

May-June 2008

Business

The Light Touch



How a Hands-off CEO Marshals the Forces and Customers

Christopher Seiwald runs a strikingly successful, awardwinning software development company. Like Jack climbing his beanstalk, Seiwald is fearless, striving to outwit industry giants like IBM and Microsoft with his business management dexterity and creativity.

On the corporate front, he orchestrates steady growth and expansion, including an international presence in the United Kingdom and Australia. Closer to home, he leads a regional sports league, serves on an advisory school board and fathers a family of six children. If you ask him how he manages to keep so many balls in the air, with so much apparent ease, he will tell you, "Control is an illusion."

The notion of control may be a fool's fantasy, but Seiwald's achievements as president of Alameda-based Perforce Software are no fairytale. Perforce's products and services meet the technical needs of more than 250,000 individual software developers at 4,500 organizations

worldwide. Customers include Google, Bank of America, Washington Mutual, Pixar, TiVo, Domino's Pizza, Netflix and BBC News Online. Perforce has been recognized by SD Times as one of the "leading and most influential companies in the software development industry" for four straight years. Perforce products have "jolted" the SD industry with their significance—making the creation of software easier, faster and more efficient—garnering *Software Development* magazine's 2006 Jolt Product Excellence and *Dr. Dobb's Journal* 2007 Jolt Awards.

Not bad for a man, who, truth be told, considers himself as much a "wordsmith" as a computer nerd. Seiwald's mother, an English teacher in the San Francisco public school system, instilled in him an early love of language, including Latin and Greek. He eagerly diagrammed sentences in the fifth grade and often heard "what a big, broad vocabulary you have." Seiwald's delight in words may explain how he, with no small contribution from his sister, came up with his company's name. "You take the 'man' out of performance, and you have 'perforce,' of course."

More than 30 years ago, at the age of 13, Seiwald began "playing" with electronics before such fiddling

caught on with the mainstream geeks. His father was a chemistry teacher at University of San Francisco, and Seiwald spent many an hour there, at the age of 16, hanging out in the computer room, and getting paid for his contributions. His peers in his high school computer club, he says, always viewed him as "the weird science type". They always admired me and thought I was really going somewhere."

Seiwald attained his bachelor's degree in computer science from UC Berkeley, and after a stint as a "data slinger" for a political campaign in San Francisco, settled in as a programmer and manager at a Bay Area software development company, which is where he met his wife, and true life partner, Trudi Seiwald. "He was definitely really smart and really funny," she says, a combination too hard to pass up. Both Seiwalds come from large families—she has three siblings, he has four—so settling in a kid-friendly community was a top priority for the newlyweds, who looked to grow a happy, healthy family.

Trudi Seiwald already lived in Alameda when the Seiwalds met and, after scouring other Bay Area communities, it became obvious that Alameda was the perfect place to purchase a house in anticipation of the impending birth of their first child. And although, as Trudi Seiwald says, "Chris was afraid of the suburbs," it turns out Alameda offered the ideal balance between a metropolis and the cozy San Francisco neighborhoods where he grew up.

When the Seiwalds began planning their leap into the world of start-ups, it made all sorts of sense to locate the new business in Alameda, as well. "I never liked commuting. I always thought people should live near where they work," says Christopher Seiwald. Seeking the full Alameda experience, they avoided a business park atmosphere and chose a Park Street corridor location in January 1995. "Nothing like Rich's Towing for character," he adds.

Unlike Jack, on his own with his magic beans, building Perforce from the ground up was definitely a partnership effort. "While Chris was writing programs, I was using vacation time to do consulting to earn more money," says Trudi Seiwald. And, in fact, although labor pains temporarily halted her consulting commitments, breast-feeding did not. The Seiwalds added babies number five and six during Perforce's birth and toddler hood.

Growing Perforce did not necessarily mean growing pains. The fledgling company, launched in 1995, weathered the dot-com bust through savvy busy planning. The couple owns the majority of the private company, and their focus from day one has been very clear. "We build a simple software product that does one thing well, and we found a solid niche that we follow like a gold vein in quartz," says Christopher Seiwald. "Our product supports software developers, so for the dot-com boom, we were like the guys selling gold pans and sluice boxes, not like the people out doing the digging. Most of our customers survived [the bust] and are still with us."

