of rate bases and all that, which some of these people here didn't quite understand.^{90/} If you take Mr. Welch, who was a very nice man, he came from Standard Oil. You don't have rate bases at Standard Oil like this. So, this whole different world of rates, and FCC [regulations] and all that, was a bit irksome and undefined, you know, a little different. If you talk to Mr. Donner you'll see the same kind of feeling.^{91/}

88/ change to: You must remember that there was a hassle throughout between cables and satellites, and that AT&T was trying to lay as many cables as possible. They made more money out of cable.

89/ delete: They had a direct thing.

90/ change to: You're talking of rate bases, which some of these people here didn't quite understand.

91/ delete: If you talk to Mr. Donner you'll see the same kind of feeling.