

Working Together: recording and preserving the heritage of the workers' co-operative movement
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Name: Edmund Potter Worker Co-ops involved in: Delta-T
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Summary:

[00:00:05] Edmund Potter outlines the background to setting up Delta-T devices. Focuses on the environment of the late 1960s and his role in a small scientific instrument making businesses. Outlines his involvement in the communes' movement and how Delta-T was set up in old barns in the commune [Parsonage Farm]. [00:07:31] Discusses the next stage in development of Delta-T in the early 1970s. Talks about visiting university departments in order to get requests for devices to be made. Mentions communication with Victor J Keating [Keating Pulse Monitor] in which the latter suggested developing a skin temperature meter. Mentions issues faced in gaining planning permission for the barns. [00:12:00] Outlines the reasoning for the name Delta-T. [00:13:05] Talks about increasing interest from medical professionals in the skin temperature meter. Discusses bringing the first partner into Delta-T. Outlines in more detail the communal living at Parsonage Farm. Mentions further people joining Delta-T. Talks about contact from Professor John Monteith at Nottingham University and resulting business agreement between Nottingham University and Delta-T to manufacture instruments for measuring a plant growing environment, including porometers and solarimeters. [00:27:59] Talks about the focus of Delta-T on environmental physics instruments [00:31:04] Talks about the structure of Delta-T in 1975. [00:39:10] Discusses the influence of DEMINTRY and ICOM, and Delta-T's structuring as an Industrial and Provident Society. Mentions equal pay and Delta-T's becoming a workers' co-operative by 1982. [00:52:23] Talks about the development of Delta-T in the 1980s-1990, in particular focuses on how growth affected the structure of the workers' co-operative. [00:58:14] Discusses how Delta-T was able to survive recession in the late 1980s, early 1990s. Talks about Delta-T's relationship with Co-operatives UK. Discusses the development of his individual role within Delta-T over the last 10 years.

Transcript:

[00:00:05]

Interviewer: So that's started recording now.

Edmund: Ok.

So yeah, I think to start off with could you just tell me a bit about the background as to how you first became involved in setting up, Delta-T.

Erm yes, where to start. Well, I usually start at the end of the, at the end of the 60s which was an amazing decade, lot of social upheaval and change, and, I'd been a student at Cambridge University, from 1961 till 1964, and things were beginning to start happening then, and society, came, began to be in some what of a tumultuous state, there were all sorts of incredible things happening all over the place, free universities were springing up, flower power drifted across the Atlantic from the USA, I think the Beatles went over to the USA [laughing] and things like that so, it was a time when all the traditional, things from, the 50s and then of course from the, war years before that, all these were being suddenly, instead of being held up and revered as wonderful paragons of, of virtue and proper way to do things, they were suddenly being called into questions, and people were saying, 'we don't like this, what's the alternatives' and so, that, that was the scene I came in to and towards the end of the, towards the end of the 60s I was working in a small, scientific instrument making business, which was quite a nice little sort of small group of people run by a benevolent, well entrepreneur capitalist, and one year he made the mistake of saying, he used to say, how much our, he would, have an annual meeting and he would tell us what he was going to do with our salaries things like that, and he made the mistake of telling us what the profit of the business were and, they were equal to the total of the salaries of all his workers, and I felt, hang on a moment, isn't this a bit disproportionate! Ok he's the owner of wealth, the assets of the business and so on, but, isn't society paying too high a price he considers, he owns that surplus wealth that's been created by 7,8,10 people, and why should he do that just because he's the owner of wealth, there may be no virtue in owning wealth, you may have acquired it through inheritance or, all sorts of reasons, so society shouldn't let him do that, it shouldn't

be the way things go. And, it was, thoughts of this sort that led me to sort of think about alternative ways of running perhaps a similar sort of business, and by the chance at the same time, my partner at the time her daughter had, taken up with a young architecture student in Cambridge, and they had started to, he had private means, which means he had a lot of money in the background somewhere no doubt tied up in a trust, and, he didn't much like doing his architecture, and they decided that they would try and set up a wholefood shop and restaurant in Cambridge, and so there were some links there, and towards the end of the 60s when things like, like my partner ran some things called 'Diggers Conferences' to which all sorts of people came along, and the communes movement started up, and there was a newsletter being produced by three people who lived in a derelict cottage in the middle of Wales and didn't do much else except produce the communes newsletter [laughing] so, there was, well, a great social turmoil going on, anyway it looked like there was a group of us who would quite like to find somewhere, large enough to buy, in which we could all share the living of, and the people who worked in the, in the shop was called Arjuna in Cambridge, the wholefood shop, people who worked there could grow vegetables and food, organically for sale in the shop, and, that started me thinking well maybe, as this was after 6 years working in that small business that I'd been in, I thought maybe I also could, we could, develop some scientific instrumental device or something like that, that could be made, and could, become a source of employment and well, profit if you like, for the people who worked in such a commune, if there were a number of us, and so, there were a group of us, looking for some convenient property, preferably near to Cambridge, which would make this possible and, by chance we came upon a wonderful old farmhouse place which had two or three acres of grounds attached to it and some derelict barns as well, and this came on the market and within 10 days we'd purchased it, and then we, set things going and, so that was the initial start, well, at that stage I hadn't really, got a product or anything to make so the idea of Delta-T was just find something to make, try and make it, try and sell it, and, see how things would go, and, I'd probably better stop there for a bit while I think about the next phase of things.

