Stroke claims SCO's founder

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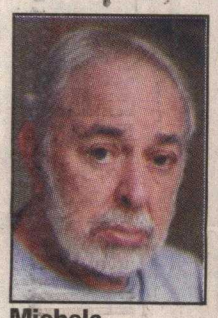
SANTA CRUZ — Click on the www.larry.michels.com Internet site and you can hear the founding father of one of Santa Cruz County's largest high-tech companies saying he is fighting his way back to health. It is a short quip in a weak voice telling his family and friends that he feels better.

But the latest posting on Lawrence Michels' Web site tells of his funeral Thursday in Camarillo.

The co-founder of Santa Cruz Operation was credited with pushing his homegrown company to the forefront of the Unix software movement only to have his career crash in high-profile accusations. He died Monday of a stroke.



Michels
A 'challenger'

He had seemed to be recovering from an initial stroke in June that left him comatose for nearly two months, said son Doug Michels.

"It's been quite an ordeal," the son said Friday.

Larry Michels had returned to Santa Cruz just two weeks earlier from Long Beach, where he was undergoing medical treatment.

Although still having trouble with his memory, he was able to walk and take care of himself. He told one of his business associates he wanted to get back to work right away. On Sunday, he was sitting up and using a fork and knife to cut up a steak.

On his way to a scheduled doctor's appointment, however, he lost consciousness, so he was rushed to Dominican Hospital.

"We all thought that Larry was going to die the first time," Doug Michels said. "It took a lot of hope to think he would come back."

Doug Michels said he started the Web site as a way to reach all the people trying to follow his father's recovery.

In an extraordinarily intimate on-

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Michels

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line portrait of the recovery process, Web site photos depict Michels' recent move from Colorado to California. He is shown strapped to a stretcher beside a private jet. There are pictures of him undergoing experimental treatments in a hyperbaric oxygen chamber and portraits of him in a wheelchair with his favorite nurse and relatives.

The site includes written reports, updated almost daily by Doug and other sons. Nurses also provide details of his recovery.

June 21, 1999
Dear friends, I have slightly more encouraging news to report today.
Larry is still unconscious but there are many signs that he is beginning to stir.

Aug. 15, 1999
Larry is now completely breathing on his own.

Aug. 22, 1999
Helen and I spent this weekend in Denver after several weeks away. What a huge change! Larry was alert, responsive and awake most of the day/ He still seems to be rediscovering his body and his mind. He smiles, appears to laugh and giggle and sometimes cries depending on the stimulations or conversation. ... The nurses in the hospital have started to refer to Larry as their miracle patient.

Aug. 24, 1999
The trach tube was removed from his throat yesterday and today they fed him his first meal of real food. ... They skipped the soft mushy stuff and went right to meat and potatoes.

Dozens and dozens of messages from well-wishers were posted on a community message board.

"There was a lot of sharing of feelings that went on in the Web site," Doug Michels said.

Michels' persona was larger than life. He was known to be gruff and confrontational, crude and impatient, yet he had the moniker "Papa Bear" and incited fierce loyalty from employees.

The Chicago native earned a master's degree in engineering from UCLA before launching his entrepreneurial career. He worked in the aerospace industry and founded Credifier Corp., a credit-verification company that he later sold to TRW.

He was a vice president of TRW for a decade before moving to Santa Cruz and launching SCO with eldest son Doug in 1979.

The two were partners, combining the elder's business experience with the son's knowledge of technology.

"He managed SCO like it was a downhill skier racing out of control," said Steven Beedle, a former SCO employee who is now president of the Santa Cruz Technology Alliance. "He liked to think the company was literally like that — the fastest guy was always a little bit out of control. SCO was always a little out of control."

The Michels were pioneers in the PC-Unix arena, going up against the biggest players in the industry.

"I learned from him how to go to the table with a larger competitor and come away with a lion's share of the pie," Beedle said.

SCO employees and former employees described Michels as the challenger, one who "didn't suffer fools gladly," and one who at times pitted employees against each other to get them to hash out the best ideas.

"He was curious about everything,," said Norm Lezin of Salz Leathers. "There was no subject he wasn't interested in."

"When I'd go to see him, I'd say, 'The subject of this is money,' and he'd say, 'How much and what for?' Then he'd say, 'Yes' and 'Let's talk about something else,'" Lezin recalled.

In 1993, however, his persona seemed to spin out of control.

Four former SCO employees sued Michels and the company over alleged sexual harassment. In the highly publicized litigation, Michels was characterized as a man who groped women employees and saw nothing wrong with it.

He and the company settled the matter for an undisclosed amount.

"It was a hard time for the company. Very hard," recalled one of his admirers, Helene Mann-Bouchard, SCO's vice president for worldwide customer delivery systems.

The case was settled about six months before the company's initial public offering, and Michels left the company and moved to Colorado.

He still called son Doug, who was named CEO last year, nearly every day to chat about the company and business. He also remained on the boards of several companies.

How many SCO employees knew he was ill was unclear Friday. There had been no general announcement to the company as of midday.

Doug Michels said about 50 relatives and close friends attended the traditional Jewish ceremony Thursday in Camarillo, where Michels' parents are buried.

In addition to Doug Michels, Lawrence Michels is survived by Geri Snyder, his companion of 25 years; sons Jordan Michels of Eugene, Ore., and David Michels of Boulder, Colo.; daughter Dia Michels of Washington, D.C.; sister Barbara Michels of Lomita; former wife Loni Michels of Paradise; and seven grandchildren.

A Santa Cruz memorial service is set for Nov. 20. Details will be posted on the Internet site.