

# Demon: The Early Days

A presentation for UKNOF

Grahame Davies  
Co-Founder of Demon Internet

# Demon was?

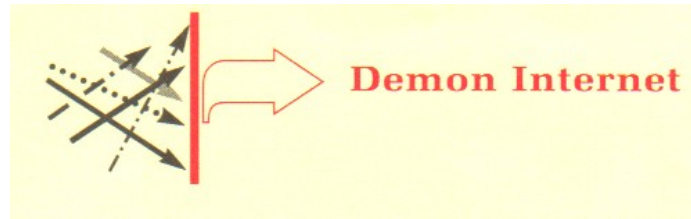
- Demon Internet - the first low cost Internet Service Provider in the UK. Launched in 1992
- Full internet access to the desktop
- Unlimited email; Usenet news
- “No software”
- £10+vat per month
- Demon still exists today as a brand

# Life before the (Demon) Internet

- Demon Systems
- The people
- Why “Demon”
- CIX
- What is the Internet?
- tenner-a-month

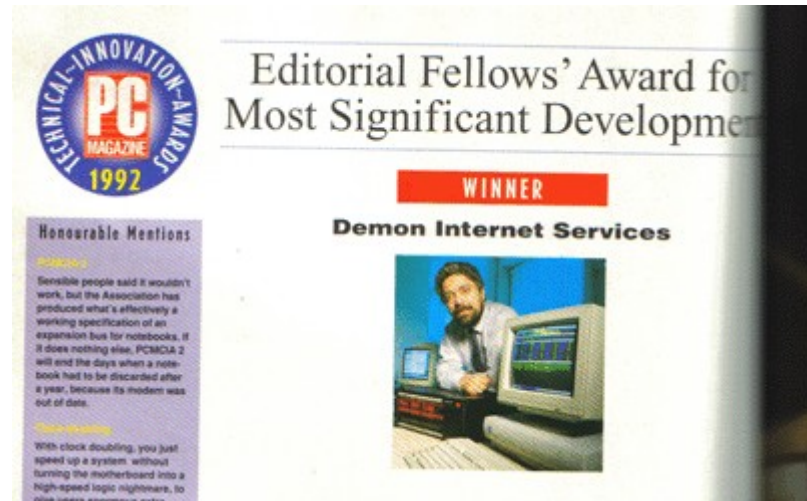
# Going for it

- Service offering
- Business plan (?)
- Advanced subscriptions
- Banked the money April 1<sup>st</sup> 1992
- Target launch date May 1<sup>st</sup>
- Live June 1<sup>st</sup> (well 2<sup>nd</sup> actually)
- 386 processor. 32Mb RAM. Separate News.
- US Robotics rack 8 modems. 64K line to Pipex



- Demon Internet Services
- Demon Internet Ltd
- Don't dis the name!
- Logo
- PR and Marketing
- Information Packs

# PC Magazine Award




# Exalted Company?

PC Magazine  
Product of the Year 1992

**WINNER**

**Windows 3.1**



**Technical Innovation Awards  
PC Magazine  
1992**

**Honourable Mentions**

**Intel DX2 OverDrive**

If ever a technology had the magic to turn a frog into a prince, then it's Intel's OverDrive-DX2 chip. Slotting one into an empty socket on the PC's motherboard can almost double the performance of processor functions, without the need to invest in a whole new system.

Intel (0793) 696000  
Price: £289-£459 (ex. VAT)

**Microsoft Excel 4.0**

Microsoft software in the year

# Coping with Growth

- Development – network and software
- Support
- Marketing
- External interests
- Competition
- Internal pressures
- Demon Systems



# Growth of the network

- Modems
- Lo-call calling requirements
- Connectivity
- Routers
- Service
- Sticking to Protocol
- Customers know more than us

# Support

- 9am to 9pm
- Plus Saturdays
- Divert to homes and mobiles
- Multiple platforms

# Presentations & Shows

- PPT?
- Small and large groups
- More Q&A than presentation
- Live Demos

# External activity

- Much the same 3<sup>rd</sup> party pressures as today
- Porn
- Libel
- Copyright infringement
- Competition

# Telegraph Newspaper

- First national newspaper to launch on a graphical daily web edition
- November 1994



# Some things never change(?)

HAM & HIGH  
JANUARY 6 1995

## The gatekeeper on the superhighway

Hidden in a quiet corner of Finchley is a high-tech company at the forefront of the current Internet boom. Guy Cowan investigates

If you walk past their offices in Hendon Road, Finchley, you might notice a bundle of thick telephone cables running into the building. Little else would suggest that this was the headquarters of Demon, a company that uses the latest technology to link thousands of people to the Internet, that much-hyped global network of computers.