[00:07:31]

I just want to tell this [the laptop] to go to sleep.

So, right so this is your, you've established Parsonage Farm¹ at this stage, and so, how then did Delta-T develop out of that?

Well, where I'd been living previously with my partner was in her caravan which was, 20 miles away and so, the, caravan was brought over and dumped in one corner of the garden and I'd also had a workshop there where I'd started to accumulate machine tools, a lathe, and a bender, and a grinder and things like that with which I could start to make instruments, and, I thought well I've got to get something going so I transferred all the equipment in the workshop to one of the bays in the very old Tudor barn, historic barn, plenty of cobwebs and the occasional hint of rats running across the floorboards and the roof above, and, started to try to find some products that I could sell so, I thought well maybe I should go round the university departments and talk to the chief engineers in the engineering departments and say, 'have you got any devices or things that you might want, made that I could do you know it doesn't matter if it's just a small run or a one-off or two-off, so I went talking to a number of people and, one of them was a veterinary surgeon who said it would be very nice to have, a respiration monitor for small animals, so I said, 'oh right, I think I could probably do something for that.' And another time I went to visit an anaesthetist, in London, who also had a lathe in the top floor of his Richmond flat overlooking the river, and was a bit of an engineer as well, and he'd invented this device called the Keating Pulse Monitor, and he gave me some ideas and he said 'why don't you build a skin temperature meter that can easily measure very small differences in skin temperature' so I said, 'alright I think I can probably do that', so I had some things to work on and I started to make these, with the hope of selling some, and so it started from very small beginnings but by that time we'd established my, equipment in one of the barns, and then of course, we had this letter from the planning authorities that said, 'we understand you're working here, and you do realise it's a listed grade building and also you need planning permission for, running a business' so this was a, bit of a downer but it had to be addressed, and eventually we managed to get planning permission to run the business there, and part of the quid pro quo for that was that, we would hope that if the business started to make profit, it could be used to gradually renovate some of these barns, which were listed buildings grade 2, and technically we weren't allowed to do anything to those without permission, unless...no unlesses about it, we had to get permission from them but the, the bait was that if we could, hold out the hope of renovating them then,

¹ Note from EP: Parsonage Farm – 'the commune'

the planning authorities and the listed buildings people would actually be rather glad, because otherwise the, natural decay would take over and they would just become ruins and there were in fact some other ruins on the site which bore witness to that.

[00:12:00]

So, that was the very beginnings of Delta-T and I called it Delta-T because, that skin temperature measurement instrument I made was, measuring the difference in two temperatures and quite often if you're a physicist you write down things like the difference in temperatures you would write it as a capital Delta, which just means "the difference of" in scientific lingo, and a capital T for temperature so I thought well, that's the best I can do for a trading name I'm afraid, that's probably what it's got to be and I registered the business name which I had to do because, you can't trade in anything other than your natural name unless you've registered it, so I managed to do that as well, so that was the beginning of Delta-T devices. [moving] I'll have another sip of my tea.

[00:13:05]

Have a little breather.

Is this going roughly in the right direction for you?

Yeah it is, yeah. So then, well I'll let you carry on.

Yes, so [something drops on the floor] to resume I, did manage to start selling some of these devices and, I knew enough about things to, get, the sort of free new product advertising in things like the Biomedical Journal, which it got seen by various people, and then one or two enquiries came in, and, raised my spirits a bit because I thought, the temperature, the anaesthetist was, I'd shown him a prototype model of this thing and I said, 'would you like to try it out, could you get your colleagues to try it out?' and I didn't hear much for a month or two and I, and, I said 'do you, have you had any progress here?' and he said, 'well, it seems to be quite good yes, yes.' And so I thought oh great, alright, and so I managed to, write up a sort of, medical, datasheet for it, and got him to approve that and, then got, a mention in the Biomedical Engineering Journal and, there was a bit of interest, and I took it round to one or

