

[Transcript] My First Million / SPECIAL: Steve Jobs (Part 2)

All right.

Quick break to tell you about another podcast that we're interested in right now, HubSpot just launched a Shark Tank rewatch podcast called Another Bite.

Every week, the hosts relive the latest and greatest pitches from Shark Tank, from Squatty Potty to the Mench on a Bench to Ring Doorbell, and they break down why these pitches were winners or losers, and each company's go-to-market strategy, branding, pricing, valuation, everything.

Basically all the things you want to know about how to survive the tank and scale your company on your own.

If you want to give it a listen, you can find Another Bite on whatever podcast app you listen to, like Apple or Spotify or whatever you're using right now.

All right.

Back to the show.

All right.

We've got a special episode here.

This is from Ben Wilson.

Ben Wilson's a producer for my first million, but on the side, he's got a podcast called How to Take it for the World, and I love it.

It was actually in my top Spotify wrap-up podcast, same with Sean.

We air some of his episodes on our feed because we think it's amazing.

This episode is with Steve Jobs.

There's actually a two-part series.

This is, well, you could be listening to one or two right now, but it's a two-part series.

Give it a listen.

He does a really good job of saying the background of who Steve was and what motivated him, but he also does a really good job of explaining what you can learn from him in the world of business.

So incredibly fascinating.

Check it out, How to Take Over the World, the name of the podcast, and here is Steve Jobs.

Hello, and welcome to How to Take Over the World.

I'm your host, Ben Wilson.

This is part two of two about Steve Jobs.

If you haven't listened to part one yet, you'll probably want to go back and do that, and you can find that in this feed.

That's just the podcast previous.

As a quick reminder of where we're at, Steve has been kicked out of Apple.

His next ventures Pixar and Next are floundering, and he's nearly broke.

This time period is the early to mid-90s.

1995 is the year when things really start to turn around for Steve Jobs.

For the past 10 years, he's basically had a string of one failure after another.

And now he's about to have an unparalleled 15-year streak of success after success.

And how does he pull this off?

How does he have such a titanic shift in fortune?

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What was it that finally turned things around for him?

Well, it started with a cartoon.

Steve bought Pixar as a computer company, and as a computer company, its performance was dismal.

The hardware they produced was a financial catastrophe, and the software was only ever mildly successful and never really even came close to making them profitable.

But he didn't give up on them.

He kept pumping money into the company to keep them afloat.

The original Pixar executives always wanted to produce a full-length 3D animated movie.

They built this company to do that, and everything else they did, building the computers, creating the software, and all that, was in their minds just a step away to make enough money to keep the lights on, keep things going, so that they could make their movie.

That was their great passion.

And with that in mind, they had hired a very gifted animator from Disney by the name of John Lasseter.

And he was in charge of making little animations to help sell their technology.

At first, the executives of Pixar had to hide this hire from Steve Jobs.

They gave John Lasseter a bogus title that made him sound like a technical employee rather than an animator.

But once Steve Jobs saw the animations that John Lasseter had produced, he becomes supportive of his hiring and of having him around.

And he continued to fund the animation part of Pixar, even as he was forced to make cuts and slash budgets in other parts of the company.

Well, as I said, the executives at Pixar really believed that a 3D animated film could be successful.

But they weren't in the animation studio and they didn't have the human resources or the money to pull this off.

So they're just chugging along, being a software company, and waiting for their opportunity.

Well John Lasseter, this animator that they have hired, makes a short film to show off their technology.

And it wins an Academy Award for Best Short Film.

Disney sees that this guy that they let go is really talented and they try to hire him back.

But he thinks that Pixar is the only place for him.

He loved the culture there and he loved being there, so he says no to Disney.

And so Steve Jobs comes in and helps negotiate a deal with Disney that they will help Pixar make a 3D animated movie.

And they're going to do this by lending some of their employees to Pixar, helping to make the movie.

And also a large part of it is funding and distributing the film.

Because Pixar, like I said, was not profitable.

They did not have the money to make a full-length feature film, a movie.

And what they're going to make is the world's very first 3D animated film.

Everything before this was 2D and mostly hand-drawn, cartoons like Snow White or Lion King.

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This is the first film to use computers to animate objects that appeared three-dimensional on the screen.

And Steve was very supportive of this.

Remember, he's way more hands-off at Pixar than he ever was with any of his other companies.

And this becomes even more true once they start making a movie.

He really respected artistic people, so whenever he had some criticism of their first movie, Toy Story, he always started off with, now, I'm not a filmmaker, but it seems to me, and of course, this is a very different line of criticism than his usual one, Apple or at Next, which started not with, I'm not a computer maker, but it seems to me, but rather, you asshole, this is all wrong, why are you so stupid?

In fact, as far as I've been able to read, the only people who Steve was ever truly deferential to were artists.

He really respected them.

And the artists and creators at Pixar responded really well to this freedom and trust.

They performed magnificently, they produced a masterpiece in Toy Story.

Steve sees an early cut of the movie and realizes, wow, this is great, he shows it to some critics, and they agree, this movie is going to be a hit, which is, of course, amazing for both Steve Jobs and Pixar, but there is one problem, one fly in the ointment.

They're basically not going to make any money from it.

The deal they had made with Disney gave Disney all the power and profits.

Why?

Well, because Disney had put up all the money to make the film.

So Pixar, in this deal, only gets 12.5% of the profit, and Disney has the option to make Toy Story sequels afterwards with or without Pixar.

So Steve realizes, hey, we can't keep relying on Disney for financing, or we'll never become a truly successful company in our own right.

And that's not the future that he wants for Pixar, he wants them to become a big animation studio, something that could potentially rival a studio like Disney.

Here we see another instance of Steve questioning the hand that he's dealt.

Instead of just accepting the deal, he comes up with a bold plan.

He wants to take Pixar public the week after Toy Story comes out.

Taking a company public means you're basically going to take a portion of the company and sell it on the stock exchange.

You lose some ownership, but the company gets a bunch of money that they can use.

The plan is to take the company public and then take all the money they get from this and go back to Disney and renegotiate their deal, this time as equals and as partners.

They can say, hey, we don't need you anymore, Disney.

We have the money to produce our own movies now, so this is going to be on even footing that we're negotiating.

But of course, this is also a big risk.

Remember, this is a completely new kind of movie that no one has ever done before.

If it comes out and it flops, no one wants to see it, well, the initial public offering of stock is scheduled for the week after and it's going to flop, it's going to go horribly.

So Steve is betting big that this movie Toy Story is going to be a hit and is going to

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do really well.

Well, of course, Toy Story isn't just successful.

It is one of the most successful movies of all time.

It made \$362 million worldwide.

So just the weekend after this massive success, Pixar has their initial public offering and it goes great.

The stock doubles on its first day.

And so in a year, Pixar has gone from a company that was basically worthless and almost dead to being a massive success.

And with the money they raised from the IPO, Steve is able to renegotiate the deal with Disney to get 50% of the profits, which is obviously a lot more than 12.5%.

