

Everyone in television broadcasting knows the name "Grass Valley." In fact, there was a time when almost every television signal transmitted went through a piece of equipment manufactured by The Grass Valley Group. What many may not realize is that Grass Valley is actually a town of about 10,000 people in Northern California and a hotbed of audio and video technological development. Companies such as Ensemble Designs, NVISION, Sierra Video Systems, Graham-Patten Systems, Scitex Digital Video, and, of course, Tektronix Grass Valley Products and others employ nearly 700 people in Grass Valley and Nevada City, an adjacent town of about 2,500.

These and other high-tech companies generate nearly \$400 million a year in revenue and constitute the largest component of the economy in western Nevada County, according to the Sierra Economic Development District.

While the area's high-tech companies have experienced the same economic ups and downs as the rest of the nation, most notably the elimination of nearly almost 1,000 jobs at Tektronix Grass Valley Products over the last seven years, and a recent reduction of 12 of 65 full-time positions at Scitex Digital Video's Grass Valley facility, the Grass Valley region is still a high tech dreamland, particularly for companies shopping for start-up talent.

The talent pool in the Grass Valley region extends beyond the audio, video, and broadcast industries. TDK Systems, a maker of high-speed modem cards, and Litton Engineering Labs, a manufacturer of glass lathes, have facilities in the area, while National Semiconductor and 3Com (formerly US Robotics) have research and development labs in Grass Valley.

The number of high-tech companies in the western region of the county may be anywhere from 75 to 270, including moonlighting engineers and independent contractors doing work from their homes and garages.

It's Not Just The Jobs, It's The Way Of Life

Those lucky enough to visit Grass Valley or Nevada City quickly understand what keeps the engineers coming—quality of life. Nevada County is characterized by clear, blue skies, towering conifers and golden opportunities for someone with high tech experience. Three hours from San Francisco, and less than two from Lake Tahoe, the region features a highly educated workforce, telecommunications capabilities including fiber optics, frame relay, ISDN, and dedicated and fractional T-1 services, and a reputation for producing some of the best audio, video, and broadcast equipment available.

Local support for those equipment makers includes PC board

fabrication, computer controlled metal fabrication, powder coating, precision screening, and printing companies.

Altogether, more than 40 large television and non-television related high-tech and applied-tech companies, employing more than 1,000 hardware and software design and development professionals, call the Grass Valley region home, making it a Sierra Foothills incarnation of Silicon Valley.

Good Times and Hard Times

Dr. Donald G.C. Hare founded The Grass Valley Group in 1959 with about six employees from the Hare Company of New Canaan, CT which Hare sold to Sangamo Electric in 1955.

"The Group had \$12,500 in cash, the equipment purchased

trend, started in the early 1990s, of losing money. The cities of Grass Valley and Nevada City absorbed almost 1,000 people who voluntarily or involuntarily left Tektronix/Grass Valley, as revenues declined to today's \$130 million figure.

While some moved from the area, others stayed, founding their own businesses or working with Tektronix on spin-offs from the old Group. Other high-tech companies started with some very impressive people in charge.

In 1991, ImMIX, for example, was founded when Randy Hood, GVG's vice president and general manager, Production Systems Division, left The Group. Ensemble Designs, another example, was founded by David "Woody" Wood, a design engineer and project manager who developed the Model 100 switcher (see page 77). Ensemble Designs, which makes digital and analog converters, networkable video gateways for the Mac, PC and SGI platforms, TBC control systems, SGI O2 video I/O equipment, and more. Others who left The Group were successful in other high-tech, low-tech, or no-tech companies.

Today, the region is rich with companies poised to provide broadcasters, audio, and video professionals with the equipment and expertise to embrace the transition to digital technologies.

Grass Valley's Future

Today, the futures of Grass Valley and Nevada City are no longer tied to one company but to high technology. Whether broadcasting or other technologies such as medical imaging, computer networking, or avionics, this diversification has strengthened the region. While one company might go through a period of tough times

with layoffs, another might hold a weekend barbecue to recruit those just laid off. Years later, however, the recruiting company may have to lay off employees. This was the case with Scitex Digital Video, when they recently laid off 19 percent of their work force due to restructuring.

Even while they continue to eliminate positions tied to their now discontinued analog product line, Tektronix Grass Valley Products is recruiting 20 to 30 engineers and engineering managers in its bid to be the leader in the DTV/HDTV equipment market, advertising locally last month.

As the broadcast industry heads towards an NAB that will showcase both digital television technologies and high definition television, the range of products produced in the Grass Valley region promise to represent some of the most innovative engineering available for the DTV era.

Deborah McAdams contributed to this story.

The Future Of Grass Valley

It's Not Just One Company, It's Many

By Michael Silbergleid, Editor



from Sangamo, an excellent mechanical engineer, a couple of good electronics engineers, and absolutely no business of any kind," said Hare in a GVG newsletter. In 1983, GVG signed its biggest contract ever with NASA for \$4.3 million and opened a professional video division the following year. That same year, GVG acquired Dubner Computer Systems of New Jersey.

At its peak in 1989, "Grass Valley" meant the old Grass Valley Group, with 1,400 full-time and temporary employees and annual revenues of approximately \$180 million. Throughout most of the 1980s, The Grass Valley Group was the top private employer in Nevada County. While GVG became a wholly owned subsidiary of Tektronix in 1974, 1991 saw the start of something that had never occurred in "The Group"—major layoffs.

In January 1996, The Grass Valley Group, Inc. ceased to be a legal entity. It was absorbed into Tektronix as it continued its



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