two people, and then I actually got an order for one and sold one so I thought I'd better build a batch of 10 [laughing] which, I started to do and at the same time I was still going round university departments and asking for ideas and looking for other things to make, but that was the beginning of it, so it was very much a one person band, but at the same stage my partner, who was now living, we were now living together in, Parsonage Farm which was the communal building, it seemed sensible that maybe she could do some work in it, and she became the first partner in Delta-T, and, the, commune got going quite well, there was quite a number of people, ten or a dozen, or so, we had eight private rooms in the commune and then there would be communal areas like the kitchen and the dining room and the bathrooms of course, and we would have an evening rota for the evening meal and you know had to sign yourself up once, once per ten days or however many adults there were that were doing this, and the evening meal was always at 6:30 and, and it became quite an established thing, the slight friction occasionally was that, not everybody in Parsonage Farm was vegetarian, there were, some vegans, there might've been one or two who were macro-biotic, which was, completely impossible from our point of view, and there were some unashamed meat eaters, so if it was your turn to cook the meal and you were a vegetarian well you did a vegetarian meal, if it was your turn to cook the meal and you're a meat eater then probably you'd do two main courses, and one would be vegetarian [laughing] and one would certainly not be, and so that was the sort of developing life-style and then the garden there was a big area of garden, it needed quite a lot of work, so, we advertised for people to come along on what were called WWOOF weekends, now that stands for W.W.O.O.F, that's Working Weekends On Organic Farms [laughing], and so there was a troop of people occasionally coming on these weekends and, they would have to take their part in the work in the kitchen as well and, also in the garden, but then that was quite interesting, because people coming through would say, 'what's going on in that shed in the barn where that chap's hiding all the time, doing all the things', and, so I, it, it showed other people that things were going on, and I'd been in touch with a little, everything was duplicated in those days, you had your typewriter, and you made your wax stencil, and then you ran some sheets off on the duplicated and got them smudged with duplicator ink, and then you sent them round and there was a little magazine called "In the Making"² and this was run by other, virtuous and, ethically disposed people in different places wanting to find some alternative lifestyle and work style, and so I got some publicity from that and, various people started to hear of Delta-T, and, then they would ask to come to

² Copies available at the National Co-operative Archive

stay in the commune and, we'd show them what we were doing and say, 'well there's not room yet for anybody else, we haven't actually got enough work, but this is what we're hoping to do', and, well, in those days it, there was still quite a lot of bells and beads and flared jeans and, making bells and beads to sell to tourists wasn't a terribly, terribly profitable idea [laughing] so, it was still quite, as much just an idea in my mind that this could become something that would support the commune. However, it was there, and it gradually began to, I made more contacts and got one or two more, ideas for things to make and managed to keep going, having, I thought I've got to put my savings into this, I don't know what I'm going to do, I want it to be a, profit and decision sharing business, that's the best way I can think of it, obviously it needs, it really does not need to be capitalistic, must not be capitalist, so although I put my savings into it I thought no, we're not going to run it like, a standard business, in whatever we do, it's got to, it's got to somehow recognise people's work and ability and so on, and there was a very strong undercurrent of, equality, egalitarianism, non-authoritarianism, and so on, so that when I later came to write up these, these early reminiscences ³ I used, some important words for me was, [reading out] 'the evolution of non-authoritarian self-management for a group of workers', very ponderous but, there you go. And so it gradually, and then people coming to live in, Parsonage Farm, in Parsonage Farm, they began to sort of say, 'oh well, that's interesting what Ed's doing out in the shed' and then when I started to get, significant orders for things, I just said, 'look I think there's room for one person to come in, besides Joan⁴, and, assist here', and I said, 'I can probably pay you about 50 pence an hour which is what I'm drawing at the moment' [laughing] and so, although this was two or three years after the start, it was at a more promising juncture and it did look as though there were, future prospects, and that was something that in the early years I had never dared think about it was just so unbelievable. And Chris Nicholl was one of the first people to join in on that basis, and he did, and he had enough of a scientific, well he had quite a strong scientific background and so that was good, and then, later on Tom and Janet Bragg who'd come to live in Parsonage Farm and had been teachers doing VSO out in Africa, and they liked Parsonage Farm and they said, 'is there any chance of working in', they were teachers but, but well teaching's not the world's most highly desired profession, so they eventually started working in Delta-T as well, and some of the adverts I'd put around in the In the Making magazine, and in Communes magazine, the sort of news was getting

³ Note from EP Delta-T 40th Anniversary Powerpoint "40 years of evolution in non-authoritarian self-management"