This secures their financial future and ensures that Pixar is going to be able to continue and realize their vision of becoming a great animation studio.

It's not just a massive success, it's a huge turnaround.

That from the Isaacson biography quote, earlier that year, jobs had been hoping to find a buyer for Pixar that would let him merely recoup the \$50 million he had put in.

By the end of the day, the shares he had retained, 80% of the company, were worth more than 20 times that, an astonishing \$1.2 billion.

And by the way, this is an underrated success for Steve Jobs.

He buys Pixar for \$10 million, puts in \$40 million more, and eventually makes billions off of it.

Steve eventually sold Pixar to Disney, and when he died, he was the largest shareholder of Disney.

He held more ownership of Disney than anyone else in the world, and few people realized that.

In fact, while Steve is best known for leading Apple, and I think rightly so, but when he died, almost 80% of his wealth came from owning Disney stock, which he got from selling Pixar.

Pixar was quite frankly the company that made Steve Jobs most of his money.

And more important to Steve than the financial success was what they had created.

As his wife would later say, Steve's love of beauty pervaded his life.

He was thrilled to have helped in the creation of something that was artistically great as Toy Story was.

Toy Story is acknowledged by most critics as an all-time great movie.

It has 100% rating on Rotten Tomatoes.com, and if you've seen it, it is.

It's really, really good.

And Steve loved that he was able to help make a masterpiece.

This process of making a movie was more than just a massive success.

It was a place where Steve Jobs was able to learn a ton as well.

He always thought that he could do everyone's job better than they could before this.

He was a total control freak who always knew what was right.

Well, now for the first time in his career, something really great happens where he's involved and he absolutely loves it, but he can't pretend like it was his idea or he, in any way, shape or form, created it.

He did help, but this was a new relationship for him.

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He was very hands-off.

He negotiated and funded.

He would meet with and congeal upper management a little bit, but otherwise, he basically let Pixar do their thing.

And in this case, it paid off magnificently.

And so I think this is when he starts to realize that he could be successful by being an enabler of great creators.

And this was a major turning point for him and is one of the biggest contributors to his success when he returns to Apple.

For the first time, he's starting to see the value in loosening up his control freak ways a little bit and letting other really smart people do great work.

And so you see a string of geniuses that just so happened to work under Steve Jobs, Steve Wozniak, John Lasseter, Ed Catmull, and later Avi Tivonian, Johnny Ive, Tony Fidel, and so on.

No one finds greatness by doing it themselves.

The great ones always help enable a team of geniuses around and under them.

And Steve really learns to do that for the first time here with Pixar.

Well Toy Story would be just the first in a string of successes stretching the next 15 years.

The next, where he would amazingly figure out a way to turn things around, was at his computer company, Next.

And things were dark at Next.

In 1993, they laid off about half of all their employees and stopped producing computers, which is a bad thing when you are a computer company.

They were still making software, but like Pixar, that software was nowhere close to making them profitable.

Next seemed in the mid-90s like an irredeemable blunder that was well on its way to failure.

But remember how I said they had a great operating system?

Well, this is where that becomes very, very important.

In the beginning of the personal computer wars, Windows was viewed as the much lower quality but cheaper alternative to Apple.

But during the 90s, when Steve Jobs is away, Apple is unable to innovate when it comes to their operating system.

And the result is that it starts to become less and less clear how much better Apple is than Windows, if at all.

And as the operating systems get closer and closer, fewer and fewer people are willing to pay the extra money it costs to buy an Apple computer.

So Market Share has been consistently following for Apple until by the mid-90s, Apple was basically an afterthought.

They have less than 1% Market Share.

Almost all the rest of the computers, you know, 99% of computers are running Windows.

Apple tries to come up with a new operating system, but somewhat inexplicably for a computer company, they are unable to do so.

They have become so paralyzed, so unable to innovate that they literally can't even produce

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a new operating system, let alone a good one.

And they're so far behind at this point that in 1996 they realized they just need to buy a new operating system in order to be able to keep up with Microsoft.

Well, who just so happens to have a company with an incredible, beautiful, innovative operating system?

The one and only, Steve Jobs.

So Apple approaches Steve about buying Next from him in order to acquire his operating system.

And Steve may have harbored some ill will towards some of the people back at Apple who had, you know, fired him about 10 years ago, but not so much so that he was going to turn down the opportunity to pull the rabbit out of the hat and make Next a successful venture.

Remember, it was basically dead before this.

At the very least, it was totally irrelevant.

So they work out a deal, and Steve is a great negotiator, and there were not many other potential operating systems to be bought.

So Steve is able to get a good deal out of it, and Apple buys Next for about \$400 million.

Pixar should have been dead, and Next should have been dead, but somehow he turned them both around.

Steve had officially pulled the rabbit out of the hat twice in a row.

Well, since Apple had acquired Next, there was an expectation that Steve Jobs would take some kind of role at Apple.

At first his position at Apple is poorly defined.

They're mostly thinking it will be an advisory role with no real day-to-day responsibilities.

The first title they gave him is Advisor to the Chairman, which was a role that was as meaningless as it sounds.

The CEO of Apple at the time was a guy by the name of Gil Emilio.

Emilio was not well-suited for the job of CEO of Apple.

He wasn't an inspiring leader, he was bumbling, and frankly when you read about him, he comes across as kind of clueless.

There's a great story that I think illustrates the kind of leader that Gil Emilio was.

He meets a journalist, Gina Smith, at a party, and Gina asks how Apple is doing.

And Emilio answers, quote, you know Gina, Apple is like a ship.

That ship is loaded with treasure, but there's a hole in the ship, and my job is to get everyone to row in the same direction.

Smith looks perplexed and says, yeah, but what about the hole?

It really illustrates why Emilio was a failure, and in the end why Jobs succeeds after him.

Emilio was focused on the people and what they thought of him, and he was making sure that they were doing what he wanted, or in his analogy, that they were all rowing in the same direction.

He fell into the popularity pitfall, trying to be popular is a stupid goal, but it's also ineffective as a goal.

People who focus on doing great things attract the most interest in the end.

People who try to be popular often come across as desperate and pathetic, you know the type.

But people who focus on doing great things attract the most interest in the end.

