

The return of the entrepreneurs

In the late 1970s, as the U.S. economy stagnated and inflation soared, libertarians and neoconservatives saw an opportunity to transform economic policy. Largely under President Reagan, Congress cut taxes and regulations that had hampered growth. That spurred competition, corporate takeovers, tech startups and globalization as other nations followed and production fanned out around the world. Crest Industries owner Harry Rasmussen, a local inventor of telephone devices, would make his biggest gamble:

a new telephone. Amid these changing times, Crest would discover how powerful global competition could be. Now, as computers and the Internet fuel globalization, they offer Rasmussen one more shot at success.

A changing world economy ...

1980

President Reagan is elected, immediately begins work on tax cuts and further deregulation.

Apple Computer goes public at \$22 a share, creating a raft of new millionaires.

1981

Federal air traffic controllers strike to demand pay increase and shorter work-week. Reagan fires more than 11,000.

Microsoft's MS-DOS operating system is made available on IBM personal computers.

1982

TCP/IP set as standard for early Internet known as ARPANET.



Margaret Thatcher

1983

Margaret Thatcher easily wins second term as Britain's prime minister, promoting policies similar to Reagan's.

1984

World's largest company, **AT&T**, is broken up into seven regional "Baby Bells" in landmark antitrust case, largely ending Bell System's regulated monopoly.

Apple launches the **Macintosh**. Superbowl TV ad uses Orwellian "1984" theme to suggest Apple will smash Big Brother - a dig at IBM.

Apple Computer's manufacturing plant in Milpitas, Calif., producing Macintosh computers, 1984.



1985

Microsoft launches its first Windows software with a graphical user interface.

1986

Microsoft goes public at \$21 a share.

1989

Berlin Wall falls Nov. 9; Communist governments quickly fall in Poland, Czechoslovakia, Hungary, Romania and Bulgaria.



A local inventor's story ...

1982

Crest patents a new style of two-line telephone, anticipating the AT&T breakup.

1983

Crest's annual sales peak at more than \$8 million, driven largely by phone sales.



1986

Crest phone sales fall sharply as foreign copies decimate the business. Owner Harry Rasmussen lays off employees for the first time and moves to a smaller factory.

1987

Rasmussen tells a congressional committee that foreign companies keep copying products he spent millions developing: "I can't keep doing that over and over and over."

After layoffs, Crest moves to smaller factory space in Pacific, Wash.



A Thai protester calls for the ouster of Prime Minister Chavalit Yongchaiyudh in October 1997.

1990

Monetary union between **East and West Germany**.



Tim Berners-Lee

1991

Tim Berners-Lee develops World Wide Web.



Bill Clinton

1992

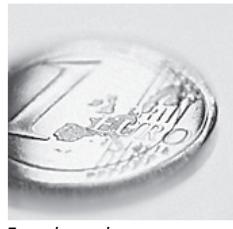
Bill Clinton elected nation's 42nd president, after running as a "New Democrat."

1994

North American Free Trade Area takes effect, liberalizing the flow of goods, services and investment among the U.S., Canada and Mexico.

1995

World Trade Organization established as a formal institution.



Euro launches

1997

A currency-investment scare in Thailand snowballs into an **Asian financial crisis**, showing how connected and vulnerable the global economy has become.

1999

European Union launches the **euro**, a common currency for 11 nations.

Judge **Thomas Penfield Jackson** rules Microsoft abused its monopoly power.

Protesters mar the **WTO** ministerial meeting in Seattle, raising awareness about the effects of global trade.



2000

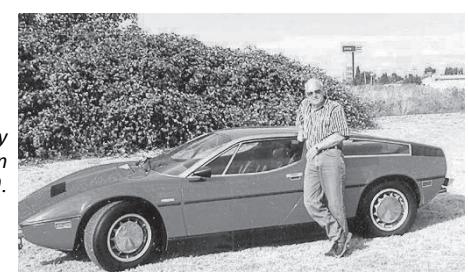
Dot-com bubble begins to burst after Nasdaq stock index peaks.

2001

U.S. recession begins.

2003

Rasmussen completes an encryption system for Microsoft Internet Messenger. Plans to sell subscriptions on the Web for \$24.99 a year.



Harry Rasmussen in 1989.

2004

Rasmussen closes down his phone-jack production lines, tears apart his old factory machines for scrap.