⁴ Note from EP – my partner

around and people were starting to enquire whether there were job opportunities as Delta-T and so gradually we started to accumulate things and then, the great breakthrough came, completely by chance, or it seemed to me by chance, but what had happened was that, Joan had a brother, he worked in the Hop Research Institute in Wye down in Kent and he'd been in touch with a very prestigious professor, called Professor John Monteith at Nottingham University, and he'd mention to John Monteith that I'd set up in business, and had formally worked at a place that, John Monteith knew about, and that I seemed to be looking for things to make and I had, a letter had arrived from Nottingham University from Professor John Monteith saying, would Delta-T be interested in manufacturing various, instruments that he'd designed, for measuring a growing environment, the environment of growing plants, from the point of view of measuring solar radiation, interception, the moisture release from the plant leaves, and all sorts of things to do with, in plant environmental physiology, and oh boy I nearly fell backwards off my stool in delight, I thought, OH WOW! This is terrific, yeah! This would be just, the thing that I'd love to do, so, as quickly as I could within about a week or two, I'd arranged to go with Joan we drove up to Nottingham University, met Professor John Monteith, who was, an extremely decent...person, and, and very well respected, academic, and when he showed us some tubes, solarimeters, that he said, 'we've invented these things, but I don't want my workshop to spend all it's time making these things, and even less do I want my PhD students making them, I want them getting results with these, so if we could find a manufacturer of them, we think there would actually be a world market, although it would be quite small and specialised, it's nevertheless global, for these things.' And so that became the basis, of a business agreement between Delta-T Devices and the University of Nottingham, and we agreed we would pay them royalty on the sales of instruments to their design that we made, and from our point of view what we said was, 'we absolutely must be able to say that these are made with the approval and collaboration of Professor J L Monteith at Nottingham University' and, then, so we started working building prototypes of these things to make sure we could actually make them, and advertising them and so on, and then we started to get orders from all sorts of places round the world, who'd heard of John Monteith and said 'can we order some Monteith pattern tube solarimeters' and I thought yeah! This is, this is it, and so, that began to lead to, a significant growth, and that, started Delta-T really going, and it was, a year or two on into that, when, we received an order from Cambridge University, and it was for one of the instruments called an automatic porometer, it's thing you put on the plant leaf to measure the transpiration from the plant leaf, and the important thing about this order that we got from Cambridge University was, it was

an order for two of these instruments and they were quite expensive instruments, in the currency of the day it was about 500 pounds and that was, quite a lot of money, and they were ordering two, because they'd already got one, and they liked it so much and they wanted some more, and that was about the moment five years on into the start of Delta-T that I suddenly thought, Delta-T is going to go, whereas up to that point I had never dared think what was going to happen. So, I think that's, it's time for another sip of tea isn't it [laughing].

[00:27:59]

So, was it, with that, initial order from John Monteith, that you decided to go into the sort of specialism that you had, because whereas before you'd done skin temperature monitors but, was that what kind of, made the move?

I can come back to this bit here couldn't I, that's probably yes. [Typing on laptop] This is presenter mode on powerpoint, you know presenter mode? It's quite useful isn't it, because you see if you do notes to your slides, you can, you can actually scroll through here, and that's showing you the next slide that's going to come up, and, I want to get these things in, but, yes, I'll come to your question. And your question was, well, the, venturing into this realm of the, environmental physics instruments for, measuring micro-climates of growing plants and so on, the reason I was so pleased about that was, I felt it was a subject area that I was really well qualified to know about, because, even from my earliest youth I'd always been absolutely fascinated with flight and flying and so on, and maybe a Lancaster bomber flew over my bedroom at 50 ft or something and imprinted me with this incredible fascination but I was always interested in flight, in birds, in clouds, in the movements of the atmosphere, and so on, and, as I grew up yes, I started making model aeroplanes and, I became quite handy with my hands [laughing] and the bedroom always smelt of cellulose dope and balsa cement, and things like that, and so, and I was arrogant enough to feel that if you could make a model aeroplane fly, you could probably do quite a lot of things like that, so I was a natural aeromodeller and model maker and so on, and measuring the climate near the ground was just the sort of thing I'd love to do, and that was a wonderful convergence of, matters of good fortune I think [pause]. So I'll move on from that, just see where we're going to, ah yes, we've sort of dealt with that haven't we, don't let me distract you too much with that [powerpoint] I'm just trying to remember yes, what's in there.

[00:31:04]

And at this stage, so when you got the order from Cambridge Uni, what was the kind of structure, was it still a partnership then, how many people were working together?

Yes, yes that's a good point to go to isn't it, yes. Right [pause] so, in 19...1975 when this order from Cambridge University for two porometers arrived, we, we had a workforce by that time, of about six or seven people, and, we were mostly crammed into this small bay of this derelict barn, and, that was, we couldn't have fitted very many more people in there, but even by that time, we'd already got, with the help of our wonderfully alternative accountant, who, Richard Randall who, by chance happened to live in a commune on the other side of the country near Birchwood Hall, we had got quite, a significantly well organised structure, and it was trying it's best to do all the things in terms of the, values that emerged from the 60s, I might (?) review some of those for myself if I just go back here [clicking on laptop], see what I want to say there [pause]. [Reading from laptop presentation] 'So the values that emerged from the 60s, capitalism was obviously bad, democracy was not particularly good, party political was awful, military power was bad, power and authority came with the mere possession of money and wealth was bad, co-operatives were, invisible, and that is really sad but that was the case, the alternatives were, equality, feminism, womens lib, collectives, communality, sharing, peace movements, equal pay, common ownership, profit and decision sharing, consensus decision making, vegetarianism, wholefoods, and nothing where authority was based on wealth or power.' So there in a nutshell, you have the sort of fundamental, ethos of the people, who started Delta-T and also the people who joined it because they liked what they saw, and so, our alternative accountant, by the time we'd got to four or five people, took us firmly on one side and said, 'you guys need to make a partnership agreement', because our structure was by that time a partnership with three or four people, and he said, 'you jolly well must make a partnership agreement, because, with partners you've all got to agree, on any course of action, that is pretty fundamental consensus' now he says, 'there are going to be times, when you won't be able to agree and you, this partnership agreement is what you'll write now, which tells you, what you're going to do when you can't agree in the future' and said, 'regard it as a safety net, and so, with a lot of rather grumpy, grumbling, muttering and so on, we set about trying to do this, but at least we felt that was the right way it was going, now in terms of the capitalist structure and so on, a partnership agreement, partnerships in English law are totally capitalist organisations, Partner A brings 10 000 pounds to the partnership, Partner B brings 5000 pounds to the partnership, and Partner C

