

Thank you.

Thank you.

Yes, it is true that I am a Stanford Graduate, so don't hold that against me.

Okay, my son goes to Cal, so I have some linked account.

It is really an honor to speak at any tedx, but the open one up is really, really special.

So, last night, I told my wife, you know, of all places in your wildest dreams, did you ever think that I would open up tedxberkeley? And she said, honey, you're not in my wildest dreams.

So welcome to my life.

Welcome to My Life.

You do the seam of thinking and defining and creating is all about Innovation.

So my talk is about the art of innovation.

I use the top 10 format.

That's because I seen so many high-tech speakers, and I'll tell you the most high tech speakers suck.

So I figured out very early in my career.

If you use the top 10 format, at least the audience can track progress to your speech.

So they, if they think you suck, they know about how much longer you'll suck.

So I had, I have 10 key points for you, so I worked it out.

I've been a venture capitalist and entrepreneur or an advisor to Google.

I've done a lot of things, and I've learned a lot about Innovation, which I would like to pass on to you now, so that you may go and change the world.

Okay.

This is my top 10 of the art of innovation.

It starts with the desire to make meaning as opposed to make money.

Making meaning means that you change the world.

And I think you'll notice that if you happen to change the world, you will also probably make money.

But if you start off with the sole desire to make, You probably won't make money.

You won't make me any, you won't change the world and you will probably fail.

So, my first thought for you is determine how you can make meaning.

How can you change the world? Are some examples with apple apple wanted to democratize computers, they wanted to bring computing power to everyone.

That's the meaning they made with Google, they wanted to democratize information, making information available to everyone with eBay.

They wanted to democratize Commerce so that anyone with the website could stand toe-to-toe with any other large retailer examples of companies, making meaning and YouTube finally wanted to enable people to create video to upload video.

to share video.

So these are, this is an example of a company and the kind of meaning they made.

And as, you know, they all made this kind of meaning and they've been highly highly successful.

So, what I noticed in my Careers that if you truly want to make meaning it's the first step towards Innovation.

The second step is to make a mantra, a two or three, maybe four word, explanation of why you're meeting should exist.

This is an anti example.

This is the mission statement of Wendy's.

The mission of Wendy's is to deliver superior, quality products and services for our customers and communities to leadership in Innovation and Partnerships.

I have been through Wendy's many times in my life, I eat that Wendy's.

I've driven through Wendy's and in every occasion it has never occurred to me that the guy what you are participating in leadership, Innovation and Partnerships.

In.

Excuse me, but I thought I was just getting french fries and a hamburger.

This is the problem with mission statement.

Don't make a mission statement.

Make a mantra Wendy's Mantra should be healthy fast, food, three words.

To determine what Wendy's is trying to do someone oxymoronic but healthy, fast food, Nike Nike, and the great slogan, just do it.

That's a slogan.

A mantra explains why you should exist.

And the Nike Mantra is authentic athletic performance.

And finally, this FedEx when you absolutely positively want something somewhere, what does FedEx stand for stands for peace of mind.

So my second recommendation to you is that when you decide on the kind of meaning you make, try to find two or three words that describe, why that meaning should exist.

Not a 50-word mission statement, two or three word Mantra.

The third thing is a matter of perspective, perspective is Jump curves not to stay on the same stupid curve that you are not to try to do things 10% better.

When we were creating the Macintosh, we were not trying to make a slightly better Apple to or a slightly better MS-DOS machine.

We were trying to jump to the next curb of personal Computing.

The greatest example of this occurs in the ice business, Ice 10.

in the late, 1800s early 1900s.

It was an ice harvesting business in the United States.

This meant that Bubba and Junior during winter would go to a frozen lake or Pond cut blocks of ice.

Nine million pounds of ice was harvested in 1900.

Their idea of innovation was bigger, horse more horses, bigger.

Sleigh sharper saw, it was fundamentally wait for Winter live in a Coal City, cut blocks of ice 30 years later, we have ice 20.

Now, we have the ice factory, major technological breakthrough.

It did not have to be winter, it did not have to be a cold City, you froze, water, centrally and delivered.

It via the Iceman in the ice truck.

Imagine the Breakthrough.

This was no more limitations by climate.

