

A Few Reservations

THE LAST THING HARVEY DUBNER needed was another idea man.

He'd seen his share of them parade through his Madison Avenue office at New York City's Computer Applications Incorporated (CAI). As vice president of system design, Dubner occupied a unique role at the software house, serving as CAI's lone hardware expert. Most anyone who was pitching a potential project ultimately was funneled to Dubner, who gauged its viability.

Lately this had meant deflating any number of computer-enhanced caviar dreams. Ever since CBS News had enlisted the newly minted UNIVAC to provide analysis of the 1952 U.S. presidential election, the mainframe computer had become increasingly mainstream. Over the years that followed, the public grew fascinated with electronic data processors and their seemingly limitless potential. Although computing power remained cost-prohibitive, with price tags for the larger systems running well into the millions by 1966, there was no shortage of dreamers (and schemers) who sought to put mainframes to use.¹

This was where "service bureaus" came into the picture. CAI, then the largest such entity on the East Coast, created custom software solutions packaged with the appropriate computer host. Typically this meant developing programs for businesses such as Western Union, TWA and even NASA. However, most any potential client with financial means would be considered if the technical feasibility of the proposed project passed muster. In many cases such determinations fell to Dubner, and in this particular week in early 1966, his lunch hours had been

filled with wide-eyed entrepreneurs eager to enlist the company to develop algorithms capable of countering the house odds in Las Vegas or anticipating fluctuations in the stock market.

Dubner's latest visitor had an altogether different goal in mind. Jack Quinn, a seasoned "start-up man" in his mid-forties, sought CAI's assistance with his plan to utilize a mainframe to sell Broadway theater tickets. Dubner would have none of it.

"You have it all wrong," the weary, famished VP responded. "This is not the type of problem that requires a big computer. Your main problem is servicing terminals. I wouldn't want to touch that with a big computer."

It also became apparent to Dubner that Quinn had no sense of the cost associated with developing such a system. Quinn didn't blink when Dubner explained that the mainframe he coveted could cost \$7 million and didn't demonstrate any sense of relief when Dubner suggested a \$120,000 alternative.

Looking back more than forty years later, Dubner laughs, freely recalling his initial encounter with Jack Quinn, the man he now credits for giving him the credibility and confidence he needed to branch out on his own and create Dubner Computer Systems in 1970. "I was not in the sales mood. I kept making trouble by telling him he was out of his mind. He'd say something and I'd knock him down. All I knew is that the guy wanted a computer system and had no concept of how much this thing could cost. That was on a Thursday. On Friday he called me up and said, 'Can you come to my office? I like your ideas.' I said, 'Uh-oh.'"

Dubner was wary of wasting his time, but Quinn was only a few blocks away, so he consented.

Dubner arrived on Friday afternoon to discover that Quinn's surroundings were somewhat Spartan and not even his own. Instead the president of the proposed new venture was occupying a corner desk in the office of another individual. The fact that the space was owned by Broadway producer Hal Prince mollified him only slightly, if at all.

Dubner took a seat, and Quinn jumped back into their exchange of the day prior.

"I like what you're telling me. I like the concept of a small system. I like your approach. You're an engineer, not a programmer. I'm very unhappy with programmers. They tend to do things wrong."

Dubner found himself warming to the guy.

"It's going to cost a lot of money. Not seven million, but a lot of money."

"What's a lot of money?"

Dubner pulled a number out of midair.

"Two million dollars."

Quinn didn't hesitate.

"Okay."

"Okay?"

"Yes, no problem. How fast will it take you to build?"

"Well . . ." Dubner briefly sputtered before putting his mind to the task. "We should start with a pilot system. If we move on this right away, I would imagine that in three or four months we can have something running with two or three terminals."

On Monday morning Harvey Dubner received a call. Quinn was prepared to move forward with CAI, provided that Dubner would serve as project manager. By the week's end Dubner would have men and a dedicated machine set to create the first "computer-controlled communication service" on behalf of Ticket Reservation Systems, Inc.

From the vantage point of four decades on, Dubner grins at his memory of the initial encounters. "That's how it all began," he says. "I didn't want to have anything to do with Jack Quinn when he first walked into my place. I described how I would do the job, but I was not selling him because I didn't believe him. It was not a sales meeting; it was a free-flowing technical discussion. All I knew is here's a guy who starts saying the right words, saying he likes me, and I start liking him. And then he jumped on it. I still had no idea where he was getting his money."

TWO MONTHS INTO THE JOB, Dubner had ceased wondering about Quinn's capital resources, not only because he was being paid regularly but also because he had finally discovered the source of Quinn's cavalier attitude toward finances. Ticket Reservation Systems was being bankrolled by an investment fund that controlled the world's largest distillery, which in 1965 became the first such company to exceed the \$1 billion annual sales mark. The fund's principal was Edgar M. Bronfman, the scion of Seagram's owner Samuel Bronfman and himself head of the company's U.S. operations.

Samuel Bronfman was born in Russia and immigrated to Canada as an infant in 1891 with his parents who were escaping anti-Semitic pressures in their homeland. His father, Yechiel (soon anglicized to Ekiel), entered a variety of businesses, including horse-trading, before purchasing a series of hotels, where the bars proved particularly lucrative, despite the brief interlude of Canadian Prohibition from 1916 to 1919. Sam took note of his father's success with liquor and in 1924, five years after Yechiel passed away, broke ground on a family-run distillery. The company found swift success, aided in no small part by its practice of exporting liquor to the United States, which was then in the midst of its own Prohibition. Three years later, the Bronfmans acquired their rival, Joseph E. Seagram & Sons,

and the resulting Distillers Corporation-Seagrams would become the pre-eminent worldwide producer and distributor of alcohol.

Edgar, the oldest male of Sam's four children, was born in 1929. Known for his strong will (at Trinity College School, which he attended through twelfth grade, he was identified as "the boy who was caned the most"), Edgar asserted his interest from an early age in the position that he assumed would be rightfully his, that of his father's successor. By 1957 the elder Bronfman deemed Edgar worthy of heading Joseph E. Seagram & Sons, the U.S. subsidiary of the company, soon to be based in midtown Manhattan's new Seagram Building.²

While living in New York City, Edgar took an increasingly active role in the arts.³ The 120th season of the New York Philharmonic opened on September 26, 1961, and the *New York Times* listed Edgar and his wife Ann as prominent box holders in attendance, along with Vanderbilts, Guggenheims and Rockefellers. Edgar's interest in the entertainment realm soon moved beyond that of a socialite. Over the years he would serve as an angel investor on Broadway, quietly fronting money for shows.

Edgar also had Hollywood aspirations, and in early 1967 he cofounded Sagittarius Productions with the intent to create films for U.S. television, which then could be released theatrically in foreign markets. Looking back on that venture in 1998, he wrote, "I'd always loved entertainment, and this was my chance to get my hand in the business. More than that, it provided an outlet for my creative drive. Indeed, while there were easier ways to make money than investing in the motion picture/TV industry (or Broadway, as I also found out), participating in an artistic endeavor proved to be uniquely satisfying."