brings 1000 pounds capital to the partnership, at the end of the first year the profits are, such as such, and they will be divided in proportion to the capital contributions of the partners, and we said 'well wait a moment, well what about the work done by the partners?' but you see partnerships don't work like that, and the conventional partnership didn't, but we were legally a partnership and so, we said 'right, if we're going to do a partnership agreement, we'll jolly well make it do what we want it to do, and not what the tradition says it should be', and so we set about doing it, it took quite a long time but at least we eventually got there, and what it did was to say, if you put capital in to the business it'll be recognised, the business will try and pay it back in due course to you, if you do work for less than a fair rate of pay, which the people, the members of Delta-T all agreed between themselves, if you're, if the partnership now hasn't got enough profits or enough cash in the bank to enable us to pay your full fair rate of pay, we'll record in the accounts, the amount by which you haven't been paid, and we'll call this deferred earnings, and the ultimate aim will be when the profits of the partnership get big enough, then after you've all been paid, your deferred earnings will start to be paid off, after everybody has been paid their full fair rate of pay and nothing more out of the profits, and so that was the scheme of trying to, de...detach ourselves from this horrible capitalist entrepreneurial ethic that we really did not want to inherit and we jolly well were not going to, because that was the spirit of the times, we were looking for alternatives, and that is in fact what eventually happened, so we'll go from there, and we go on to the, the ICOM model rules coming in couldn't we.

[00:38:05]

And then that would've taken us up to about the 1980s and to some extent that's once we've got into the model rules, really we don't need to go much further ahead then, because, you could have access to the accounts if you needed them, and, the history of Delta-T and the membership and so on. Would that be a good route to go? And I'll want to mention ICOM and DEMINTRY, and those sorts of things.

Well shall we, yeah go into that next then, so sort of the influence of, sip of tea and then into ICOM.

How's time going? Yeah ok, we're doing ok are we?

We can always have a little break as well and then if there's anything else.

No let's, let's crack it. I think I'm reasonably up to steam [laughing].

[00:39:10]

So I guess then, yeah, so leading into when you became structured as a worker co-operative, how that came about?

Ah yes, yes, ok well we had this, we did have this partnership agreement, now the trouble with partnerships, there's quite a lot of trouble through the partnerships, but the partnership was actually taxed as, personal individual, so it was tax efficient because if we'd been a limited company, we would've been taxed at a higher rate, so there were good reasons for using that, structure, and in the sense of all partners being equal and consensus decision making, that also was, much more in conformity with what we wanted, than, a limited liability company bought off the peg so to speak and set up for us, would've been. So, that served us quite well for the early years, but the trouble is, every time a partner joins, a new partner joins, or if a partner, existing partner leaves, that technically is a cessation of one partnership, and the, start of a new partnership, and so you have to, re-draft your partnership agreement and, the bureaucracy of this was getting quite, quite difficult. Now, in the [incomp] at the time when we had been trying to set up Delta-T, I'd been in touch through this magazine, In the Making and so on with one or two other people and they'd put me in touch with...a group called Demintry, that had been set up by a, chemical engineering company, quite a big company, Scott Bader, the, chief executive of whom was Ernest Bader, who was somebody who was a Quaker, and, very much interested in egalitarian work ethic and so on, and he, actually owned the business with his wife and what they wanted to do was they wanted to give their business to the workers in some meaningful way and he'd set up, Demintry which is short for the Society for the Democratic Integration In Industry and so on, and they occasionally held meeting and this was not far away, it's on the edges of East Anglia, so it was easy enough to go to and I went along to some of these Demintry meetings and met people there, and some of the people there were talking about, there were strong socialist leanings there as you can imagine, Labour Party people and so on, and they said, 'look, what we need to do is, we need, a co-operative structure that will enable workers to work together without being just wage slaves or employees in somebody else's, you know business not owned by them', and they said, 'we're working on two things' and, one of them