No more limitations by season, you could have an ice factory, 30 years go by, we have ice, 30.

refrigerator curve.

Now, No, it's not.

A matter of, can you freeze water centrally, can you put it in the truck? Can you deliver the ice two people? Now, everybody could have their own personal Ice, Factory a piece.

See, if you will a personal chiller The very interesting story about all of these curves is that none of the organizations that were ice Harvesters, became ice factories and Ice Factories, do not become refrigerator companies,.

because most companies to Define themselves in terms of what they do, not the benefits, they provide.

If you define yourself, as we cut blocks of ice out of lakes, you remain and Ice Harvester.

If you define yourself, as we freeze water centrally, you remain an ice factory.

If you define yourself, as we make a mechanical gadget called a refrigerator, then you stay on the refrigerator curve, great, Innovation, occurs, when you get to the next curve.

When you go from telephone, The internet, when you go from Daisy wheel printer to a laser printer to 3D printing, great on division, occurs on the next curve.

The fourth thing is to roll the dice.

See these are the five qualities of great Innovation.

Innovation is D, lots of features, lots of functionality.

This is a picture of a Fanning sandal made by Reef, arguably the deepest and deliver made, every saint has one primary purpose to protect your feet.

If you look at that Circle area, that's a metal clip.

That metal clip is for the sandal to open beer bottles.

The Scandal has twice the functionality twice.

The depth of any other sandal in the world.

Great products are also intelligent.

When you look at it, you said somebody understood my pain.

Somebody understood my problem.

This is a GT500, Shelby, Mustang, 650 horsepower.

For those of you who do not read the horsepower and muscle cars, this is 68.

Priuses.

I would love to buy one of these cars.

59 years old, going through, midlife crisis.

Feelings of impotency.

I would love.

I would love to buy this car to compensate for my feelings of inadequacy.

However, I have two teenage, boys, ones, 18 ones, 20, And I know that no matter how carefully I plan it there may be instances where they may drive my car and the thought of them in.

a 650 horsepower, car is immoral.

I have learned.

However, the four makes a very intelligent product, hold of Mikey.

And what the Mikey enables you to do is program, the top speed of the car, into the key very intelligent product.

Great products are also complete, it's the totality of the product.

If the software business is not just the software, it's not just the DVD, it's the webinar, this the documentation, it's the Android developers.

If you have an eye, if you have an Android.

It's the iOS developers.

If you have an iOS phone it's the totality great products are also empowering.

They make you more creative more productive.

They enhance you they changed the meaning of your life.

This is a picture of a MacBook Air.

If you's a Macintosh, it becomes one with you, it makes you more creative and more powerful more productive Windows.

If the fight you have to wrestle windows to the brown, you need to defeat windows.

And finally, great products are elegant, somebody cared about the user interface.

So as you go through life and you're trying to jump curves, ask yourself Am I creating something that's deep and intelligent and complete and empowering and elegant, am I rolling the dice? See, the fifth thing.

is I stole from something.

I stole something from Bobby.

McFerrin had a great song.

Don't Worry.

Be Happy.

but what innovators do is don't worry be crappy, which is to say when you have the first refrigerator, there might be elements of crap Enis to it when you have the first Laser printer.

There may be elements of crapping his do it when you have the first Macintosh.

Thanks to my efforts.

There was no software.

There was no hard disc, not enough RAM to slow a chip.

Lots of elements of crappy, but if you waited for the perfect world and you waited till the chips are cheap enough and fast enough, and everything was in place, you would never ship.

And I learned a very valuable lesson, don't worry, be crap when you have jump to the next curve, it's okay to have elements of crap Enos to your Revolution.

I am not saying you should ship crap.

I am saying that you should ship things that are revolutionary Innovative on the next curve that have elements of craftiness to it.

biotech people ignore this like, Number six, number six is to let a Hundred Flowers Blossom.

I stole this from German my love though, not clear to me.

He ever implemented is letting a Hundred Flowers Blossom means that the station.

You may think you have in mind exactly who your user is exactly what your customers, what they should do with your product.

And you may be surprised if the people are going to use your product and raise, you did not anticipate.

It is going to be people.

You did not anticipate would be using it at all.

And when this occurs hallelujah, thank God.

That it's occurring.