Inside, beyond a roomful of employees operating the company's helpline phones, sits Graeme Davies, one of the four partners running Demon. He's a busy man. At the beginning of 1993 Demon had only a few hundred subscribers, now over 15,000, have signed up. While this means Davies is making a lot of money, it also means he's very busy.

"When we launched our Internet service in 1992, I had rough ambitions of getting to 5,000 subscribers in three or four years — now we have over 15,000," says Davies, 33. "So I underestimated an awful lot, but most of all I underestimated the amount of time I'd have to put in to keep things running smoothly." Davies attributes the phenomenal explosion of the Internet to

the release of new "browsing" software which allows anyone to navigate the vast sprawl of information available on the Internet with a click of a computer's mouse.

"The world is only just waking up to the Internet thanks to new software, such as Mosaic and NetScape," Davies explains. "With these browsers even journalists can understand it."

For anyone who somehow missed the acres of newspaper devoted to the Internet in recent months, here's a quick, very simplified explanation.

The Internet is a huge network of computers, each machine using the same "protocol" to communicate with the others. If you have a computer that isn't connected directly to this network, you can use a modem to ring up a company such as Demon, who will then connect you through your telephone line (for a joining fee of £26.43 and £11 a month subscription).

Internet users have access to a baffling, anarchic array of services and information. There are thousands of specialised "newsgroups", where you can find other

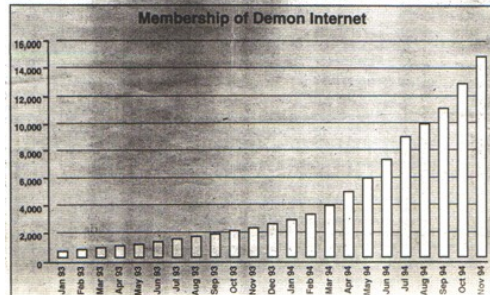
people to discuss, for example, the sub-textual implications of Fawlty Towers.

There is also the World Wide Web, where you can check the latest images from the Hubble space telescope, hear the Rolling Stones' new single, or see some of the CIA's files on Cuba. You can also "chat" to someone in Vancouver, get the latest "shareware" games and students can reserve books in their university libraries.

Perhaps the most important use of the Internet is its electronic mail ("email") facility, which allows you to send a message — with, for example, your company's latest spreadsheet document attached — to a colleague on the other side of the world, all in a matter of seconds.

So how many people are hooked up to this network? Davies says it's hard to know exactly, since several people may use a single computer. He reckons the worldwide figure is about 30 million people, with around 250,000 in the UK.

The number of Internet users is increasing dramatically every day, he adds, but it's impossible



Graeme Davies of Demon Internet: "All I know is that we'll be frantically busy."

know how many people will be hooked in a few years' time. It's difficult to predict anything on the Internet, but it certainly won't die down. There are more and more things appearing on the Internet, but it certainly won't die down. There are more and more things appearing on the Internet, but it certainly won't die down.

But what about, for instance, the detailed information available on how to build a bomb? Davies shrugs, and answers with a question of his own: "If you can say something in the street, why can't you say it on the Internet?"

And what about the more unpleasant newsgroups, some

Telegraph, which now publishes an electronic newspaper on the Internet.

Business is certainly booming. Demon have just bought new office space, in conveniently-named Gateway House, Regent's Park Road. "There were six of us when we started out," says Davies. "We'll have 40 staff in the new year."

Davies hopes that his company will be able to keep setting the pace as the Internet community continues to grow. His worst fear is that Demon will be bought out. "People are watching us and wanting to get into the act. Buying up Demon would give a company a head start in the low-cost Internet access business. They might make us a very generous offer."

governments worry if anyone with a computer and a telephone line thwart all efforts of censorship. Parents worry if their children can download pornographic images. And ethnic minorities worry that sally offensive material is circulated freely.

Demon is not able to censor the sally communications that it supplies, insists Davies. "There are people who would do so see the Internet controlled. The problem is that there's an easy method of controlling the Internet. The Internet is a large network. If you took it away, people would still be running all sorts of informa-

tion with their computers and modems. The Internet just makes this easier."

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And what about the more unpleasant newsgroups, some devoted to subjects such as bestiality and white supremacy? "You can't control the newsgroups," says Davies. "You would need hundred of highly-trained lawyers at the hundreds of computer sites around the world supplying the news."

Demon is currently providing its Internet services to commercial interests such as pop group The Shamen and even the Daily

## Parents worry that their children can download pornographic images

But what about Demon's short-term future — what will the company be doing in the next few years? "That's the medium to long-term in this business," laughs Davies. "And all I know is that we'll be frantically busy."

For further information about Demon Internet's services telephone 081-371 1234.

# The Full History

- My involvement ends in 1995
- Gaps and errata
- Demon book proposal
- UK Internet book proposal
- Wikipedia entry
- Please fill in the gaps!