J: How did you get in?

D: I got in later and started representing the Hall family, and so I became the board member and replaced my dad. My dad was so fed up with Mega Diamond when I came back in 1976 that he said, "You just take the shares. You own them. Do what you want with them. You go to the board, you go to the meetings. I'm going to do my press business. His press business, Provo Pressure Products and H. D. A. Jake and H. Tracy Hall consulting,was continuous from the time he invented the tetrahedral press and started making them and selling to others clear until now. I took over his business [Novatec] and paid him a royalty for several years.

J: Do you remember the year you formed Novatec?

D: I formed Novatec in about 1987.

J: Then he was basically done with consulting at that time.

D: Yes. And then I started paying him a royalty probably sometime in the 1990's. I paid him for several years. It wasn't much. It was around $2,000 a month, and he wasn't doing anything anyway. And the technology moved on to my stuff anyway. So I wasn't actually using any of his patents or any things that were current, but I took over his business, changed the name to Novatec. So this business is actually the oldest business outside of GE's. GE started their business formally at about the same time dad started his business, so they are both about the same age. Because GE didn't formally start their diamond business, until a few years after the discovery, and my dad had already started to do his consulting. The invention is how I view the start, so officially December 16, 1954 is how I view the start of Novatec. That's why I had the whole industry come out and celebrate that day on the 50th anniversary. And then at 75 years, I'll do the same thing because Novatec will essentially be 75 years old at that stage, and hopefully continue to have Novatec take the lead in technology, in spin-off companies. 3:50

I had tried to get my dad in one of his companies, Provo Pressure Products or something, to do drilling, because I became aware of it when I was on my mission, and then I had gone through Mega Diamond with Bill Pope (4:19) because I had brought my boss out from Ingersoll Rand (4:20) . They had refused to do anything with us, so I applied for a job. That didn't work, and so I went to GE with Ingersoll Rand and started working with them on diamond. Then when I came back in 1976 and got my shares, then started representing the Halls in Mega Diamond. Then once it was all straightened out, we actually got to the point where we were going to sell it, then that's when the shares went back to my dad, so it got distributed to all the family. So I was representing all the shares, and I got part of that, and then I demanded from the board of directors of Mega Diamond before they sold it to Smith, 10% stock, so I got 10% on top of everybody else. That's how I got my starting equity to get going on my own. 5:42

From 1976 to 1987 I was working for Mega Diamond.

J: When was the sale for Mega Diamond?

D: 1985. I stayed a few years. So when I started representing the Hall family with my dad's shares, that's when I started working with Bill Pope (6:21) and Dwayne Norton and everybody else again. But all I was was a director of the company, and so I wasn't directly involved in the company or anything until we fired Bill and then Louis left and there was a vacancy, and I came in as general manager, and we made ??? (6:50)

J: Do you remember what year you fired Bill?

D: I don't remember. 1977? And he started U.S. Synthetic, or his son started U.S. Synthetic.

J: You were at Mega Diamond all that time? You spent a couple years just on the sale for the most part, didn't you?

D: I worked for twelve years straight. So my deep hole drilling and DRH design went into nothing for awhile. And then once I sold it, then I picked it up part-time. Actually, before I sold it, I started working on that line. And then David Pixton And these other people joined me before I sold things, and that's what became Novatec after I officially left Smith. (8:00) But I had a failure to not compete, so we worked on the hammer for several years. And then I didn't get back into diamond until 1990 when the failure to not compete was up with Smith. I sold Mega Diamond to Smith.

J: So that meant you couldn't compete with them.

D: But Bill was off there doing it, and then once Tracy and I had both left Mega Diamond, we needed a place to run presses, so we went and made a deal with U.S. Synthetic in return for press runs and showed them how to make poly-crystalline diamond that was decent. And that's what launched their business, because they were making grit for griming applications (9:00). So we helped them get going in making a decent product.

J: They would tell it a different way.
D: How does Bill tell it?

J: "We just developed a new technology—the polycrystalline diamond. We cashed in on it."
D: No. He had a product called teracat (9:28) that wasn't working at all in the field, and so Louis came to me and said, "Can you guys show us how to do this stuff?" So Tracy and I went, and in return for press runs, showed them how to make good polycrystalline diamond. It's the teracat that Bill and others invented that is terrible. (9:52)

J: Yeah, he said, "Hey, we would have given them free press time."

D: Yeah, in return for technology.

D: Yeah, they sued me later to try and get money for that, and they actually won the suit, and I had to pay them for the press runs. They forgot completely that we had taught them how to make diamond. (10:23) W taught them how to can it correctly--how to reduce the diamond and how to use zirconium inside the can to reduce it right. And all of a sudden their quality went from way low to up here, just like that [snaps]. It was only two weeks, so it was easy to forget that they were down in the trenches and we had developed it and had a decent product over here and that we were able to sell it to Smith. And they were bankrupt.

J: So could you do that legally? Could you teach U.S. Synthetic? (11:00)

D: We taught them GE's technology, not Smith's technology. But we knew the technology because we worked with it for so much longer than them, so we knew how to do things better, and then later on, because it was GE's technology, they had to license it from GE. But we got them going on it. GE would not have ever licensed them. So GE came out and sued them, and they had to pay GE a bunch of money and got a license. (11:38) We warned them. I said, "This is GE's technology, and you're going to have to get a license to this. But here's how it works and here's what you do, because they were clueless. They were making really bad product. But Bill actually was not involved in any of that. Bill was the executive guy, and Louis and others were the ones that understood they had an issue. I never saw Bill on it, for instance.

J: So Bill might not have known the real story.

D: No. He didn't know what was going on. (12:10) But Louis is the one that took me to lunch and said, "We're in trouble. We need some help. What do we do?" Louis is also the one who comes to me when we're in college and says, "My parents want me to be a lawyer or doctor. This is not working. What are you doing? So I got him interested in Mechanical Engineering so he could even do what he's doing. And then his dad hires him, because he is a mechanical engineer, instead of me. If he had gone into doctor or lawyer, his dad wouldn't have been able to hire him. He would have had to hire me. So it's just full circle, you know. (13:10)