Later that same year Bronfman guided his Cemp Investments fund to acquire a stake in MGM amounting to eighteen percent of the venerable film studio. In 1951 Sam Bronfman had created Cemp (an acronym for his children's first names: Charles, Edgar, Minda and Phyllis) as a means to protect their interest in his company and also to build for their future. Mr. Sam, as he was called by his employees, seeded Cemp with a majority of the Distillers Corporation shares, along with additional funds from his children's trusts. His son's MGM stock purchase unsettled Sam to the point where he made a rare closed-door office visit. As Edgar recounts in his biography, *Good Spirits*, his father inquired "whether we were buying all that stock so that I could meet girls." To which Edgar assured him, "Father, nobody has to spend \$56 million to get laid."

Edgar's ambitions in the entertainment world found another early outlet with the formation of Ticket Reservation Systems (TRS), funded by Cemp and incorporated on May 4, 1965. The timing seemed fortuitous,

as on May 23, *New York Times* chief drama critic Howard Taubman wrote a piece entitled “How To Civilize Ticket Sales.” Taubman’s prescription was “a computerized ticket system,” whereby “what is beyond doubt is that the process of acquiring tickets would become infinitely easier and pleasanter.” TRS intended to become the first company to initiate such a process and on July 13 trumpeted its plans for “a countrywide electronic system, starting with the 1966–67 season.”

By the fall of 1966, however, TRS still had nothing to show for itself beyond an estimable board of directors. Part of the problem was focused, capable leadership. The company remained a sidelight for Bronfman, who had a liquor company to run and was beginning his push into film. Broadway producer George W. George, who had taken an exploratory role via a feasibility study that led him to pitch a computerized ticketing system to Bronfman, found himself swallowed up by George’s vocation, with *Happily Never After*, *The Great Indoors*, *Ben Franklin in Paris* and *Any Wednesday* all on the boards during this time period.⁴ The Ultronic System Corporation had been tapped as a programming partner for TRS but, lacking steady direction, soon committed all available resources to its new global stock quotation service.

So, despite the company’s pedigree, TRS might have remained a well-funded abstraction had Bronfman not approached Jack Quinn in early October 1966. Quinn, who was then forty-five years old, possessed experience with start-ups as well as a general technical understanding of the issues brought to bear by the undertaking.⁵ Quinn had spent the 1950s at Kimball Systems, Inc., where he rose to vice president and marketing director while developing a perforated sales tag that functioned as an early version of the present-day bar code (one highlight was a cold call at the Sears Tower that eventually led the company to place the tags on all Sears garments at the point of manufacture). He would become the driving force that brought TRS online.

When Bronfman approached him, Quinn, who had recently left his post as VP at Litton Automated Business Systems, recognized not only the business opportunity but also the potential returns for his wife and eight kids. Quinn’s wife, Jane (like many of the unnamed spouses to follow, as this was still an era of “Mad Men”), deserves her share of credit. She recalls the initial days after he took the position: “Jack spent that entire weekend at our dining room table on the first business plan. I was running a second corporation, which was a family of eight children. I spent all weekend making sure they were busy to keep them away from Daddy because he had a big project. But he was able to concentrate in the middle of the chaos. That weekend he wrote the first attempt at a business plan and drew the first sketches to be used for the patent [which was eventually granted].”

Quinn recognized that, to launch TRS, he needed to focus simultaneously on three essential elements: outlets, clients and a system (not necessarily in that order, as it would become something of a tightrope act, providing assurances to everyone while working to achieve what he represented as a *fait accompli*). So began the saga of Jack Quinn, which a few years later at his farewell party, one of “Jack’s Guys” committed to rhyme. The poem opens:

Listen employees, a tale I shall spin
 Of the four year ride of a Jack named Quinn.
 On the fifteenth of October in '66
 He started in doing his Ticketron Shticks.
 He started with nothing – like the man in the barrel
 A little cash from Edgar and a little Cash named Carol [his secretary was named
 Carol Cash]
 And a passionate feeling deep down in his genes
 That folks would buy tickets from funny machines.

Responsibility for the “funny machines” was left to Harvey Dubner, who made some decisions that would have long-term repercussions for the fate of TRS. As he had initially suggested to Quinn, rather than using a mainframe, he opted for a minicomputer. Not quite as compact as the personal computers that would arrive in the 1970s, minicomputers were closer in bulk to large office desks. The creation of the integrated circuit allowed these machines to be more manageable in size and a bit less temperamental in their maintenance needs. In *A History of Modern Computing* Paul Ceruzzi writes, “One could obtain a minicomputer and not feel obliged also to get a restrictive lease agreement, a climate-controlled room or a team of technicians whose job it seemed to be keeping users away.”

The computer that would remain at the heart of the TRS system for well over a decade was the Control Data 1700. In the summer of 1957 Bill Norris, head of the UNIVAC division at Sperry Rand, resigned along with many other key employees, including the eccentric, virtuoso engineer Seymour Cray. They soon founded the Control Data Corporation, setting up shop in downtown Minneapolis.⁶ By the middle of the 1960s, with IBM swiftly gaining traction to the point where the industry was described as IBM and the Seven Dwarves (Control Data, Sperry Rand, Honeywell, RCA, General Electric, Burroughs and NCR), Norris’s company distinguished itself and rose to number two in worldwide sales by focusing on niche markets, building machines for scientific and military applications. The “Big Box,” the CDC 6600, which Cray designed, exceeded any IBM machine in terms

of performance and price point. As something of an afterthought, Cray, who worked in his own Chippewa Falls, Wisconsin lab nearly 100 miles away from corporate headquarters, also created a smaller computer to service input and output functions for a larger machine. This device soon inaugurated a line of minicomputers that would prove lucrative, even if much of CDC's focus would remain on the so-called supercomputers, where it dominated the market.

Here is where many critics of Ticket Reservation Systems and its successor, Ticketron, would later get things wrong. It is certainly true that Control Data made its name on mainframes and would remain in that business well into the 1980s, long past the point when this represented prudent business sense. However, the computer that Dubner placed at the center of the new system was slightly larger than an office copier from the 1990s. The CDC 1700 appears with Bill Norris in a photo that ran alongside an October 2, 1965 *Business Week* feature on the new machine, "Control Data Widens Line," and one can find matching equipment in the TRS marketing brochure.

Unlike the IBMs, which typically ran on the company's own operating system and software (which is how IBM ensconced itself in the business market until the PC era), the CDC 1700 was a bit more pliable. So Dubner and half a dozen CAI employees under his watch took the 1700 and made a series of modifications, crafting a custom operating system.

Larry Littwin ran computer operations after Dubner and CAI completed their work.⁷ He explains: "Most systems today and then came with an operating system, but an operating system is inherently inefficient because it's meant to handle any case that you might want to run on the computer. So Dubner and CAI wrote their own which was much smaller, more efficient and much faster than the standard operating system. The performance of the system was such that it could do a lot more than people ever thought because it was running a very application-specific software custom tailored to do just the job it was doing."

Dubner's operating system required only 5,000 words of memory and would achieve a transparency that he would describe in the title of a paper he delivered at a computer conference in 1970: "Ticketron — a successful operating system without an operating system."