Positioning and branding, ultimately comes down to what the consumer decides, not to what you decide soaked with McIntosh.

We thought we had a spreadsheet database and we're processing machine.

We were 2043 there.

What made McIntosh successful with all this page maker pacemaker, created a field of flowers called desktop publishing, desktop publishing was what saved Macintosh, not spreadsheet database, a word processor.

If we Focused on spreadsheet database, and One processor and ignored desktop publishing app would be dead today.

Dead today would be a different world.

We all have phones with real keypads.

We have phones with the battery lasted for more than a day filled with a GPS.

Actually work.

It would be a different world.

All this page make, it was a gift from gotha Apple because it's saved Apple, I believe in God.

And one of the reasons why I believe in God is there is no other explanation for apples continued survival than the existence of God.

Let a Hundred Flowers Blossom, don't to be proud.

Take your best shot with positioning and branding.

But then, when customers use your product, if they say, it's a desktop publishing machine.

Hallelujah, declare Victory.

It is now a desktop publishing machine number seven people, great product, great service.

Great Innovation polarized people.

This is at evil, People like me.

Who travel up.

I love people with 40-volt in our house.

I need to time-shift a lot of TV.

I love to watch TV now, there are people who also hate evil.

People who hate people usually work for large Brands and advertising agencies because people like me we watch advertising one day a year about a week ago, we watch Super Bowl ads.

The rest of the year were fast-forwarding through TV with Tivo through ads Great product, Polaroid people agency, you hate people for me, you love people, you can love or hate Harley-Davidson, you can love or hate.

a Macintosh, you can love or hate an iPhone.

I'm not saying that you should intentionally piss people off.

But I'm telling you that great product, polarize, people don't be afraid of polarizing people Panthers, who said burn, baby bird.

What, what innovators in business do, is they turn Baby Trend? They take version one and they make it 11, 12, 13, 14, 15 20,.

the hardest thing in the world, because to be an innovator, you need to be in denial, you need to be in denial because the naysayers are going to tell you can't be done, shouldn't be done.

It is necessary for those people, but as soon as you ship, you need to flip that bit and start listening to people and turn your product change it.

Change it and change it and keep evolving it.

Number 9 is all the marketing.

You need to know.

It is to Niche by self.

It's a very simple chart on the vertical axis.

We measured uniqueness.

on the horizontal axis, we measure value.

This is a 2 by 2 Matrix.

Those are you when you graduate, if you go to work for McKenzie, you'll be charging 5 million dollars for people to figure out that they want to be in the upper right hand corner of this.

chart.

Let's go to all Corners in the bottom right corner, that's where you have something of Great Value.

But it's not unique.

there, you have to compete on price.

This is what I called the Dale Corner slap.

The same operating system on the same Hardware, you have to compete on price and the opposite corner.

You have something truly unique,.

only you do it but it is of no value in that corner.

You are just plain stupid butt.

Lift or we call that the USC Corner, the bottom left corner.

the bottom is for, The bottom of corn is what I call thecom.

Corner in thecom.

corner.

You have something that's not valuable and not unique.

like buying dog food online.

We buy dog food online.

You pay as much for the dog food because you have to pay for shipping and handling and then you have to be at home when UPS drops off the dead, toucan.



So it's not It's not valuable in it.

Stupid people like me because there was petscom,.

we decided we had to have our own portfolio petscom.

so there were multiple ways to spend the same amount of money on dog food less conveniently.

That's the worst Corner.

Not valuable, not unique.

You want to be in his, the upper right hand corner in that corner.

You are unique.

or I go to movies.

I can only buy tickets with Fandango.

When you take kids to movie, you really want to know you have a ticket before you go.

By the way, may I highly recommend The Lego Movie.

It is a fantastic movie.

Trust me, when I tell you to see The Lego Movie Fandango, the only way you can buy a ticket Breitling emergency watch, the only wants can save your life, pull out the big knob puts out.

an emergency signal Smart Car.

Everybody has parallel to the curb when there's lots of parking.

How many of us have a car that can park perpendicular to the curb? If you're an engineer, you make a product that's unique.

and drive your marketing person, you communicate to the world that your product is unique.

and valuable number 10.

Perfect.

Your pitch.