is a common ownership model, of the assets, and one was a co-ownership model, now the co-ownership things was much more like the John Lewis Partnership, and that had already been set up and was an established situation but, not everybody was at all keen that the John Lewis Partnership was the way to go, and the common ownership people had it, there was a vote as to whether they would set up this, structure called ICOM, and it was going to be called the Industrial Common Ownership Movement, and not the Industrial Co-ownership movement, so a few people humped off and whatsit but the remainders did something incredibly useful, for which I shall never stop thanking them and mentioning them, by about 1980 or 1978, they said, 'right, we've come up with a structure and some model rules for a workers co-operative, do you want to see it?' I said, 'yes, yes, yes' and they said, 'right, the structure will be, you will be formed as an Industrial and Provident Society, with limited liability', and we said, 'oh, great!' and they said, 'we've done some model rules for you, here they are, 4 pages', and the rules were in, not legalistic tripe that you get in your, articles of association, they were plain English rules, we could understand them, so these were very important things, because what would happen is, Delta-T would become a limited company, now another of the disadvantages of being a partnership, is an extremely unpleasant one, any partner, of a partnership, is potentially legally liable for partnership debts, partnership debts are not shared between the partners, they are shared between anybody that the creditors can get hold of, **who has got assets they can do, partnership debts could come hither. So if you had assets and so on, being a partner is quite a dangerous thing to be, if the partnership incurs debt.**⁵ If however, you're an employee of a limited company, provided you haven't done anything illegal or this that and the other, provided you stay, you haven't gone *ultra vires*, outside the rules of the companies act and so on that would regulate you, then you're protected as an employee, the company would have to go bankrupt, and that's, the, that's the deal between the government and you, the government says, if your company goes bankrupt you won't have to pay the company debt, nor will anybody, the creditors suffer, but for that reason that's why company taxes are higher, they say, but when you make some profits we'll take more than we get from the individuals, so, what we were then presented with was the opportunity to migrate our partnership, into this new structure, and we managed it, our wonderful accountant Richard Randall, managed to accomplish this over a period of about 5 years, and so when we set up this new common ownership company and we gradually transferred the assets to it and we became employees and members, of the company, and the

⁵ EP correction of passage for clarity 'who has got assets they can take to satisfy the partnership debts. So if you had assets and so on, being a partner is quite a dangerous thing to be, if the partnership incurs debt.'

model rules said, each year there'll be an AGM, at the AGM it's one member, one vote, and the AGM shall appoint the management committee, and the profits shall be distributed as such and such, and so on, so it was first of all, you would have [had] to pay your employees, so you'd be getting your agreed pay rate, and then the profits could be retained in the business which is nearly always necessary if you're growing because there's always more capital needed, if you retain the profits in the business, once you've retained them in the business, they become part of the common wealth of the business, and they can no longer be accessed by any member, except as, by being used for the purposes of the business, and, the other two things that we were allowed to do with the profits were that we could put some into what we called a 'socially useful fund' which was something which we were allowed, certain amounts of money from the profits, which we allocated to each member, usually an equal amount to each member, not in proportion to hours worked, not in proportion to their fair pay, and, that was, and, it could go to, it would go to anything that the individual thought was a good cause, but that didn't include your own back pocket [laughing] of course, but if you wanted to support charities, ok, that was absolutely fine, if you wanted to support your local football team, that was equally fine, and so you had an individual say-so, over the pot where you could put some money that would come from the profits in that year, and the third thing is, you could also pay yourselves as members, a bonus, of some sort, and, so, each year you'd sit down after you've worked out the accounts and you've got the accounts in front of you, and then at the AGM, you decide the distribution of the profits. Now, from the early days of Delta-T there was a fairly strong thing, in the very beginning I didn't start off with equal pay I said, 'no no no no, look I'm a graduate, I can make model aeroplanes, I'm incredibly talented, I think if I was working in outside industry' which I had done, I'd say 'I would be getting paid this [much], so I can't see how that's not fair pay for me.' Now, that, when a few more people came along who worked in, had stayed at Parsonage Farm and seen they were very much more egalitarian, they said, 'no no no, we can't do this, you know, we have consensus decision making, it's got to be equal pay', and so rather grumpily I said, 'oh, alright then' [laughing] and so for a long time we had equal pay, and to leap into the future quite a bit, equal pay has, a lot of advantages, you don't spend any time at all discussing the differences in the pay, it was equal pay per hour, so the hours you worked were important you had to log the hours you worked, and you got paid equal pay, and so you all know where you are on that, equal pay lasted right through to the mid-90s, and it eventually collapsed under pressure from the fact that we needed, software engineers, we needed electronic circuit designers, and so on, and we could not get them on the rate of equal pay, and we had to then

bring in a graded pay system, and I think we've been arguing about that ever since, and no doubt we always will, but there you go, and, before I lose my thread on this, so we had equal pay and I think I was trying to say, [reading from notes] limited liability company, I've covered that, no longer any liability, I think that was about it, so by the time we got to 19...1982 was the date of the change when all the business activity was moved over to the worker co-operative, and I think that's probably the best, by that time we had a membership of around about 10, and I think that's probably the best time to, bring this to a close, except I will say, that from 19[80]...I will say a little more about the next decade because that was a very interesting one as well. [Pause] [typing on laptop]