While that operating system may have been the height of efficiency, the corresponding equipment provided to the remote outlets did not share that designation. The "agent sets," as described in the initial TRS brochure, did not provide visual support through a cathode ray tube (CRT) monitor. Instead outlets were provided with a ticket printer, a Teletype printer and a "latched keyboard" on which the keys remained depressed after someone

typed each entry until manually released (an article written shortly after TRS commenced operations described the units as “accordion-like teletype machines”). While the CRT-free system may have been a relatively cost-effective way for TRS to place its systems in multiple remote locations, it limited users’ ability to glean info at a glance, and the clatter of the Teletype was not altogether suitable for retail settings.

What’s more, for the first few years, the ticket printing process had its quirks. For efficiency’s sake each printer received bursts of information in thirds. The system then briefly polled other units, occasionally creating hybrid Frankentickets that mixed and matched various orders. The printers themselves also could be erratic, and Bill Schmitt, who eventually joined Ticketron as company president in the early 1970s, shares one situation in which the company took extreme steps to ensure reliability: “There was an early demonstration of the system for the press, and while I can’t vouch for this personally, I heard as a rumor that they hired a midget to push out tickets.”⁸

Returning to the poem at Jack Quinn’s farewell dinner, some of these initial challenges were referenced in couplets:

Then Jack sold the pilot: in the New Theatre they’d stick it;
(And it took just two minutes to print out one ticket).
But the show was a smash and business was fine
And a lady had twins while waiting in line.
So back to the drawing boards; once more they began
With Tinkertoy printers they bought from Di/An.

Di/An Controls had been enlisted to create the second batch of printer units. However, TRS soon turned to Control Data to assist with the next round, a decision that further entwined the futures of the two companies.⁹

With system development now in motion (a motion that proved nearly perpetual in the first few years), Quinn set his sights on an outlet network. Given the company’s initial focus on Broadway ticketing, he gravitated toward banks and travel bureaus to host the “Electronic Box Office Terminals.” By the time of TRS’s formal launch, its outlets would be found at American Express offices, Chase Manhattan, Broadway Bank and Temple Travel Services. Quinn and his team also pitched retail stores, emphasizing not only the added foot traffic but also, initially, the additional source of revenue. TRS’s approach can be seen in a 1967 *Supermarket News* article that emphasized that, although agents would pay “a \$150 monthly equipment rental and miscellaneous overhead,” they would earn twenty-five cents per ticket fee. If they sold “two hundred tickets daily, they could gross \$1,250 per month.”

A few retailers did eventually sign on, with Grand Union supermarkets and Abraham & Straus department stores among the initial partners. The flagship retailer, however, was Gimbels, which committed its iconic Herald Square store (the setting of the 1947 film *Miracle on 34th Street* and a frequent shopping destination of Lucy Ricardo and Ethel Mertz). The announcement of Gimbels' participation carried a degree of star power as Edgar Bronfman himself appeared for a rare company photo op alongside a Gimbels executive.

As it turned out, the initial commission projections far exceeded the actual monthly revenue. These numbers would rise in the early 1970s once TRS moved beyond Broadway and into the world of rock music. However, that higher volume would be accompanied by bigger heartache.

Kurt Devlin, another early TRS employee (and the iron man of computerized ticketing, now in his fourth decade in the business, working for the Shubert Organization), notes: "The department stores came to view ticketing not as a profit center but mostly as a crowd attractant. So they would put it in the furthest, most obscure back part of the store, so that when you went in you had to walk through the entire store, with the hope you would stop and buy something. They liked that business but they hated some of the rock business. When they had to sell the Grateful Dead or Jethro Tull, they didn't like the people coming through the store."

Matt Whelan, who joined Ticketron in the mid-1970s, adds: "I had a lot of dealings with Sears and Roebuck. We sold it to them as a way to get people into their stores. The executives at Sears sort of liked the concept, but then you had the little old lady behind the counter. In the early days sometimes the computers ran smoothly and sometimes they didn't. If the lady went on lunch and you put Led Zeppelin on sale, well, she didn't care about Led Zeppelin; she cared about lunch."

In the spring of 1967 Jack Quinn wasn't fixated on rock music either. In fact the company as a whole took little interest in the genre, as evidenced by its brochure, which didn't specify rock concerts among the TRS targets: theater, sports, motion pictures, summer stock, supper clubs, non-profit and college events and "all other reserve seat spectator attractions." So Quinn occupied himself in making the rounds from theater office to theater office, attempting to enlist any producers or theater owners willing to commit their ticket inventory to the new, untried system. Edgar Bronfman took a hand as well, tapping into his many networks (and presumably offering up occasional complimentary cases of Crown Royal).

The proposed TRS business model directed nearly fifty cents of gross income from every ticket into company coffers. The tickets themselves typically carried a service charge of twenty-five to fifty cents, half of which

would return to the outlet. TRS also would collect a twenty-five cent “inside charge” from the theaters, producers and sports teams who utilized the system. This amount would not be generated from an additional expense to the consumer but would be contributed by the TRS client. In addition, venues paid a monthly rental fee for each box office terminal (somewhere in the neighborhood of \$150) and a monthly service charge based on the total volume of seats sold, an expense that typically reached \$500 to \$1,000.

This approach resulted in some tensions regarding the price point of the service charges added to each ticket. TRS clients accepted the expense of the service in the belief that the inside charges would be more than offset by the overall increases in ticket sales. Part of these calculations took into consideration the ultimate cost to the consumer. As a result, the facilities resisted even the smallest of incremental increases to the service charges, which yielded no direct financial benefit while potentially alienating ticket buyers.

Ultimately a single Broadway theater production, an off-Broadway show and a soon-to-be-defunct sports team were willing to participate in the launch, for which TRS waived its fees to clinch participation. On July 6, 1967, TRS finally debuted its self-described pilot project (an earlier announcement had proved premature). *I Do! I Do!* produced by David Merrick and starring Mary Martin and Robert Preston, was then seven months into its run at the 46th Street Theater and in need of a ticket sales jolt. Also signing on was *Drums in the Night*, then appearing in Greenwich Village at the Circle in the Square Theater, as well as the National Professional Soccer League’s New York Generals, who had already started their first (and only) season in the NPSL.

The debut of TRS was mostly successful in that tickets were indeed sold from remote locations, although there were still a few kinks, which again were reflected in the poetic serenade to Jack Quinn:

They sold tickets at Gimbels; while half of the troops
Were back at the office, counting the dupes.
When clients complained, with a smile on his mug
Jack would buy them a drink, and say “It’s a bug!”
But no matter the problems, he just kept on goin’,
And told bigger whoppers to Merrick and Cohen.

A few instances of double-sold seats provided only a minor distraction for TRS, which otherwise basked in the media’s fascination with its operations. The *New York Times* reported somewhat breathlessly (for the *New York Times*, that is) on the TRS pilot, with an account from Gimbels on the opening day of ticket sales. The article quoted Quinn’s assertion that “TRS

is the first major innovation in 100 years in the sales of reserved seat tickets for entertainment events.” Drama reporter Louis Calta marveled at the technological achievement whereby “automated machines called terminal units are hooked up by telephone lines to a central computer at 15 East 26th Street, which has been programmed to handle ticket requests.” National papers also took interest in TRS and television soon followed suit.