And Emilio was not interested in doing, or most interested in doing great things. He was more interested in the people rowing in the direction that he said was the right direction than he was in plugging the hole of his ship. That's something that Steve Jobs understood, the hole matters more than the people rowing in the right direction, and that's something that Gil Emilio did not. Well Steve, you know, even though he's rejoined Apple, he's not really trying to become CEO. He was kind of ambivalent about whether Apple even could be saved, so he's not that interested in taking over, but his personality gets the best of him. When he's in a situation, he just can't help but take control. So as Emilio continues to stumble more and more, Steve is taking over more and more control at Apple. Eventually it becomes clear that Gil Emilio can't lead Apple and he's let go. Steve Jobs is named interim CEO exactly 12 years after he had been kicked out. One of the first things he does as CEO is have an all hands on deck meeting with all the employees in the company. He comes on stage and immediately sets the tone for how he's going to manage Apple. He says, okay, tell me, what's wrong with this place? Some people mutter some answers, and he says, it's the products. So what's wrong with the products? People mutter more answers, and he says, the products suck. There's no sex in them anymore. So the first thing Steve Jobs tries to do is fix the products. And one of the main problems was that there was too many of them. Apple was known for creating the whole widget in the early days. They produced the operating system as well as the physical computer, the hardware. Well, in the time since Steve Jobs left, they had started licensing their operating system to outside manufacturers. And the result was a big confusing product lineup that was redundant and overwrought. And many of the computers being sold by outside manufacturers were poorly built and not at all up to Apple's standards. Steve realized they needed to simplify this way down. So he tears up the licensing agreements. From now on, Apple computers are only going to be produced by Apple. And he also does a giant product review. There were over a dozen computers in production. They were all called the Macintosh and then a number. And not easy to remember numbers, that would make sense. They stretched from the Macintosh 1400 to the Macintosh 9600. So he has someone come in and present about each product and he reviews them all. One of the things that I love about Steve Jobs at this point is he wouldn't let them use PowerPoint slides. He said, and I quote, people who confront a problem by creating a presentation, I want them to engage, to hash things out at the table rather than show a bunch of slides. People who know what they're talking about don't need PowerPoint.

And this is something I've tried to adopt.

These slides are almost never the answer when you're the one being presented to.

And it's because for some reason, slides let people create this alternate reality.

I've been in some product pitch meetings where someone presents slides and you're following the slides and you're nodding your head and you're going along with this product and you're saying, okay, yeah, yeah, this makes sense.

This is great.

And the presentation ends and you ask one question and they answer and you realize that they're trying to build absolute garbage.

This is a terrible product.

It's interesting that Steve Jobs hated having slides presented to him, but he always used them when he introduced a new product.

And that's because he was trying to create an alternate reality.

So slides are great if you're trying to present to other people because it helps build this world, get them very engaged and go along with it.

But when they are presenting to you, try to get them outside the slides, make them work without them if at all possible.

It lays bare the truth really quickly and helps you cut to the heart of a matter.

And also if you are trying to pitch something and you're not just trying to sell it, you're not just trying to convince someone, but you are actually trying to figure out if this is a good idea or not, stay away from slides.

Because again, they tend to create the sort of alternate reality world when you just have to say it without any backup, you get to the truth much faster and you learn a lot about your ideas.

Well, in these slide free product reviews, he cuts out 70% of the computers that they had been making.

And of course, this made some engineers really mad because he was killing their products and sometimes laying people off or laying them off.

After a few weeks of this, killing off more and more products, he's in another product review session and he shouts, stop, this is crazy.

And he grabs a marker and he goes up to a whiteboard and draws a square grid with four sections.

He labels the columns consumer and pro and labels the rows desktop and portable.

He then said, we're going to make one computer for each quadrant, a desktop for consumers and for pro users and a portable computer for consumers and for pro users.

The room goes silent.

Some people actually gasp.

Every time he presents his new product strategy, it creates a stir.

Some people think it's genius.

Others think it's crazy.

Again, try to take yourself out of what you already know about Apple.

Think of how this would sound.

There's a reason that you have all these different types of computers that each appeal to a very specific customer type.

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It seems simple to say, we're only going to make one desktop computer for normal consumers. But then you start thinking about it and it gets a little more complicated. What if it's an elderly couple who really just wants to send emails to their grandkids? They only need something cheap and inexpensive. But what if it's someone who's not a pro user, but it's nevertheless very tech savvy. Maybe they're really into photo editing and making movies or they need a ton of power for the games or something like that. From the grandparents to this heavy user of this desktop, those are two totally different people with different needs. But they're both captured under the market segment of consumers looking for a desktop. So you can see why making only one desktop consumer computer would be a big risk and some people would think it's crazy. The Apple board of directors aren't too sure about this new path and many of the engineers aren't sure about it. But Steve Jobs is, so that's what they do. They press forward. And it actually is genius. It works. The result is you have all the intelligence, talent and effort of the entire company focused on these four things and making them insanely great. And that's what real focus is. You know, I've already touched on focus as one of the key traits of Steve Jobs' success, one of his superpowers. But I want to point out one more thing about it. Many people think that focus means cutting out distractions and bad things, things you shouldn't have in your life. And that's a start, but that's nowhere close to what real focus is, the kind of focus that Steve Jobs had that lets you achieve unbelievable world-changing results. Steve Jobs' type results did not come from cutting out the obvious things. There was this device that Apple had back then. It was a tablet called the Newton. And listen to what Steve Jobs said about cutting the Newton, quote, my gut was that there was some really good technology, but it was messed up by mismanagement. By shutting it down, I freed up some good engineers who could work on new mobile devices. And eventually we got it right when we moved on to the iPhones and the iPad. The iPhone and the iPad came, you know, more than 10 years later. So in other words, he was saying, we had some pretty good technology, but we put it off for more than a decade because we had to focus on the most important things. Real focus doesn't come from cutting out wasting time on social media or drinking too much on the weekend or ending an abusive relationship, though obviously those are all things you should definitely cut out of your life if you have them. Start with those things for sure, but if you want to be a world beater, you get to achieve the level of focus that comes from cutting out things that are okay, things that are pretty good.

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For Steve Jobs, that meant cutting out computers and devices that were perfectly good, profitable computers, things like the Newton.

Really focused people cut good things out of their life in order to be able to focus on the best and most important things.

And for you, maybe that means quitting a club or a team, eliminating an extra side project.

That's a really good idea, but it's just not as good as an idea as something else that you're working on and what you really need to focus on at that time.

I see this all the time with morning routines.

I see these ideas of things you should do in the morning to boost your productivity.

Work out, stretch, meditate, pray, journal, keep a gratitude diary, eat a certain type of breakfast, jump on a trampoline, drink tea, take a gold bath, go for a walk.

The list goes on.

And the thing is, if you do all of these things that people say are great morning routines, then by the time you get started for the day, it's 10 a.m. and you sent a bunch of effort on a whole bunch of stuff that doesn't materially contribute to the main thing you're trying to accomplish in life.

So you just got to pick a couple of those things for your morning routine and focus on that.

Everything I mentioned is, I am sure, a perfectly good thing to add to your morning routine.

I've tried most of them and they are, they're perfectly good.

But true focus means cutting out some of the perfectly good things in your life so you can focus on the great, the most important thing, the thing that makes you special and that's going to contribute most to your productivity and your mission in life.

One more example from Steve Jobs' career that illustrates this.

There's an exercise he would do with top managers.

He would take them on a retreat and they would have a rainstorm meeting where Steve was standing

at the whiteboard and so he would ask, what should we be working on that we're not already working on?

And at first, you know, people could say anything.

Anything that came out of someone's mouth went on the whiteboard.

That included crazy, wild, ridiculous, stupid ideas.

Then once all the ideas were there, they would cut down the stupid and obvious ones and he'd say, okay, we need to get this down to 10 ideas, 10 things that we should be working on.