[00:52:23]

And, the, so we'd got up to about, 10 members, and, that was going ok, and we'd have weekly meetings we'd all be sitting around, oh yes, and in the, workers co-operative the rules said we should have a management committee, and we said 'no no no, we don't want a management committee, we don't do that, we're equal, you know', so, but, well, somebody said, 'well look now, now it says in the rules, look, at the AGM you've got to do this, and you've got to elect a management committee', so we said, 'well, well we'll all be on the management committee', so we did that for a time, but now, Delta-T started becoming very successful, some of the instruments that derived from the, scientific instruments that we were making for Professor Monteith and so on, we'd also expanded the range to things which weren't his designs and they were going very well, and suddenly we started growing, and by, from about 1980 to 1990, our membership went up from 10, to over 20 people. Now, it became apparent even with 10 or a dozen people in the room that weekly meetings just weren't working if you were trying to, organise quite complex bits of a business, and newer people who came in, just couldn't understand, where they fitted in, what these meetings were for, who was speaking when, and so on, it was really difficult, so gradually we decided that there would have to be, we'd have to have representatives, who'd represent different groups of people because, it wasn't any longer [doors slamming in background] yes, I knew that [laughing]

They're⁶ all coming back from their meeting [laughing]

⁶ Other Members of Delta-T

Yes, yes, there wasn't really the notion, and in the early days we had tried rotating jobs and so on, although there was never any question that somebody was going to be designing electronic circuits in the space of a week, or this that and the other, but there was the ethos that basically it shouldn't be beneath the roles of people, of some people to do [menial] things and we shouldn't just make the women into typists and coffee makers and so on, but that was increasingly unsupportable, and you found that because Delta-T by then was exporting instruments all over the world, well we needed a pretty expert set of people doing the export dispatches, and doing the wretched, carnets for customs travel, you had to go to an overseas exhibition, you had to take this equipment out, there was so much of that, and doing the accounts itself, is, so things were becoming specialised and we eventually, reluctantly sort of accepted the notion of departments, and our wonderful accountant Richard Randall said, 'you guys really don't want to do this you know', he said, 'it'll just lead to factions and so on, and whatever', absolutely true, but you sort of have to do it, and you have to work round that, and you have adapt your systems and respect each other, and listen to each other, and see if you can get round the problems, anyway, we eventually had a system of representatives of different groups in the business, and there would be a representatives meeting, and then eventually, we, bit the bullet and said, 'oh I think we're going to have to have management committee members', but we didn't we...there was no way we were going to call them managers or directors or, I think we called them, ah yes it was co-ordinator, co-ordinator! That was it, co-ordinators, yep. So, this, this is part of the evolution of, the, management structure if you like at Delta-T which also for me has been an absolutely fascinating thing, because that's why I called my 40 year history of Delta-T, 'The evolution of a self-managing, workforce' if you like, 'a self-managing, non-authoritarian, workforce', we were never going to give our managers the power to say, 'I'm your manager, you do this' people in Delta-T answered back, and that is the thing they would be most reluctant to give up, when we've had occasional days out to find out what our values are and this that and the other, somehow it was the involvement in an enterprise where you're regarding each other as equals, it's about respecting the fact that people's abilities are not equal, and they are quite different and they need to be recognised and so on, so, that's probably a good, enough place to draw to [a close]

[00:58:14]

Yeah, can I just ask as well, because obviously with many worker co-ops, a lot of them, went out of business maybe in the 90s, kind of end of the 80s recession, why do you think that Delta-T was actually able to grow during that period, and on until today?

Oh right.

If you can put a finger on, a few certain points.

[Pause] Good fortune for having chosen, or having come upon, a line of business, that is of incredible importance to the world, but I don't want to downplay good fortune in having accumulated people who joined in when they liked what they saw, and, brought in really quite a strong, a strong backbone of, technical or other skills, that, are needed in the business, you can't do without the skills in the business and, to quite an extent we were very much different from just about all the other, wholefood industries and so on, although you've now got Suma haven't you in Nottingham⁷ or wherever it is, which is, in terms of turnover and size, quite an extraordinary thing, as well, so...I haven't got any easy recipe that we could hand on to people, but, I would say that, in the last decade or so, Co-ops UK, have been a really good influence on us, especially in terms of making us come to terms with good governance, well we were doing our best, but nevertheless it's something you cannot ignore now, and the great debacle of the Co-op Bank, which was the most humiliating thing the co-op movement has had to suffer, for quite some time, that was so desperate...[a catastrophe.] Still, Co-ops UK also remains a great help to us, after, quite a lot of years, 1980 to 2012, they produced an updated set of Model Rules! Now the new Model Rules are 20 pages, with 119 clauses, but, they were vitally needed because, the way we were running our co-operative, we were allowed to say, you have to be a member of the co-operative to work in the co-operative, and nobody outside the co-operative, can be a member, who doesn't work in the co-operative and, that was, that was a sort of lock-in thing, now, these days, employment law, has differed from that, and we are employees, and also, there have been changes to the FCA, the Financial Conduct Authority, it used to be the, Industrial and Provident Society, whatever it is chief [Registrar] we used, well we're still regulated by the Industrial and Provident Societies Act⁸, but gradually they've been, moved into more of the Financial Conduct Authorities Area, which doesn't have any particular sympathy with co-ops or whatever, and half the time, it's trying to say, you co-op people have got more advantage