One morning in mid-1967 news of the TRS launch reached Los Angeles, where Roy Bellman watched a report on NBC’s *Today Show* that provided remote coverage of the “world’s first computerized ticketing system.” He felt as if the floor had dropped out beneath him: “I thought *we* were developing the world’s first computerized ticketing system.”

ON JUNE 10, 1966, a self-described “automation consultant” named Walter T. McHale made a presentation in the El Segundo, California offices of the Computer Sciences Corporation. CSC had been founded seven years earlier by Fletcher Jones and Roy Nutt, who met in an IBM user group while each worked in data processing for the aerospace industry. The pair correctly anticipated that the future of computing would rely increasingly on independent software. CSC swiftly secured its first contract, creating a business language compiler called FACT for Honeywell, translating a higher level of programming language into a more accessible one. By 1965 Computer Sciences had become the largest company in the United States exclusively producing software, and the thirty-two-year-old Jones was among the entrepreneurs solicited for advice in a *Time* magazine cover story entitled “Millionaires: How They Do It.”

Before a team of junior CSC executives, McHale, who had previously run a data processing division at Security National Bank, outlined “The Teleticket Concept.” His introductory materials explained, “The Teleticket system was designed to update the ticket distribution function of the entertainment industry by application of the latest techniques of automation. The basic concept is all seats to all events within a geographical area (such as Southern California) are stored in a central electronic file. This total inventory of available seats is accessible through 200 to 300 outlets via a ticket printing terminal. Total transaction time is measured in seconds. Under this concept, promoters of events will contract with the Teleticket Corporation for storage of their seating information in the central computer. The Teleticket Corporation will provide the network of distribution outlets.”

McHale told the increasingly interested CSC representatives that he had been developing “the Teleticket concept” over the previous fifteen months. During this period he had approached a number of potential customers, indicating that both the ownership of the Los Angeles Dodgers and the Los

Angeles Rams “have been especially influential, helpful and encouraging.” In addition, “the system has been presented to a major Los Angeles bank with more than 300 branches, a major supermarket chain and a number of large industrial organizations. In all cases there has been enthusiastic response to the suggestion that they serve as ticket distribution outlets for the system. Extensive work also has been done with the IBM Corporation. They have contributed a substantial amount of time to the development of the ticket printing terminal and verifying the feasibility of the technical concept.” Best of all, he proclaimed, the field was wide open and ripe for the taking. No other companies would challenge the manifest destiny of the Teleticket Corporation.

McHale estimated that it would take twelve months to develop, sell and install the system in Southern California. He projected gross revenue for the Teleticket Corporation to be \$1.8 million in Los Angeles alone the first year after the launch (based on gross ticket sales of \$32 million). McHale then exhibited a bravado liberally spiked with delusion in explaining that six months after operations began in Los Angeles, “all other cities in the United States will be installed. In addition, significant commitments will be made for operations in Germany, France, England, Japan, Canada, Italy.”

Computer Sciences Corporation bought into McHale’s idea, quite literally, investing \$13 million over the next four years (although no one made it to the Trevi Fountain). Much of this expense came from the hardware committed to the project. Unlike the Control Data minicomputers used by its as-yet-undiscovered competitor, CSC committed not one but two IBM mainframes to the task. Roy Bellman, who would soon come aboard to design and test the ticketing software, recalls: “You’re talking millions of dollars for the mainframes. We had two 360/50s in the computer room, and at that time they were about as big as it gets. The disc drives used the big multi-layered discs that had handles, and you loaded packs of discs from the top. We had one of the 360/50s backing up the other as a hot spare. Everything that happened on one computer happened on the second as well. One computer controlled everything and was the system of record, but if it crashed for any reason, the other one kicked right in so that in the field you didn’t even know that anything had happened. And that wasn’t heard of in those days. You didn’t have a hot spare. If it goes down, it goes down.”

The “network terminal” differed substantially from the TRS “agent sets” as well. Rather than a latched keyboard, CSC utilized a CRT monitor, which made it easier to look at the screen and determine the status of a particular transaction at a glance. This proved helpful in retail situations, as often the person handling the ticketing transaction was multitasking, balancing ticket sales with regular job responsibilities. The unit as a whole, including the

console and the ticket printer, also doubled as a desk. This design aspired to take into account the various steps associated with selling tickets. In its brochure for potential clients, the company cooed, “Each sturdy unit is hand-somely custom-finished with a counter top of durable, wood-grain Formica. There is ample counter space for check writing, change making, etc. The compact ticket printing module has its own built-in, partitioned, lock-and-key cash drawer.”

The name Teleticket hadn’t lasted much beyond McHale’s pitch meeting. Ten days following his presentation, an interoffice memo circulated, indicating “from now on, the project will be referred to as ‘Computicket.’” This selection reinforced a Computer Sciences brand that had achieved a new level of success with its Computax software program. The Computicket logo featured a ticket stub affixed to the quintessential mid-1960s image of a computer with a reel-to-reel tape drive and a bank of lights. An early ad hailed the service as “the new computer way to buy great seats.”

By contrast, starting with its name, Ticket Reservation Systems downplayed any association with new technology, likely for fear of intimidating its projected Broadway ticket buyers. The same held true for the TRS logo, which featured a row of theater seats, with the two in the middle marked in red as reserved.

Despite Computer Science’s technical know-how, it lacked a meaningful connection to the entertainment world. On July 19, 1967, more than a year after commencing operations, CSC unveiled Computicket at a press conference that identified Ralphs Grocery as its first outlet partner. However, Computicket still could not boast of a single client commitment. In response the company approached Nick Mayo, a former Broadway actor turned theater director and producer, who had spent the previous few years building and managing a theater in the round in the San Fernando Valley.

Mayo’s Rolodex and his entrepreneurial spirit proved well-suited to Computicket. He provided the company with a catalyst akin to Jack Quinn’s efforts at TRS. Originally hired as a consultant, Mayo had his role upped within a month to vice president and director of marketing (he eventually succeeded to president). Mayo had graduated from Los Angeles City College in 1937 at age sixteen and eventually relocated to New York, taking on some minor theater roles and then serving as stage manager for a number of productions. In this capacity he met Hollywood actress Janet Blair, who had been handpicked by Richard Rodgers and Oscar Hammerstein to perform the lead in the touring production of *South Pacific*. The two married in 1952 and settled down outside L.A. to raise a son and daughter while continuing their respective careers.¹⁰

In the early 1960s the Mayos partnered with Bob Hope, Art Linkletter, Danny Thomas and others on the Valley Music Theater, which opened on July 6, 1964, with Blair starring in *The Sound of Music*. To Mayo's deep disappointment, the VMT closed its doors after three seasons for lack of local support (his son Andrew remarks, "My dad was ahead of his times by ten years on a number of his projects").

