

WLU RETIREES' NEWS

A Publication of the Wilfrid Laurier University Retirees' Association

To contact the executive: retirees@wlu.ca WLURA website: www.wlura.ca

Fall 2020

Kitchener-Waterloo: From factory town to high-tech hub

by Frank Millerd and Gerry Schaus

Thirty retirees connected by Zoom on Friday, February 27, to hear Chuck Howitt discuss the Kitchener-Waterloo high-tech scene and his book *BlackBerry Town*.

Chuck began his talk with the writing of the book. He was a business reporter for the *Waterloo Region Record* when Research in Motion was the big story. After he retired from the *Record*, he decided to write a book about the rise and fall of BlackBerry, the successor to RIM. After finishing a manuscript, our Steve Izma helped him find a publisher. The publisher, James Lorimer, wanted the book revised to cover the KW tech sector more broadly, with the revision to be finished in seven months. He did 35 additional interviews and managed to finish by the deadline, March 31, 2019. The book was published in the fall of 2019.



The growth of the tech sector in KW started with the foundation of the University of Waterloo, which had its roots in Waterloo College, now WLU. UW was founded after local business people wanted a university that awarded degrees in engineering, mathematics, and computer science. Wes Graham was hired from IBM and built the computer science department at UW. Wes, called

"the Enabler," was able to get the latest hardware, including a large IBM computer, which was placed in the Red Room in UW's new computer science building. After Mike Lazaridis, as a high school senior, saw the Red Room, he decided to enroll at UW.

A number of projects and companies arose out of computer science at UW, including the WATFOR and WATFIV Fortran computer language compilers, widely used and sold to other universities. The contract to digitize the *Oxford English Dictionary* was won by UW through Doug Wright's intervention. Various successful tech companies were formed, including OpenText and Pixstream. Communitex, an important incubator for new high-tech companies, has made KW known throughout the tech world, especially while Iain Klugman was its CEO.

Research in Motion, headed by Mike Lazaridis, started in the 1980s with a variety of products: Budgie, for transferring text to a TV screen; an electronic sign at a GM plant; and a barcode film reader for the National Film Board that won both Emmy and Oscar awards in the technical category. These projects helped support the company as it moved to the wireless transmission of text with pagers and point-of-sale terminals. Intel was brought in to build processors for its devices and their first smart phone, the Pearl. Jim Balsillie joined the company in 1994 to head up sales.

BlackBerry's smart phones were very successful. They were among the first such phones and offered excellent security. What RIM accomplished was rare; Chuck described it as a "magical time."



Chuck Howitt

But in 2005 the company ran into turbulence. There was a long and ultimately very costly fight over wireless communication patents, and the company was charged with illegally backdating stock options for employees without proper disclosure. The company did not respond well to the growing competition; it was complacent and felt invincible. Apple with the iPhone, and Google with android phones were very aggressive. The operating system for BlackBerry phones was aging. The purchase of QNX in 2010, and incorporation of its operating system into new phones in 2013 came too late. These and other stories of

controversy were covered by Matt Walcoff at the *Record*. He dug so deeply into them that he was blacklisted by BlackBerry and eventually left KW for Bloomberg News in Toronto, where, sadly, he died at age 35.

The legacy of BlackBerry in KW is wide and deep. Kitchener-Waterloo continues to grow as a high-tech hub. Former BlackBerry employees and others now lead the next generation of local tech companies, including Vidyard, Clearpath, and Miovision. Google, led locally by UW grad Steve Woods, has their major Canadian venture in Kitchener. Mike Lazaridis has made massive contributions to the community and its universities. For instance, he founded the Perimeter Institute and UW's Institute for Quantum Computing, and made a major funding gift to the Lazaridis School of Business and Economics at WLU.

Chuck Howitt, with his comprehensive knowledge of the KW tech scene, gave us a thorough and wide-ranging account of KW's move from factory town to high-tech hub. It was an educational and enjoyable gathering. To learn more about this story and the rise and fall of BlackBerry, Chuck's website is www.chuckhowitt.com. If you have read the book, why not write a short review on Goodreads or Amazon? Search for "Blackberry Town" on either of those sites. Only a couple of sentences are required. The reviews are meant for ordinary readers, not scholars.