And it would take a whole lot of work and effort.

They would argue and debate over about which 10 they should keep from that list and it would take them an hour or two, but after a bunch of debate, they would finally get it down to just 10 things, 10 solid, realistic, ambitious, important things that they should be working on, which for a company the size of Apple seemed like a good size list.

Then he would say, okay, we've got to cut it down to three and at that point, every idea they were cutting out felt like it was a great idea.

Something that they, you know, why wouldn't we do this?

But they had to narrow it down to just three.

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They had to cut out all the good ideas.

Steve only wanted to be working on great ideas.

And so many people in companies stop at the 10.

Once they've got their 10 good ideas, they're all good ideas.

They go after those 10 things, but the real power of focus comes when you make that final cut.

Steve has started the process of saving Apple, but there's a problem.

He's got everyone focused on moving together on the right things, but producing new products takes time, a year at least, and he doesn't have a year.

Sales are slumping.

The company has a ton of debt.

It's on the very verge of bankruptcy.

They need to stop the bleeding now if he's going to have enough time to release these products that they're working on.

So he does two things.

Few people know this, but Apple would not have survived if it weren't for one company that swooped in and absolutely saved them.

What company was this that swooped in and saved Apple?

Well, it's probably the last company you would think of.

It was their rival, Microsoft.

There was a longstanding lawsuit between Apple and Microsoft, alleging that Microsoft had copied their technology and was impinging on Apple's patents.

So Steve Jobs rings up Bill Gates.

In his own words, here's what happened.

Quote, I called up Bill and said, I'm going to turn this thing around.

Bill always had a soft spot for Apple.

We got him into the application software business.

The first Microsoft apps were Excel and Word for the Mac, so I called him and said, I need help.

Microsoft was walking over Apple's patents, I said.

If we kept up our lawsuits a few years from now, we could win a billion dollar patent suit.

You know it, and I know it.

But Apple's not going to survive that long if we're at war.

I know that.

So let's figure out how to settle this right away.

All I need is a commitment that Microsoft will keep developing for the Mac and an investment by Microsoft in Apple so that it has a stake in our success.

Here's how Bill Gates described it.

Quote, it was classic.

I'd been negotiating this deal with Gil Emilio, and Gil wanted six things, most of which were not important.

Gil was complicated, and I'd been calling him on the phone, faxing him stuff over the holidays.

And then when Steve comes in, he looks at the deal and says, here are the two things

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that I want, and here's what you clearly want from us, and we had that deal done very quickly. Well, in the final deal, Microsoft invested \$150 million in Apple and promised to keep developing Microsoft Office applications for Apple computers.

This gave them enough money and investor confidence to stay alive.

If it weren't for this deal, Apple would have probably died at this point.

Steve Jobs really had to swallow his pride to make this deal with Microsoft, but in this case, swallowing his pride saved his company.

But he also had to restore confidence in the company among employees and consumers.

They were losing employees to other companies and losing customers who had given up on Apple and were now deciding to buy a PC instead.

So Steve Jobs said that they had to, quote, prove that Apple is still alive and that it still stands for something special.

He called up Lee Clow from his old favorite ad agency, Chiet Day, and tells him he needs his help.

They're going to create an ad campaign to restore customer confidence and instill a sense of pride and confidence in their own employees.

Steve Jobs has a great quote about what they were trying to do and how they did it, where they got the inspiration.

He said, quote, we at Apple had forgotten who we were.

One way to remember who you are is to remember who your heroes are.

That was the genesis of this campaign.

That's the end of the quote.

So this is going to be an ad that wasn't for sales per se of Macintosh computers, but was to rally the troops.

They didn't want an ad that celebrated Apple computers and what the computers could do, but Apple computers as an idea and what it stood for.

So they, Chiet Day, come up with an idea for an advertising campaign called Think Different. And it turns out to be really great.

Steve, when he first saw them present the idea for the advertisements, he said, quote, every once in a while, I find myself in the presence of purity, purity of spirit and love. And I always cry.

It always just reaches in and grabs me.

That was one of those moments.

There was a purity about that I will never forget.

I cried in my office as he was showing me the idea and I still cry when I think about it.

All these advertisements are, is a set of posters with pictures of people.

People like Einstein, Gandhi, John Lennon, Picasso, Bob Dylan, Amelia Earhart, Martin Luther King Jr., these risk takers, innovators, rebels, misfits.

Most of them were actually heroes of Steve Jobs.

And it's a photographic portrait of them.

And in the corner, it has the Apple logo and the words, Think Different.

And that's it.

That's literally it.

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They also created a television ad.

It's got footage of these people.

And Richard Dreyfus narrates a monologue that Lee Clow and his team worked with Steve Jobs to write.

Here's the monologue.

I'll do my best Richard Dreyfus impression.

Here's to the crazy ones.

The misfits, the rebels, the troublemakers, the round pegs in square holes, the ones who see things differently.

They're not fond of rules and they have no respect for the status quo.

You can quote them, disagree with them, glorify or vilify them.

But the only thing you can't do is ignore them because they change things.

They push the human race forward.

And while some may see them as the crazy ones, we see genius.

Because the people who are crazy enough to think they can change the world are the ones who do.

I know I already told you to go look up the 1984 ad in the last episode, but you should really look this one up as well.

It's quite moving.

It's another stroke of genius.

Apple is beleaguered, but with one advertising campaign, they change the conversation and shape public perception.

No longer is Apple failing.

They're holding out.

They're the rebel alliance.

They stand for something.

The conversation is no longer about which operating system is best, Windows or Macintosh, but it's about who you are as a person.

With one advertisement, Steve Jobs makes it unthinkable that any Apple fan would switch from a Mac to a PC.

Because they're the ones who think different.

It'd be like debating between writing in the Millennium Falcon or Star Destroyer.

It's not about the ship.

As Larry Ellison would point out, Steve Jobs is the first person to create a lifestyle brand in the tech industry.

Well, with these moves, Steve has bought himself enough time to make these four products.

He has a meeting with his top managers and staff, and he tells them, quote, what we're trying to do is not highfalutin.

We're trying to get back to the basics of great products, great marketing, and great distribution.

Apple has drifted away from doing the basics really well.

And the basics are, of course, enormously important.

That makes me think of John Wooden, legendary basketball coach.

Who every season on the first day of practice would teach his basketball players, what do

you think the first thing, first day of basketball practice, what do you think that you would teach basketball players?

What would you have them do?

Shoot?

Dribble?

What's the fundamentals?

No.

He would teach them how to tie their shoes the right way.

He really believed that great basketball started from the bottom up.

So he started with the very, very basic fundamentals and worked up from there.

Or think of Picasso.

People don't realize how good Picasso was at just drawing and painting.

But he could draw a figure with the best of them.

He didn't invent Cubism right away.

First he mastered the basic art of drawing and painting.

You can't skip to the high strategy.

You have to get the basics right first.

In fact, really, I mean, most high strategy is in fact figuring out how to execute on the basics better than your opponent.