In his new role at Computicket, Mayo set to work drawing on his existing professional relationships. He hired a number of friends and former associates with common entertainment backgrounds, such as actor and sports reporter Mario Machado (best known later as newsman Casey Wong in all three *RoboCop* films), Broadway performer and producer Howard Erskine (who would become a fixture in Woody Allen's repertory company) and Faye Nuell, a former actress and employee at the Valley Music Theater (she was also a close friend of Natalie Wood and served as Wood's double in *Rebel Without a Cause*).

Mayo lent a box office perspective and a theatrical air to the job as well. In describing the necessity of computerized ticketing, he pronounced: "Here we are dealing with the most perishable commodity on earth, a ticket to a seat to a specific performance, and handling it in the same way it was handled in great-grandfather's time. We put every roadblock possible between what we're trying to sell and the willing customer."

Computicket's sales brochure also reflected Mayo's prior occupation. The opening "Dedication" page (a rarity in materials of this sort) flashed back to his days at the Valley Music Theater. It burred, "Dedicated to the brave and lonely event promoter, who sticks his career neck out every time he puts his money where his idea is, with the knowledge that Computicket can contribute substantially to his greater success . . . and serenity."

This overwrought expression of empathy may well have assisted with an initial sale, as Computicket soon received a commitment from the Los Angeles Music Center. The system's very first operation, however, was not to dispense tickets but to notify customers of a play's postponement. In February 1968 Mayo explained, "When *Happy Time* was postponed a week, it only took six hours to dispatch 32,000 letters to season subscribers. It would have been impossible to handle this manually in such an incredibly short period of time." Through Mayo's industry connections, the Hollywood Bowl, the Dorothy Chandler Pavilion and the Ahmanson Theatre also signed on to utilize Computicket's "Master Patron File and Subscription Mailing Service," even as equipment delays precluded a full system install.

While Mayo may have anticipated technical difficulties, shortly after he settled into his new role he was confronted with a complication of greater consequence. The existence of Ticket Reservation Systems had been known

to a few Computer Science executives for some months, but they had adopted a policy of willful blindness toward TRS, hoping that the rival company would fizzle out.¹¹ Mayo was not briefed regarding TRS when he took the position at Computicket, and colleagues recall his distress upon learning of the other company.

BY EARLY 1968 THE BATTLE was pitched. From the outset both companies' business plans had hinged on market exclusivity. Faye Nuell Mayo (she married Nick Mayo in 1981, two years before he died of cancer) remembers that the discovery of TRS "threw our projections completely out the window because they were done with a single company, basically a monopoly, but it needed to be that way because you couldn't have two companies selling the same theater tickets." Over on the TRS side, Littwin recalls that the common understanding was: "You have to be a monopoly in this business to make money, so the question was how long do you have to survive to be a monopoly? That was really what it was all about, who was going to survive longest." A March 23, 1968 article in *Business Week* titled "No SRO at Computer" affirmed that "both companies are sure only one will survive."

A March 31 *Los Angeles Times* piece, "Computers Poised to Solve Sports Ticket Problems," compared the two services, casting Computicket in a generally positive light, with an accompanying image of Mayo and Nuell examining the "Tickets of the Future." However, in a discussion about end users, Computicket West Coast Marketing Director Jack Tobin acknowledged, "We have yet to offer a contract," adding somewhat lamely, "but we plan to start within two weeks. Right now we have a crowded calendar of demonstrations."

This is not to say that everyone recognized the nature of the competition. In his lighthearted column, "A Loaf of Bread . . . a Jug of Wine . . . and 2 Tickets to a Dodger Game?" the *Los Angeles Times*' John Hall described the impending arrival of "a national ticket service" at Ralphs Grocery but conflated the competitors, likely unaware that two independent entities existed: "The name of the organization is Ticket Reservation Systems Inc. — to be known to the short-cutters as 'Computicket.'"

With their very survival at stake the two companies couldn't tolerate such market confusion and pushed aggressively to distinguish themselves. "Polite, edgy hostility marks the comment(s) by the executives of each company about the other," observed the Associated Press. An April 1, 1968 *Newsweek* article captured the growing enmity, describing "some of the bitterest competitive infighting in American business in years. . . . Last week Nick Mayo said the TRS system, based on Control Data Corp. 1700 computers, doesn't have a fraction of the capability of his system. A TRS spokesman acidly

replied that ‘the only difference between their system and ours is that theirs doesn’t exist.’”

TRS then brought the tussle to Computicket’s backyard. Jack Quinn flew to Los Angeles to supervise the opening of a particularly swank West Coast branch. In an effort to emphasize its deep pockets and staying power, TRS set up shop at the Beverly Hilton Hotel. Rather than just its marketing executives, Quinn also opted to place the company’s technical team as well as a ticket outlet in the high-profile real estate. Kurt Devlin has fond memories of this era, clocking in each day at the intersection of Wilshire and Santa Monica boulevards. “The computer room had a huge plate glass window at ground level on Wilshire Boulevard,” he says. “That would be taboo in today’s world. The offices overlooked a small swimming pool and sunbathing courtyard. There was always something big going on at the hotel, with Bentleys parked near the entrance and many celebrity sightings.” (Jack Lemmon and Jack Palance were among the repeat ticket customers.)

These efforts soon yielded a major new client, as TRS secured the rights to the Los Angeles Forum. In an effort to twist the knife a bit, the company shared this development with a flourish via a full-page advertisement in the *Los Angeles Times* Calendar section. The ad crowed, “Jack Kent Cooke announces the newest, most efficient ticket service in the world . . . computerized ticketing by Ticket Reservations Inc.” In addition it puffed up the facility (albeit in a self-serving manner) by hailing “Another First For The Fabulous Forum.”

Six weeks earlier Control Data had purchased a full-page ad of a similar tone in the *Wall Street Journal*. With no small measure of grandiosity the text proclaimed, “It is inevitable that the computer will someday revolutionize the whole business of seat reservations and ticket sales . . . ‘Someday’ is May 1st!” CDC then highlighted the addition of Chicago, the third hub “plugged into the transcontinental network.” The three systems, each designed to handle the load for a third of the country, were linked so that a customer could have access to all of TRS’s ticket inventory. The dense, thirteen-paragraph advertisement then explained, “Pre-printed tickets are a thing of the past. Seat inventories exist only in the memory banks of the Control Data computers. And remote ‘electronic box offices’ can spring up wherever there are telephone lines for computer hook-up. In effect a ‘ticket’ is everywhere simultaneously. A West Coast Musical enthusiast can buy seats for the Broadway show he plans to see on his next trip with as much ease as a native New Yorker.”

The TRS Chicago office was located in Marina City, the sixty-five story dual circular building complex that boasted the tallest reinforced concrete structures in the world (and rooms devoid of right angles). Peter

Schniedermeier — in some respects computerized ticketing’s Forrest Gump, given his proximity to so many developments in the field over the years to follow — was an early hire. The nineteen-year-old German immigrant was recruited as a junior developer while still a student at a local technical school, and he remembers being awed by the sense that, “I get to be in the entertainment industry.” This impression was reinforced by the presence of local sports figures such as Bobby Hull and Leo Durocher, who occasionally stopped in because they were accounting clients of Regional Vice President Harvey Wineberg. Another TRS executive docked his boat below the towers and hosted office parties, all of which contributed to the conviviality and glamour. Schniedermeier’s other memory of the era is that, “The day we went live, a bunch of reporters came in with their big flash cameras. When we flipped the switch and the reporters started taking photos of the computer center, the computers all went down because of the camera flashes. But we brought them back up, eventually.”