To describe exactly what it is that Perforce offers its customers, Christopher Seiwald provides a short course in Software Development 101. Picture several hundred people writing 3,000 chapters of the same book, at the same time. Perforce products serve as a library—coordinating and tracking updates, creating a historical reference and enabling multiple releases of the literature. Google, for example, releases 10,000 software changes a day, and like other Perforce customers, uses several versions of software at any one time—some ready for release to the public, some in development. Thanks to Perforce software configuration management programs, developers have an accurate historical record of what the software looked liked at any point during development, which brings accuracy to an overlapping and complex process. As a software developer himself, Seiwald knows that speed is of the essence. His customers don't want a system that makes them wait while it completes updates and revisions. The quicker they can work, the sooner their end users—i.e., Googlers—get the latest information and helpful tools online.

Which is exactly why software developers like the feel of Perforce's SCM product line. "It is like a hammer," says Seiwald, "fast, easy and comfortable to use."

Perforce's growth has been easy and comfortable, as well, expanding organically by 10 to 15 people a year over the last 12 years. The company currently employs 120 people at offices in Sydney, Australia, Workingham, England and Alameda (where 95 people work), and realizes a steady annual business growth rate of 20 percent, he says. Seiwald credits Perforce's solid success to an unwavering level of employee satisfaction. "'These are the best years of your life,' I'd tell people when they were considering working for

Perforce. 'You don't want to wake up in 10 years rich but find out that you've missed the opportunity to see your kids grow up.' We didn't want to be the dot-com where the VC guys drive by the parking lot on weekends to make sure people are working hard enough. We have real people working real jobs, and they go home at night."

Carrie Ewing, vice president of operations is one of those real people. She has been with Perforce going on 11 years but has known Seiwald for close to 17. "I completely trusted him and had faith we would do a great job. That he would take me as an employee—a single mom with children—was scary and exciting." Ewing characterizes Perforce as a very employee-focused company with a hands-off leader. "People make their own decisions. Needy employees would not survive." And although Ewing acknowledges that there is not a lot of hand-holding, there is a lot of fun: Afternoon teas encourage employee connection. As do Mardi Gras parades in the parking lot, Halloween costume contests, baking contests and a (not quite yearly) train trip. "We rent private cars, hook them on the back of Amtrak and head out for three days of company bonding and maybe a little drinking," says Seiwald. He believes proud, happy employees mean loyal, satisfied customers. "Like milk from happy cows," he adds.

Perforce also gives back big time to the community. Each employee receives \$1,500 per year to donate to local and international causes, including the Holiday Home Tour, Alameda Civic Light Opera and Kiddie Campus Preschool. Seiwald also donates his time as president of the Jack London Youth Soccer League and is a member of the St. Philip Neri advisory school board.

As for the illusion of control, Seiwald admits, "I don't even know what I'm having for dinner tonight, let alone what will be happening 10 years from now. I never pretend to know where we're going; I look behind more at our track record and what is working well now."

One thing he does know for sure, however, is that, like Jack, he needs no castle in the clouds. "Perforce is a 100 percent Alamedan company," Seiwald says. "We started here and plan to stay." And that is no fantasy.

—By Noelle Robbins —Photography by Lewis Smith

The Story of Little House Cafe

Christopher Seiwald likes to tell this story about how his entrepreneurial success with Perforce led to running one of the cutest cafes in Alameda. "Long ago I attended a seminar on acquisitions—how to buy and sell companies. Good information to know, just in case. One guy was talking about how they were acquiring one company and picked up a second one in the deal 'accidentally'. " It was a lesson well learned. About three years ago, Perforce began planning an expansion (named the "West Wing") at its location on Blanding Avenue. The Seiwalds purchased the adjacent Olsson Plumbing property, which came complete with a petite cottage built in 1904—historic and too darling to tear down.

"We were talking about options and someone said, 'Let's put it on the corner and make it a cafe!' "he says. The tiny house was rehabbed; and although originally intended as a cozy dining spot for Perforce employees, today it draws in many Alameda residents with its healthy, fresh food. Trudi Seiwald calls it "gourmet at a loss"—a sardonic take on how popular the cafe has become selling great food for less than it costs to purchase and prepare. There is even a sandwich named after this "quality before profit" philosophy. And it is a "green business." Donna Meadows, former owner of Boniere Bakery, manages the Little House Cafe, and was among the first on the Island to eschew the use of Styrofoam containers for food service and take-out. And the parking spaces are a grassy surface product, Grasspave, which is also environment friendly. Sweet, comfy and forward-looking, the Little House Cafe is a natural and tasty addition to Perforce's expansion that all of Alameda can enjoy.

(Please see Little House review in this issue's Dining Out)