Look at fast food.

A lot of fast food chains are struggling and what are they trying in the face of these struggles?

You know, they're trying tacos made out of bacon and new health food options and faster free Wi-Fi and all this supposedly strategic stuff.

Meanwhile, you know what companies are growing?

Companies like In-N-Out and Five Guys who make good hamburgers at a fair price and have clean restaurants.

And that's what high strategy often amounts to.

And that's what Apple is getting back to in this time period.

Great computers, great marketing, great distribution, period.

Well, that might be simple to say, but it's not easy to do.

It can be really difficult to execute on the basics.

And the pressure is enormous.

Steve has bought himself enough time to produce this new line of products, but if they flop, Apple is still toast.

So during this time period, Steve is killing himself.

He's working the hardest he has ever worked in his entire career to make sure that all this is going to work.

Steve's working all day, and when he said he got home every night, quote, all I could do was watch a half hour of TV and vegetate and then fall asleep.

By the way, I like knowing that even Steve Jobs in his busiest time of life made time for a half hour of TV per night before he fell asleep.

I might have like a Puritan streak in me or something, but when I feel like I'm really busy and I have a lot to get done, I feel bad taking any time to veg out and just, you

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know, surf Twitter or watch TV or whatever, and finding out that Steve Jobs vegged out for a half hour, even at his busiest time, has helped me be more realistic.

You have to make that kind of time for yourself to unwind and relax.

So don't beat yourself up over it if you do take an hour, hour and a half to relax every night and do something that is a total waste of time.

Well, the first of these computers to come out is the desktop for consumers.

And that's going to be the flagship.

It's going to be the most important computer.

And they decided to call it the iMac for the design of the iMac.

Originally Steve wanted to work with an outside design firm, but he's walking through the in-house design lab and he sees this clear plastic clamshell design that an Apple designer by the name of Johnny Ive had designed and he's immediately drawn to it.

So he gets the idea that they're going to design an all-in-one computer and it's going to have a blue see-through shell.

He works with Johnny Ive to come up with the design first.

Johnny was sort of this Steve Jobs whisper.

He had an amazing way of calming his temper and working with him.

He becomes one of the top guys at Apple and he still is.

All right.

A quick message from our sponsor.

You know, I was thinking about the shortest day of the year earlier and while we technically have the same amount of time as every other day of the year, the lack of daylight makes it feel so much shorter, which is exactly the same kind of feeling as working with disconnected tools.

Our workday is the same length as always, but before you know it, we spent three hours just fixing something that was supposed to be automated.

Thankfully, HubSpot's all-in-one CRM platform can serve as a single source of truth for managing your customer relationships across marketing, sales, service operations with multiple hubs and over a thousand integrations and an easy-to-use interface, HubSpot lets you spend less time managing your software and more time connecting with your customers. Learn how HubSpot can help you grow your business at HubSpot.com.

If you've ever seen an Apple introduction video, he's the British guy saying something about how the latest laptop is made with the most perfect top-grade aluminum.

And by the way, Steve Jobs also liked to make fun of Johnny Ive for the way that he said aluminum or aluminum.

And so Steve Jobs takes this plastic see-through design to his engineers and he said, quote, when we took it to the engineers, they came up with 38 reasons they couldn't do it.

And I said, no, no, we're doing this.

The design was fundamental to him.

It was non-negotiable.

I love how Steve described why design was so important to him.

He said, quote, in most people's vocabularies, design means veneer.

But to me, nothing could be further from the meaning of design.

Design is the fundamental soul of a man-made creation that ends up expressing itself in

successive outer layers.

The design meant everything to him.

The plastic shell costs \$60, three times what a normal case would cost.

And at any other computer company, that probably would have sunk the idea.

How do you justify tripling the cost on something that will provide no tangible benefit for the customer, especially when you have no market research to prove that it will increase sales?

But to Steve, it defined the way a customer would interact with the computer.

The blue see-through case would make the computer exciting but friendly, futuristic, but also approachable.

It would draw people to it and make them more eager to use it.

So that's why he makes his engineers work with the design that they have.

Well they developed the computer, this new iMac.

And Steve holds an event to introduce the computer.

And when he's on stage, the whole world's eyes are on him.

They're waiting to see if Apple's going to make it come back and become important in the computer world again, or if this is going to be their last death rattle.

When he's finally ready to reveal the iMac, he shows a slide of some old PCs.

They all look exactly the same.

They're these beige boxes, and he says, this is what computers look like today.

And I'd like to take the privilege of showing you what they're going to look like, from today on.

And he pulls off the cloth to reveal the iMac.

The spectacle is breathtaking, no one had ever seen anything like it.

I remember when these came out, they were totally revolutionary, everyone wanted to see one.

It really was a statement, and it made a computer cool in a way that had never been done before.

I mean, what kind of person would show off their computer, just to look at?

But I remember my across the street neighbors were the first ones in our neighborhood to have the iMac, and I went over there to check it out, and there were like 10 other kids from the neighborhood.

It was like a piece of art.

It was so cool looking.

I loved it.

And it comes out, and I wasn't the only one that felt that way.

It comes out in May of 1998, and it sells 278,000 machines in its first six weeks, and it sells 800,000 by the end of the year, making it the fastest selling computer in Apple history.

With the success of the iMac, Apple no longer had to worry about their survival.

They were going to make it.

After the iMac, Steve's next big breakthrough is the iPod.

Music was undergoing a huge transformation.

I remember this time period.

It's hard to get all nostalgic on you guys, but it was a great time for music.

MP3s were just starting to become a thing, and they were the main way that people listen to music, or at least the way that teenagers listen to music, but there was no real official

infrastructure around digital music to take advantage of this.

This was the time of Napster.

So everyone, at least everyone my age, myself included, we were all just illegally downloading all the music we wanted from Napster.

And the way you discovered stuff was from mixtape CDs.

A friend would create a CD with all the music they loved, hand it off to you and you would listen to it and take some of those songs and just, you know, his word of mouth stuff.

It was just an incredible way I thought to discover music, but it was also totally disorganized.

It was really the Wild Wild West.

I mean, I remember I had songs that were my favorite songs, and I didn't even know who they were actually by or what the song was supposed to be called.

I just had made up a title for it in my music library.

So mp3s are becoming a thing, but they're totally disorganized, and the way that people are sharing them is also disorganized.

There were mp3 players around, but there weren't any good ones, and so not very many people used them.

And around this time, Steven and his team started to think about creating an mp3 player.

So they go through all the existing ones and decide that they all suck.

And I was there, so I can tell you they were right.

They did all suck.

They were extremely clunky and complicated to use, and they just weren't worth it for most people.

So most people were still using CD players.

So Steven and the Apple guys decide, okay, we're going to make our own.

And Steve, from the beginning of the process of creating this mp3 player, was obsessed, and I mean obsessed, with making it simple and easy to use.

Steve applied a strict test.

If he wanted a song or a function, he should be able to get there in three clicks or less.