⁷ Elland

⁸ EP comment – I don't think this is true now

than our normal limited companies so you can't have that, and that is not a pleasant, not such a pleasant place to be, but Co-ops UK, brought out these new, Model Rules, and we have managed to adopt them, now that took about three years of discussion for us, but at least people, [can read it]. It was plain English, you can search it with [laughing] a word processor [laughing] and so on, and also, Co-ops UK were very helpful to us, providing legal assistance 'yep you can change this you can change that, no you won't be allowed to change that, or that would be too difficult to change don't go there' and so on, and so, and this was really necessary because now we have to face the fact that, we employ people, you cannot make it a condition of their employment that they become a member, you can offer them membership, but, they are not forced to accept it, and if you do anything at all that treats them differently from your members, that will be discrimination, and so, we've now got to come to terms with this, and to some extent this is what our co-op group is, we're trying to think about doing, now, we've got to say, look at the moment we are all members, so when there's a meeting about something we're all there, it's one person one vote and so on, and, that involvement is quite important, now if you get some people, who are no longer members, ok, well, you wouldn't have to pay them dividend would you, but do you see, quite often, when we've paid ourselves dividend, if we've had one or two, one or two people we've had employees who like come in and do a bit of work or go out again or, some cleaners, and whenever we gave ourselves dividend, we'd give them an ex gratia thing⁹ which also recognised that they were part of the business, or that we liked to think of them as part of the business, but they didn't have rights of members, now, if you start to get, too many people not wanting to be members, this could be a source of friction or difference that you really would have to work quite hard to do something to, to get round. It's good to leave your[selves] with some problems isn't it for the future [laughing] you see, I've never felt we had the ultimate answer that would work for everybody, and in fact I think that's the last thing I would ever want to say, and I think we are fortunate in having people [meet these challenges]. Our staff turnover is remarkably low, and also another thing I like to brag about, our, highest earner and our lowest earner ratio, I was at a congress one time, where people from Mondragon, the Spanish co-operative and they were saying quite proudly, 'well yes, yes, we've got a maximum ratio of 6:1', yeah well I said 'it's quite good yeah, Delta-T's is 2:1', and if you're having to argue with your peers about what you're getting paid, you will never be able to [claim unspeakable salaries.] There are some quite obscene top executive salaries, at the one co-ops congress in recent years I did

⁹ EP comment – payment

make a pitch for divorcing vast CEO remunerative packages from our whatsits [companies]. I got quite a few people waving green cards for that [laughing], so we still think about these things and the staff turnover, you see Chris has been with me since [1973], whatever, he's chair of the management committee now and I am so grateful that I am not on the management committee, I do like a half time regime which is a normal 20 hours a week, but I'm flexible and there are times when I go berserk or I have to go on an overseas trip or something like that, and do a lot more, but that's a wonderful lifestyle for me, so for 10 years now I've had my state pension, and I've been doing my Delta-T work, and I still feel I'm [fully engaged]. I come in to Delta-T 4 days a week and do morning and afternoon Monday and Tuesday, mornings Wednesday, Thursday, and that gives me a lot of spare time to do other useful things, which is good, and to indulge in this sort of thing which, well this¹⁰ counts as work so that's alright, but, I think, and I've been able to do this for 10, and I have no plans to retire, and you see the wonderful EU, the wonderful EU when I came up for retirement 10 years ago they said, oi, you can't talk to this person and use the word retirement if you're talking about his future, you can't make him retire, but they [Delta-T] did say, 'would you like to work half time' and I said, 'Oh, alright then' and that was wonderful and I have no plans to retire, and I really enjoy this, I'm very much involved with it, I find I can manage this half time, I mean the danger of a half time regime is you just sort of work extra and it doesn't get recognised but mostly, mostly I don't do that, and sometimes there will probably be a lot of overtime but it gets treated as flex time and it's just about ok, and other times I do product seminars and it [my time] just goes completely over the top, and if I do something like them it takes a, terrible amount of time. Have you heard my, on Delta-T website you should be able to find a video of me, talking about our relationship with Professor John Monteith, 40 years of collaborative, collab...something, yes, collaborative working or something like that, and, oh treat yourself to that [some] time, because that's got, quite a lot of overlap with this,[today's material.] ok. Well that's enough [for now] isn't it [laughing]

I'll let you have a rest and finish your tea now [laughing]

¹⁰ The Oral Histories interview