No such drama accompanied the premiere of Computicket, which finally arrived in the fall of 1968. The Ahmanson Theatre, UCLA football and the American Basketball Association’s Los Angeles Stars were among the first to offer tickets. Mayo’s stage connections also proved fruitful, as within a few weeks more than a dozen New York City theaters had agreed to participate. Computicket shared this news with its own full-page *Los Angeles Times* advertisement: “New York bound? Take your Broadway theatre seats with you! Computicket — the great new way to see the best on Broadway! Before you leave for New York you can pick up your tickets to these great Broadway shows at the Computicket outlet in your neighborhood.”

Computicket also sought to match its rival’s high style. The executive offices in Los Angeles soon were adorned with an art collection that led programmer Roy Bellman to observe, “They probably could have financed the company on the paintings.” Computicket mirrored TRS’s earlier move by establishing a beachhead on the opposite coast. With TRS by then having secured new digs in Seagram’s corporate home, Computicket leased pricey real estate in the Paramount Building.

There was only one hitch to all this escalating opulence. Neither company was generating significant revenue.

ONE OBSTACLE WAS THE SHEER cost of doing business. When Computicket launched in Los Angeles, it did so with significantly fewer outlets than initially announced. Whereas it once had projected that 150 area terminals would roll out at the start (with fifty-two in Ralphs Markets alone), by the spring of 1969 only twenty-nine were in place (spread out among Ralphs, Bullock’s department stores and Wallach’s Music City). The individual

units proved far more expensive to produce than expected, while the costs of renting dedicated phone lines similarly exceeded projections. Prior to a single ticket sale, Computicket had committed \$6 million to equipment and development, while TRS's total was \$10 million and rising.

Despite the significant investments, neither company was generating substantial revenues from ticket sales. Computicket came to grips with this rather quickly, in modifying its service charges from what it had announced would be a flat fifty cents per order regardless of how many tickets were purchased to thirty-five cents per ticket in Los Angeles and fifty cents in New York. From this the company ultimately pocketed about four percent of any ticket sales, which on average amounted to just over thirty cents. This would have represented a relatively robust figure if Computicket's gross sales approached even the \$2.5 million per month projected for Los Angeles alone, but the numbers for the company as a whole fell shy of this figure, and ongoing monthly deficits exceeded half a million dollars.

What both Computicket and TRS failed to anticipate was that their clients were only willing to commit a fraction of available ticket inventory to computerized sales. In its marketing brochure Computicket extolled the fundamental virtues of its system: "All network terminals have equal access to the seating inventory of each theater, area or stadium. . . . They are direct extensions of the main box office — not separate box offices with individual or limited allocation of their own." This was not, in fact, the case. In practice, the main office did retain its own inventory (and in some cases also still utilized traditional hard ticket outlets), while the computerized services received only a limited allocation.

This reality was reflected at the close of the laudatory *New York Times* piece that covered the first day of ticket sales at Gimbels. Sisters from Massachusetts had attempted to purchase "medium priced seats" for two theater performances. They were denied tickets at their chosen price point. In response, "Bernard B. Zients, executive head of Gimbels, picked up the tab for the special occasion and presented a delighted Miss Sami with two \$9.90 tickets to 'I Do! I Do!' and two \$4.35 tickets to 'Drums in the Night.'" It's fair to assume that after *Times* reporter Louis Calta retreated, so did Zients, along with any similar offers.

Roy Bellman recalls that the theaters' decisions to limit ticket allocations affected Computicket negatively on two levels: "One thing that shocked everybody was that the venues themselves were not willing to give up much of their inventory. They were reluctant to change the way they had been selling tickets, so they would give most of their inventory to their traditional distribution points and maybe give us ten to thirty percent of the venue. That's such a small amount of tickets to be selling, and we're advertising,

‘Come to us and we’re going to give you the best available seats.’ But it wasn’t true because we didn’t have best available. So we had credibility problems from the get-go, and we also started to worry almost immediately that the volume of sales wouldn’t be enough to keep the doors open.”

George W. George, the theater producer who funded the original study that paved the way for TRS, later lamented that given the limited inventory, Broadway was “only paying lip service to the service.” In 1976, when the *New York Times* asked him to assess the quality of the system he helped facilitate, George responded, “Personally, I’ve never bought Ticketron tickets because I know I can get better seats through the house.”

PRIOR TO THE ADVENT OF TRS and Computicket, Broadway theater tickets were distributed in three ways. Patrons could walk up to the box office and purchase hard tickets that were stored on the premises in racks. Mail order was a second option, as someone could send in a request along with a check and typically receive a voucher to be exchanged for tickets at the box office on the night of the performance. Ticket agencies provided the final choice, as these firms were registered with the city and typically granted a direct allotment of seats by the theaters. The agencies commonly worked out of hotels and were permitted by New York law to add an additional \$1.50 fee per ticket for their efforts.

During this juncture Michael Myerberg, owner of the Brooks Atkinson Theater, estimated, “I allocate twenty-five percent of my tickets to brokers, twenty-five percent to mail orders. The rest are sold over the window. The brokers get the tickets two weeks in advance. The tickets that don’t sell are returned to the box office by seven o’clock on the night of the performance and sold over the window.”

The problem for would-be theatergoers, particularly when it came to high-profile events, was that the best seats commonly found their way into the hands of “sidewalk men” profiteering just outside the premises (sometimes just steps away from the box office) and into the mitts of “speculators,” often working in the back rooms of the registered agencies, who flaunted their disregard for the \$1.50 statutory limit.

In 1964 Hal Prince and David Merrick had become so frustrated with the brokers’ inflated prices that they decided to send a message by briefly eliminating the middlemen. Sensing strong demand prior to the openings of *Hello, Dolly!* and *Fiddler on the Roof*, the pair terminated their sanctioned broker allotments, focusing exclusively on mail-order and box office sales. Eventually, however, with pressure brought to bear by their business partners, minimal allocations were restored to maintain a steady flow of sales from these additional points of purchase.

Ticket scalping, however, was by no means a recent phenomenon, as it plagued Charles Dickens during his second tour of America in 1867–68. The author’s manager, George Dolby, estimated that just before the Boston box office opened in November, “by eight o’clock in the morning, the queue was nearly half a mile long and about that time the employers of the persons who had been standing in the streets all night began to arrive and take their places.” A frenzy soon ensued, leading contemporaries to decry “the horrid speculators who buy all the good tickets and sell them again at exorbitant prices.” Dickens himself responded in a letter to his sister-in-law: “We are at wits’ end how to keep tickets out of the hands of speculators. . . . The young under-graduates of Cambridge have made a representation to Longfellow that they are five hundred strong and cannot get one ticket. I don’t know what is to be done, but I suppose I must read there, somehow.” When tickets went on sale in New York, Dickens reported that “speculators went up and down offering twenty dollars for any body’s place. The money was in no case accepted. But one man sold two tickets for the second, third and fourth nights; his payment in exchange being one ticket for the first night; fifty dollars and a ‘brandy cock-tail.’”