In setting aside what you know about the solution that they came up with, if you just think about it from the standpoint of those engineers, that's impossible.

Remember, they don't have effective touchscreen technology yet, so they're going to have to use buttons.

And let's just say that you want to get to the fifth track on an album.

Then once you get to the album, you're going to have to press the down button four times.

Those are just the facts of life.

Three clicks or less seems totally impossible.

But Steve is insistent that there has to be a way, and because they have no other choice, they achieve a breakthrough, the scroll wheel.

You just spin it around to go up or down.

It doesn't count as a click, and it's a way more efficient and intuitive than up, down, or left, right buttons.

It's a totally innovative and genius solution, and it's the effect of Steve's good old reality distortion field coming back once again.

But even with a scroll wheel, it's hard to do very many things on an iPod or on an mp3

player.

So they had to outsource most of the functions to a desktop computer.

So for example, you couldn't create a playlist on the original iPod.

You had to do it on your computer and then transfer it over.

To me, the iPod is interesting to think about because it was more expensive and less functional and often had less storage than most of the competing mp3 players out there.

And yet it was by far the most successful as a huge phenomenon.

And that all comes down to user experience.

It was much easier to use and more intuitive than the competition.

And to me, that just goes to show really how powerful great design is and understanding your customer and what matters most to them.

One of the main competitors to eventually come out was a Microsoft product called the Zune.

But the Zune failed pretty hard.

Here's what Steve Jobs said about why the Zune failed, but the iPod succeeded.

Quote, the older I get, the more I see how much motivations matter.

The Zune was crappy because the people at Microsoft don't really love music or art the way we do.

We won because we personally love music.

We made the iPod for ourselves.

And when you're doing something for yourself or your best friend or family, you're not going to cheese out.

If you don't love something, you're not going to go the extra mile, work the extra weekend, challenge the status quo as much.

End quote.

It shows the power of proper motivation.

This is one of the big themes throughout Steve's life.

He always was harping on the idea that you shouldn't start a company or make something, create a new product in order to make money.

You should do it because you care and because you love it.

And I think the iPod really demonstrates how that can be effective.

So the iPod is released in late 2001.

And it was, of course, massively successful.

In its many iterations, Apple would go on to sell over 400 million iPods and counting.

They're still producing them.

Now, truly, Steve's run of producing great products is hard to wrap your mind around.

There are so many of them that we don't have time to go into them all, especially some of the more minor ones.

But I'll give them a quick shout out before we move on to talk about his next truly transformative and world-changing product, the iPhone.

But between 2001, when the iPod was released, and 2007, when the iPhone was released, Apple produced the PowerBook, the iBook, the MacBook, and the MacBook Pro, all very successful laptops, they produced the Mac Mini, the PowerMac G5, and new versions of the iMac, all very successful desktop computers, they produced the iPod Shuffle, the iPod Nano, which is personally

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my favorite Apple device ever, and the iPod Mini, and they created the iTunes Music Store. And every single one of these things was successful, some of them wildly so.

He also sold Pixar to Disney in 2006 for \$7.4 billion.

And before he did, they had a similar string of unbelievable successes.

Before he sold them, here are the movies Pixar made in order.

Toy Story, A Bug's Life, Toy Story 2, Monster's Inc., Finding Nemo, and The Incredibles.

They were all extremely well reviewed, personally I loved every single one of those movies, I think they're great, and adjusted for inflation, the least profitable of those movies, which is A Bug's Life, made \$300 million.

So these are really good years for Steve Jobs.

But as I said, the next truly world-changing product that Steve Jobs would create is one that in 2017 we're all familiar with, the iPhone.

Why did the iPhone come about?

Well, as Art Levinson, one of the board members of Apple, put it, quote, he was always obsessing about what could mess us up.

And Steve realized that the thing that could mess up the iPod was phones, phones, cell phones were becoming more and more ubiquitous, and they were gaining more and more functionality.

So he decides to beat phone makers to the punch, and develop a phone for himself.

Well they start to design a phone, and they are trying two major approaches at the same time.

One was a touch screen, and the other was a click wheel.

Now a click wheel is obviously definitely clumsier to use, and not as good of a user experience.

But the problem with the touch screen was, no one was sure if they could actually pull it off, if they could get the engineering right.

They could create a touch screen device all right, but they weren't sure if they were going to be able to make it small enough to fit in a phone.

So they're creating both, trying both approaches, and there are two teams, and Steve is basically pitting them against each other.

They each make a presentation to him and the executive team once a week.

Finally, after a few months of pitting the doable scroll wheel against the ambitious touch screen, and weighing the merits of each approach, Steve points to the touch screen one and says, quote, we all know this is the one we want to do.

So let's make it work.

And there we have it, reality distortion field back again.

And so that is the one.

They get to work on making the touch screen iPhone, and of course it works.

They are able to figure out the engineering and fit it all into a phone.

Speaking of reality distortion, in order to produce the iPhone, they need a type of glass for the front called Gorilla Glass.

Only one company could produce it, a company called Corning.

And Corning says, look, this is just a niche product for us.

We can't produce it on a massive scale.

We can't manufacture it anywhere close to the scale that you are asking for.

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And what Steve Jobs responds to this, he looks their CEO in the eye and says, don't be afraid.

And the CEO explains to you, no, no, it's not just fear, we just really can't do this.

And Steve says, quote, yes, you can do it.

Get your mind around it.

You can do it.

And guess what?

They did it.

They had to put all their best minds and resources towards solving how they would produce this glass on the scale that they were asking for, but they found a way to scrape by.

And on the day that the iPhone came out, Steve Jobs sent the CEO of Corning an email.

It was just one sentence.

We couldn't have done it without you.

And of course, to say that the iPhone was successful would be a massive understatement.

By many measurements, it was the most successful product of all time.

Let that sink in.

The most successful product of all time of any type.

There have been more than a billion sold, making it the most sold product of all time, and it's not close.

Second place is Harry Potter books at 450 million copies sold.

That's less than half.

It's the most profitable device of all time with Apple enjoying unheard of margins, has incredible approval ratings among users, and is one of those rare products joined by the likes of the Model T that truly revolutionized the world by changing the way that people live.

Now, the iPhone is another example of design taking priority over engineering, but there was one instance in which this almost went disastrously wrong.

When Apple released the iPhone 4, which by the way, I still think is the most beautiful and best designed iPhone, there was a problem with the antenna.

They had built it into the steel encasing of the phone itself.

In order for this to work, there had to be a tiny gap in the rim, and if a person accidentally covered the gap, the phone could accidentally drop calls.

It occurred with maybe one in a hundred calls, but the media got ahold of this information and turned it into a major news story.

And this story gets bigger and bigger, so Steve had to respond.

At the time, it seemed like this was going to become a major issue that could possibly sink the iPhone 4.

Steve assembles a team of marketers, PR people, and trusted advisors, and has a war room for an afternoon to try and figure out what to do.

Regis McKenna suggested he just lay out the data, explain what was going on, and be confident.

He said to not go into the press conference with his tail between his legs.