If you're in innovator, you have to learn to pitch to key points about pitching first, customize your introduction, start with something customized to the audience.

This is a picture of an LG washer and dryer.

I use these pictures to introduce my speech in Latin America.

When I was speaking to the LG management, however to tell you the backstory behind it, I was already in Brazil when I thought about what I should use the picture or LG washer and dryer so.

I didn't have pictures not something I carry with me.

You do pictures of your washer and dryer.

So I sent a text message to my two older boys.

One of them was in the office right now.

His name is Nick older boy, younger boy, Noah.

So I sent him a message saying, you know, get off the Call of Duty that I bought you on the Xbox that I bought you with a house that I bought.

You take your iPhone that I bought.

You go downstairs, both of, you take pictures of the LG washer and dryer.

I need it right away.

50 minutes ago by nothing happens, right? So again, Nick is the older boy, he's a cowboy.

You know the other one is high school.

Still this is what happens.

This is the text message.

I sent Nick a text message.

Did you get my text message? Cuz I don't see the pictures.

Nick response Noah his younger brother said he would take the pictures by the way.

Can you get us some free TV? Welcome to my life and then you see my bottom respond.

I don't think so, Nick.

Welcome to My Life.

The key here is to customize your introduction when I spoke in Moscow, I opened up with this lied and I said, wow, you Russians have big balls.

When I spoke in Istanbul, I opened up with this picture of me in the Grand Bazaar, that guy behind me, is the shopkeeper.

He is really happy.

You know why he's really happy because he's thinking this dumbass American Tourist is going to buy this Fizz.

This verse has been in my family for three generations.

I finally found somebody stupid enough to buy this fast.

Trust me when I tell you, if you'd open up a speech in this temple with a thing like that, my picture like that.

You own the audience, customize your introduction has slides.

10-20-30 rule of presentations.

The optimal number of slide in a presentation is 1010.

You're all Cal people.

You're not stupid.

You know? I'm way past 10.

You may be thinking, I'm a hypocrite.

How should I explain this? I will explain it.

You are not the me.

Okay, bye.

Turn fly.

You should be able to give these 10 slides in 20 minutes, 20 minutes.

Yes, you may have an hour slot but to this day, unfortunately 95% of the world uses Windows laptop.

Those people need 40 minutes to make it work with a projector.

The last thing is the optimal size font is 30 points.

A good rule of thumb is figure out who the oldest person is in the yard if they bite his or her age by 260 year old / 230, 5000 / 225 points.

Do they may be pitching a sixteen-year-old? We see that.

They God bless you, use the eight point five.

11 as a bonus to my friends here Cal.

Don't let the bozos grind you down and the more Innovative.

You are the more.

They'll try to grind you down there two kinds of puzzles in the world.

OK.

Google of a person Rusty car Japanese watch and look at that person a while.

What a loser that person is not dangerous because that person is so obviously a loser.

Only a loser would listen to that loser because you're not losers, you won't listen to that person hints.

That person is not dangerous.

The dangerous both was dressed in all black.

The dangerous Bows in the old, a lot of stuff that ends in.

I like Armani Maserati, Lamborghini.

Ferrari.

Okay.

Audi's.

Okay.

Rare exception? That's the dangerous bulls will because you think rich and famous parses to smart, but rich and famous parsis to Lucky, not smart, at least half the time.

So I believe the flu you need to be exposed to possess to be.

So that when you encounter big bows off today, if you have already built up the antigen, I'm going to expose you to stumble saucy.

I think there's a World Market for maybe five computers, Thomas Watson of IBM computer.

I have all the computers.

The anticipated in the world in my house today.

This telephone is too many shortcomings to be seriously considered as a means of communication devices.

Inherently of no value to us Western Union.

Internal memo 1876 Western Union roped-off telephony in a 1876 Western Union.

Western Union should be PayPal today.

There's no reason why anyone would want a computer in their home kennels and great innovator.

Great entrepreneur said this about computers.

There's no reason to have a computer in your whole computer in your home today to the court of the kennels and there's no reason he was a great innovator.

Treated me, good entrepreneur, but he was so successful on.

Let us see the ice factory curved.

He could not appreciate the next curve.

The refrigerator care.

And that is the art of innovation.

Thank you very much.

Thank you.

Thank you very much.