This matter was of particular concern to Dickens, not only because he wanted to satisfy everyone’s interest, but also because frustration led to intimations that he was in league with the resellers. “We cannot beat the speculators in our tickets. We sell no more than six to any one person for the course of four readings; but these speculators who sell at greatly increased prices and make large profits will employ any number of men to buy. One of the chief of them — now living in this house, in order that he may move as we move! — can put on fifty people in any place we go to; and thus he gets three hundred tickets into his own hands.”

Yet Dickens was not the first to find himself traveling with ticket scalpers. His predicament echoed the events of 1851, when the “Swedish Nightingale,” singer Jenny Lind, toured the United States. An article entitled “The Jenny Lind Fracas” outlined a combustible situation in Hartford, Connecticut. “It appeared very evident, as early as Friday afternoon, July 4th, that there was much dissatisfaction on the part of a majority of our citizens, in consequence of the tickets to the concerts getting unfairly into the hands of speculators. . . . [When tickets went on sale after a fifteen-minute delay] there was a rush for the ticket stand. It was soon discovered that a very large number of tickets for the very best seats in the house had already been disposed of; and in the course of an hour and a half every ticket in first hands was sold, and yet hundreds, perhaps thousands who wished to procure tickets, were not supplied. The next morning large painted signs were floating from four different places around the State House Square, with the words, “Jenny Lind tickets

for sale here.” The regular price of the tickets was three and four dollars. The speculators demanded four and six dollars. . . . The general belief that [Lind’s] agents and speculators were in fact bona fide partners in the swindle — for they travel together from place to place — raised the indignation of our citizens to an unnatural degree.”

Collusion between resellers and insiders was long suspected and often documented. A letter to the editor in the April 5, 1908 *New York Times*, signed by Grandpa, related his attempts to attend the circus at Madison Square Garden with his family. Upon arriving at the facility, “The box office man smilingly informed me ‘All sold out.’ And at my elbow stood the bargain speculator. ‘Saturday afternoon, sure!’ and from his well filled satchel he produced a bunch of tickets and showed how well he was stocked. . . . The speculator was cheek by jowl with the management, for he stood well into the lobby, only a few feet from the box office. I suppose this condition of affairs will endure as long as fools continue to buy tickets from speculators but there should be some pretense of protection for people like me who can’t help themselves.”

Over the following decades, local, state and even national officials looked into doing just that. In 1927 New York City resident and newly appointed United States Attorney Charles H. Tuttle hosted hearings on the matter. Producer Arthur Hammerstein testified to the corruption and graft of “gougers and ticket brokers.” The investigation swiftly revealed that box office workers were funneling tickets to agents in exchange for monetary kickbacks, with individuals often attaining \$50,000 to \$75,000 per year. The prevailing “commission” at that time was a dollar per ticket for primo seats that otherwise would be held by the box office, which led to the early closing of the show *Yours Truly*, when brokers eventually refused to accept the \$1.50 charged by the musical’s George Buck, who soon came to be known on Broadway as “Buck and a Half.”

The situation hadn’t changed considerably by the time of a 1949 probe initiated by John M. Murtagh, commissioner of New York City’s Department of Investigation. Two pieces of industry jargon soon captivated reporters and entered the public parlance. The word “digger” described those individuals who had once vexed Charles Dickens, hired by brokers to wait in line when tickets first went on sale. “Ice” was the term for the money directed to box office officials by the agencies to ensure a steady flow of choice tickets to popular shows. However, other than the proliferation of such colorful language, little came of Murtagh’s efforts.

The same held true for the public hearings initiated by New York Attorney General Louis Lefkowitz in December 1963, which affirmed “the existence of a Broadway black market in theater tickets involving millions of dollars

annually.” Producer Leland Hayward indicated that the annual traffic in ice likely exceeded \$10 million. Little could be definitively determined, though, because in the face of the investigation most of the parties proved tight-lipped. On December 23, for instance, twenty-five of the twenty-eight box office treasurers and staffers subpoenaed invoked their Fifth Amendment rights and refused to testify.

A July 17, 1964 *Time* magazine piece titled “Broadway: The Icemen Melteth” surveyed the landscape (and tortured a metaphor along the way): “The annual take in ice has been estimated at more than \$10 million. Among major icemen, box office employees have always had the longest tongs, which goes a long way toward explaining why they have always behaved with such freezing contempt toward the wretched public that lines up to buy ice-free tickets at the wicket. Brokers testified that they regularly delivered envelopes to box offices containing checks covering the list price of tickets plus agreed amounts of extra cash, usually about \$5 to \$7 for an orchestra seat.”

It was in this climate that representatives of Computicket and TRS approached many of the same individuals who had failed to testify for fear of self-incrimination and attempted to pitch them on an inventory control system that would usher in a new era of transparency and accountability. Most of the conversations were brief.

As one TRS employee, involved in many such abrupt exchanges, recalls: “At times it seemed like the wealthiest people in the world were the treasurers in New York City theater box offices because everything was a cash business. You walked up with your voucher thinking you were in Row F. Well, they could just swap out your seats because they got a better deal from somebody else. And there were plenty of better deals to be found.”

Craig Hankenson’s interest in computerized ticketing began at the San Francisco Opera in 1962 and then continued at the Saratoga Performing Arts Center in the late 1960s, where he offered his assistance to the TRS programmers as they developed a user-friendly interface for amphitheatres (Edgar Bronfman was on the SPAC Board of Directors).¹² Hankenson remembers the resistance of his colleagues then working on Broadway: “The biggest obstacle was the accounting because the system could account to the penny, and at that time the New York City box office managers were earning salaries of about \$25,000 a year, but they all lived on Long Island and drove Cadillacs. There was something that was called breakage with the comp tickets, and the trick there was to sell a ticket to people and mark it as a comp on the books. Every show in Manhattan was always maxed out for allowable comps. The truth was, hardly any comps were ever distributed; the box office managers simply pocketed the cash from the selling of the comp tickets.”

Both Computicket and TRS promoted their systems as a means to limit scalping. The TRS marketing brochure included a number of recommendations for future users in a section called “Unions” (the box office treasurers’ union was notoriously tenacious). “Experience has shown that ‘block seat allotments’ that cannot be sold (accessed) by the box office and that require non-positive audit trail procedures for accounting will jeopardize the good audit procedures and even the accuracy of the box office statement. Therefore, TRS applies and recommends the general rule of ‘all seats must be available to the box office machine’ and thereby requires box office machines (automatic ticket printers) be installed for any seats available to the TRS ‘broad network of outside selling terminals.’”

There also was a section called “Diggers” that acknowledged the challenges of inhibiting such individuals. However, the brochure emphasized, “there are probably more positive factors working against the ‘digger’ with the TRS system than under the preprinted ticket system of today. . . . To begin with, the remote selling machines will not be able to sell more than eight tickets per transaction (larger quantities required by the buyer are directed to the box office or to the mail order). Secondly, the number of seats assigned to a particular area may be limited by the box office in cases where the ‘digger’ has potential (the hit show). Thirdly, the TRS system will increase advance sales if management directs an increase in advance sales inventory, and in this way, the ‘digger,’ or his benefactor, must risk capital for much longer periods of time.”