Others thought Steve should be more apologetic and humble.

Regis McKenna's response is hilarious.

He basically says, yeah, I'm not sure making Steve seem humble is really an option on the table.

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So in the end, Steve opts for McKenna's straightforward approach.

He had an event to address the issue.

At the event, he got on stage and made a presentation.

He said, quote, this is blown so out of proportion that it's incredible.

He also said, quote, we're not perfect, phones are not perfect.

We all know that, but we want to make our users happy.

So he pointed out that every cell phone drops calls from time to time, and the iPhone is actually better than other phones in that department.

But yes, this one, the iPhone 4, drops a tiny bit more calls than is normal for an iPhone.

He said that if anyone was unhappy, they could return it, no questions asked, or get a free bumper case from Apple, which would resolve the issue.

He was not apologetic.

He was straightforward and basically framed it as having the same problems as everyone else who manufactures cell phones.

And this works.

The iPhone 4 had one of the lowest return rates of any iPhone.

The wait time for the iPhone 4 jumped from two weeks to three weeks after this event.

The iPhone 4 became the fastest selling product ever.

Apple started talking about how much other phones dropped calls and comparing the models instead of talking about, you know, how often the iPhone 4 dropped calls.

It was a master class in effective PR.

Some observers could barely believe it.

Michael Wolfe of newser.com wrote, quote, this is the level of modern marketing, corporate spin, and crisis management about which you can only ask with stupefied incredulity and awe, how do they get away with it?

Or more accurately, how does he get away with it?

Scott Adams, the cartoonist behind Dilbert, wrote, quote, Apple's response to the iPhone 4 problem didn't follow the public relations playbook because Jobs decided to rewrite the playbook.

If you want to know what genius looks like, study Jobs' words.

If Jobs had not changed the context from the iPhone 4 to all smartphones in general, I could make you a hilarious comic strip about a product so poorly made that it won't work if it comes in contact with a human hand.

But as soon as the context is changed to all smartphones have problems, the humor opportunity is gone.

Nothing kills humor like a general and boring truth.

This incident is, I think, an underrated display of genius.

It demonstrates what a masterful ability he had to persuade people and what an effective communicator he was.

Well, after the iPhone, the next major product Apple created was the iPad in 2010.

After the unparalleled success of the iPhone, the success of the iPad looks modest in comparison.

Truth be told, for most people, if they released the iPad, it would be the crown achievement of their career.

It was a very successful product in its own right.

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There have been more than 350 million sold.

And while it hasn't revolutionized the way we live, in the same way that the iPhone and the creation of touchscreen smartphones have, it has subtly shifted a number of industries from retail to education.

The release of the iPad is the last major product release of Steve Jobs' life.

It makes a big splash, immediately sells well, and in the subsequent years continues to develop and become even more important in the public consciousness.

It's almost effortless.

And to me, it's a huge contrast to his early career, especially the effortlessness of it.

It's like changing the world wasn't even hard for him anymore.

Since the Apple II, all the products he introduced before his return to Apple were impractical to expensive, and ultimately failures.

So what changed that he was able to introduce hit after hit after hit?

I mean, he was basically on fire for 15 years straight.

We already went through his long string of successes, and now in addition to that, he got four versions of the iPhone, the way he changed retail with Apple stores, and the complete revolution of apps with the creation of the App Store and the iPad.

It's unbelievable.

And again, what changed that enabled this?

Let's take a step back and look at the things that changed and enabled this transformation in Steve Jobs' life and in his career.

One thing we haven't really talked about that I think was really important for him was his family.

Steve got married in 1991, and I think that's something that really calmed him down and mellowed him out.

I won't go too in depth about his wife, Lorene, other than to say that she's a woman who was smart and strong enough to go toe to toe with Steve Jobs, but at the same time secure and laid back enough to not always have to.

I think she was really a perfect match for him.

I'd like to read what Steve wrote to her on their 20th wedding anniversary.

He said, quote, we didn't know much about each other 20 years ago.

We were guided by our intuition.

You swept me off my feet.

It was snowing when we got married at Awani.

Years passed, kids came, good times, hard times, but never bad times.

Our love and respect has endured and grown.

We've been through so much together, and here we are right back where we started 20 years ago.

Older, wiser, with wrinkles on our faces and hearts.

We now know many of life's joys, sufferings, secrets, and wonders, and we're still here together.

My feet have never returned to the ground.

Stephen Lorraine created a beautiful life together.

It's a little surprising, but they had a sweet, happy, normal, suburban life.

It's an oft-repeated axiom that creative geniuses often have boring personal lives, and that seems to be the case here.

Stephen Lorraine had three kids, and they tried to give their children as normal life as they could.

They lived in a really nice Palo Alto neighborhood, but it was actually relatively normal.

They lived on a street, not a gated community.

They had no personal staff or bodyguards, no helicopters, or stretch limos.

There's a story I love.

As I've mentioned, Steve was good friends with Larry Ellison, who was another very famous Silicon Valley founder and billionaire, and Larry has a very extravagant lifestyle.

One day, Steve Jobs' son, Reed, was talking, and he referred to Larry as our rich friend.

His dad was worth billions and billions of dollars, but he didn't really realize it because their life was so normal by comparison to him, Larry Ellison was their rich friend.

I think creative geniuses often have a boring home life for a reason.

In Steve Jobs' life, I think the stability and comfort of his family life allowed him to be creative and adventurous in his professional life.

Obviously, situations will vary, but for this reason, I generally advocate for marriage and a simple and stable family life.

Being as I'm not married, I'll avoid giving any advice here, but I will just say that I find his relationship with Lorraine very touching, and it seems to me that in some way, his relationship was instrumental to his success.

It's interesting to me to think about him and Napoleon Bonaparte, and both of them achieved enormous success while they had marital happiness and stability, and both of them faltered when they lacked marital happiness and stability.

I'll let you draw your own conclusions from that.

Another thing that helped mellow out Steve was his battle with cancer, I know that might sound weird to say, but Jobs first diagnosed with cancer in late 2003.

He beat it back and enjoyed full health for a few years, but the cancer returned and eventually killed him.

But he was changed after his first cancer scare.

Andy Hertzfeld, one of those early engineers who worked with Steve for a long time, said about the first battle with cancer, quote,

Before, if you asked Steve for a favor, he might do the exact opposite.

That was the perversity in his nature.

Now he actually tries to be helpful.

I think it probably made him more willing to listen to others and less headstrong.

I also think it focused his mind because he realized he had so little time left.

Another thing that changed was his willingness to let people do great work without him.

I think Pixar taught him something valuable, which was that he could achieve success by relinquishing some control and enabling others rather than micromanaging.

And contributing to that was also the role that Steve had at Apple.

Steve was someone who couldn't help but micromanage sometimes.

But being the CEO removed him a little and having some sort of distance between day-to-day operations and himself was really helpful, I think.

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It's weird to say, but he may have been better qualified to be the CEO of Apple than he was to be the manager of the Macintosh team.