Ultimately, as they canvassed Broadway producers and theater owners, the Computicket and TRS representatives discovered that few prospective clients were inclined to disrupt the status quo. A symbiotic relationship existed whereby even if the treasurers benefited from a second source of income that they kept *entirely* to themselves (a big if), the treasurers’ efforts still often resulted in a steady stream of ticket sales. Larry Littwin likens it to “the bartender in partnership with the owner of the bar. If the bartender can find a way to make the bottle go further, if it’s supposed to have twenty drinks and he gets twenty-two out of it, then the money from the last two goes into his pocket.”

TRS was able to secure a limited number of contracts with Manhattan playhouses. However, these were smaller theaters and off-Broadway auditoriums hoping to benefit from marketing opportunities. Even when TRS systems were installed in the larger houses, the initial allocations numbered in the dozens, not the hundreds, as the box offices opted to retain control of most inventory.

Computicket, by contrast, scrambled to find one way to penetrate the Broadway market when it announced a partnership with the largest

ticket agency in the city. Tyson-Sullivan branches were located in hotels (including the Plaza, the Waldorf-Astoria and the St. Regis). In this setting Computicket raised its service charge to the maximum legal allowance of \$1.50. Paul Dano, president of Tyson-Sullivan, explained that his interest in working with Computicket was expanding his reach to “outlying areas of greater New York and elsewhere.”

TRS and Computicket increasingly directed their energies toward signing larger venues and professional sports franchises. The two competitors made particularly aggressive appeals to baseball teams, which had up to then printed their entire season’s worth of tickets in advance and held the seats for all eighty-one games in massive racks. While both companies emphasized that baseball clubs could save \$50,000 in printing costs, the teams were reluctant to commit. The Montreal Expos were the first Canadian adopters of the TRS system, but not so coincidentally, the team was owned by Charles Bronfman, Edgar’s brother, a relationship not emphasized in the press release. Some teams expressed doubt regarding the computerized services’ ability to handle both single game ticketing and season ticket packages. Other clubs saw the opportunity to make the most of the competition between the two businesses, and in Los Angeles, where TRS hoped to issue a knockout blow, Jack Quinn groaned, “Walter O’Malley of the Dodgers is asking for an arm and a leg.” (TRS would eventually provide the donation and win the contract.) Meanwhile, the Philadelphia Spectrum, the Anaheim Convention Center and the Long Beach Arena hedged their bets with a course of action that proved satisfying to neither suitor: they directed small portions of inventory to each of the systems.

By the summer of 1969 the pressure to turn a profit ultimately led to a change in ownership at TRS. Ever since the company had launched, its founder had faced detractors who raised an issue echoed by the *New York Times*: “As Edgar M. Bronfman, president of Joseph E. Seagram Sons, the nation’s largest distiller, makes headlines with his incursion into other fields, some people have been asking, ‘Who’s running the store at Seagram’s?’ In August Bronfman opted to lighten his load, selling Control Data a fifty-one percent interest in TRS for \$6.9 million — not a shabby sum for a company that as per CDC’s own calculations had a negative net worth of \$3.9 million.

Following the purchase Ticket Reservations Systems was no more. Given the nature of its own business operations, Control Data decided to emphasize the computer connection. Another CDC acquisition from this era was the American Research Bureau, which the parent company then renamed after one of ARB’s services, Arbitron. So much as the Computer Sciences Corporation had once done, Control Data opted to build on a sense of familiarity in rebranding — TRS was now Ticketron.

The following months saw additional upheaval. Control Data sought to interest bankers in a Ticketron public stock offering but was told that until the company “could produce a positive cash flow and demonstrate a capability for steady growth in revenues and earnings, the automated ticketing concept itself was in question.” Under Control Data’s watch, Ticketron cut back expenses by moving into significantly less glitzy offices. Nevertheless, in late December 1969 the *Chicago Tribune* reported on “the red ink flowing over the new company’s books.” Finally, in late March 1970 Ticketron decided to reduce its workforce considerably, eliminating more than half of its marketing positions and many of its technical ones, with a shared understanding by the senior staff that the future of the company was in jeopardy. These personnel moves were to be announced the first full week of April.

However, after a few years as an also-ran, Computicket finally achieved a first.

On Friday, April 3, 1970, the Computer Sciences Corporation announced that its ticketing enterprise would be the first one to fold. Computicket’s remote terminals had been operational for a little more than eighteen months, yet it had burned through \$12.7 million. Nick Mayo had come to the conclusion that the bout with Ticketron had taken its toll and that another \$10–\$12 million would be required before reaching the potential for profit. So he had summoned the CSC executives and explained, “This is just not what I had anticipated. Given the current state, you won’t see a profit in three years. It’ll be more like five at the earliest, and even then it’ll be difficult.”

Today Faye Mayo says, laughing, “He was always very good at talking himself out of great jobs. He did it several times in his life. He was so honorable that he wouldn’t keep taking a paycheck.”¹³

Although Computicket shut its doors in 1970, its tangible legacy endures. In early 1969 Percy Tucker, who had founded South Africa’s Show Service hard ticketing bureau, flew to America to examine the potential for moving his inventory online. He found himself particularly taken with the Computicket system after Mayo “convinced me that it was by far the most sophisticated . . . and could quite easily be adapted to South African requirements.” Tucker and his investors purchased the software along with a 360/50 and Computicket remains active in South Africa to the present day.

As for Ticketron, over the weekend of April 4 and 5, 1970, its employees were given a reprieve. The company was small enough that most everyone knew of the impending dismissals to be handed down on Monday. After details of the CSC’s decision to scrap Computicket filtered in on Friday evening, Ticketron executives made a flurry of phone calls that weekend sharing news of the demise, now sanguine about the future.

This optimism proved short-lived. Even without the competitive pressures from Computicket, communication costs remained high, service fees low and ticket inventory inadequate. By September 1, 1970, Ticketron had borrowed \$16.6 million against a line of credit (with \$12.2 million guaranteed by Control Data and \$4.4 million by Cemp). Ultimately, Control Data decided that a change in leadership was needed, and Jack Quinn was asked to resign.¹⁴ Quinn's successor, Ted Helweg, would be on the job for a month when he called Control Data Vice President Bob Price to inform him, "The only way I can have Ticketron lose less money is to walk down the street and, every time I see somebody trying to use one of our terminals, hit him over the head with a two by four, because every time we sell a ticket, we lose money."

The company closed its Chicago center, consolidating the region with its computers back east. In early 1973, despite Ticketron's reporting an annual loss that exceeded \$5 million, the parent company decided to stay the course and quietly attained full ownership, exchanging nearly \$6 million of its own stock for all outstanding Ticketron shares. The Bronfmans were out.

Still, despite mounting debts and record losses, Ticketron could take cold comfort in the fact that it had the market to itself.

This wouldn't last long.