One other thing is that Steve Jobs was just incredibly lucky with his team he had in later years.

They were perfectly suited to compliment his strengths and make up for his weaknesses.

I think Walter Isaacson summed it up pretty well.

He said, quote, they all knew they were expected to be deferential to Jobs while also pushing back on his ideas and being willing to argue.

A tricky balance to maintain, but each did it well.

I realized very early that if you didn't voice your opinion, he would mow you down, said Tim Cook.

He takes contrary positions to create more discussion because it may lead to a better result.

So if you don't feel comfortable disagreeing, then you'll never survive.

And his team did feel comfortable disagreeing.

They were able to push back just the right amount.

I think the early Apple team and next employees lacked that, but he found it or maybe stumbled upon it in the team that he surrounded himself with in his later years.

One more thing I want to say about how Steve grew and changed.

He did change.

He grew less petulant and bratty, more willing to compromise and listen, grew more pragmatic, less focused on his own ego and even more focused on creating insanely great products.

But he did relapse and quite often he could still sometimes be completely bratty and petulant.

Some people have taken that to mean that he didn't actually change.

They point to some incident of him acting like a jerk from 2010 and say, well, see, he was still acting like this late in life.

So he didn't really change.

And I think this is unfortunate because I think we often do the same thing to ourselves.

We try to change and then the second we mess up in any way, we say, well, I guess that change wasn't real after all.

I didn't change or at least I know I've done that to myself on occasion.

The other week I heard this guy talking, he was an alcoholic and he used a phrase that I hadn't heard before.

He said, relapse is a part of recovery.

He made the point that just because you relapse, that doesn't mean you're not recovering.

It's just a part of the process.

It's a small setback.

And I think that applies beyond addiction.

It's helped me with forming or trying to form new positive habits.

Steve could relapse into his old ways.

You try to change and create positive habits.

You'll do the same.

You'll relapse sometimes.

That doesn't mean your change is ineffective or it's insincere or it doesn't count.

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All it means is it's taking time.

One of the last things Steve Jobs said to his official biographer was, quote, I did learn some things along the way.

I did learn some things.

I really did.

The other thing I want to mention really quickly is his commencement speech.

Steve didn't really do public speeches for universities or conferences or anything like that, but he did decide to do one commencement speech.

He gave it at Stanford in 2005.

I think it was his way of giving back to the Silicon Valley community that had been so instrumental in his rise in success.

It's a really masterful speech.

I almost want to just play it in full, but that would be lazy.

I will say, I know I keep referring you to YouTube, but if you have the time to go search it out on YouTube, it's worth your time.

I would go watch it and listen to it.

But Steve started out by saying, quote, today I want to tell you three stories from my life.

That's it.

No big deal.

Just three stories.

The first of his stories was going to college at Reed.

He talked about how he dropped in on classes that he found interesting.

So he decided to drop in on a calligraphy class where he gained a great appreciation for different types of fonts and writing styles.

He said it was, quote, beautiful, historical, artistically subtle in a way that science can't capture, and I found it fascinating.

It had no practical application for him in his career, but years later when he was designing the first Macintosh, it came back to him and gave him the inspiration to include options for different fonts, which is something no other computer did at the time.

He concluded the story by saying, quote, you can't connect the dots looking forward.

You can only connect them looking backward.

So you have to trust that the dots will somehow connect in your life.

You have to trust in something, your gut, destiny, life, karma, whatever.

This approach has never let me down and has made all the difference in my life.

And I think this is very true.

Steve didn't look far into the future and have some grand master plan for his life.

He trusted his intuition and was opportunistic.

This lack of long-term overarching plan gave him the freedom to seize an opportunity when he saw it and when it was in front of him.

He didn't worry about connecting the dots.

He trusted the dots would connect in retrospect, and they did.

The second story was about getting fired from Apple.

He explained how things worked out for him in the end with his eventual triumphant return.

But he said, quote, I'm pretty sure none of this would have happened if I hadn't been

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fired from Apple.

It was awful tasting medicine, but I guess the patient needed it.

Sometimes life hits you in the head with a brick.

Don't lose faith.

I'm convinced that the only thing that kept me going was that I loved what I did.

You've got to find what you love.

And that is as true for your work as it is for your lovers.

Your work is going to fill a large part of your life, and the only way to be truly satisfied is to do what you believe is great work.

And the only way to do great work is to love what you do.

If you haven't found it yet, keep looking.

Don't settle.

As with all matters of the heart, you'll know it when you find it.

And like any great relationship, it just gets better and better as the years roll on.

So keep looking until you find it.

Don't settle.

The third story was about being diagnosed with pancreatic cancer.

He explained that it changed his outlook on life and refocused him on the most important things.

He finished by saying, quote, your time is limited, so don't waste it living someone else's life.

Don't be trapped by dogma, which is living with the results of other people's thinking.

Don't let the noise of others' opinion drown out your own inner voice.

And most important, have the courage to follow your heart and intuition.

They somehow already know what you truly want to become.

Everything else is secondary.

That's a sentiment I strongly endorse, and won't really try and echo because I'm not sure I can state it any more eloquently.

I'll also read the final two paragraphs of his speech, quote,

When I was young, there was an amazing publication called the Whole Earth Catalog, which was one of the Bibles of my generation.

It was created by a fellow named Stuart Brand, not far from here in Menlo Park, and he brought it to life with his poetic touch.

This was in the late 1960s, before personal computers and desktop publishing, so it was all made with typewriters, scissors, and Polaroid cameras.

It was sort of like Google in paperback form, 35 years before Google came along.

It was idealistic and overflowing with neat tools and great notions.

Stuart and his team put out several issues of the Whole Earth Catalog, and then when it had run its course, they put out a final issue.

It was the mid-1970s, and I was your age.

On the back cover of their final issue was a photograph of an early morning country road, the kind you might find yourself hitchhiking on if you were so adventurous.

Beneath it were the words, Stay Hungry, Stay Foolish.

It was their farewell message as they signed off.

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Stay Hungry, Stay Foolish, and I have always wished that for myself, and now, as you graduate to begin anew, I wish that for you.

Stay Hungry, Stay Foolish.

Well, as I said, Steve ended up dying from cancer.

It was pancreatic cancer.

It took its toll on him for the last few years of his life, but it also gave him enough time to transition leadership at Apple to other executives and say goodbye to friends and family.

Steve was obsessed with creating great things, transforming the world, creating a great company, leaving a legacy.

So I find it very interesting what he was living for in the end.

He said he wanted to make it to his son Reed's high school graduation, and happily, he did live long enough to see it.

To wrap up, I hope I've given you a good enough feeling for who Steve Jobs was and what made him great that you don't need a summary of takeaways, but there is one more thing.

I want to tell you one final story from his life, the final story from his life.

In his final moments as he lay dying, he was surrounded by his family.

He looked at his sister, then he looked at each of his children, then he looked at his wife, then his eyes got wide and he looked beyond them and said, oh wow, oh wow, oh wow.

And those were his last words.

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Thank you very much.