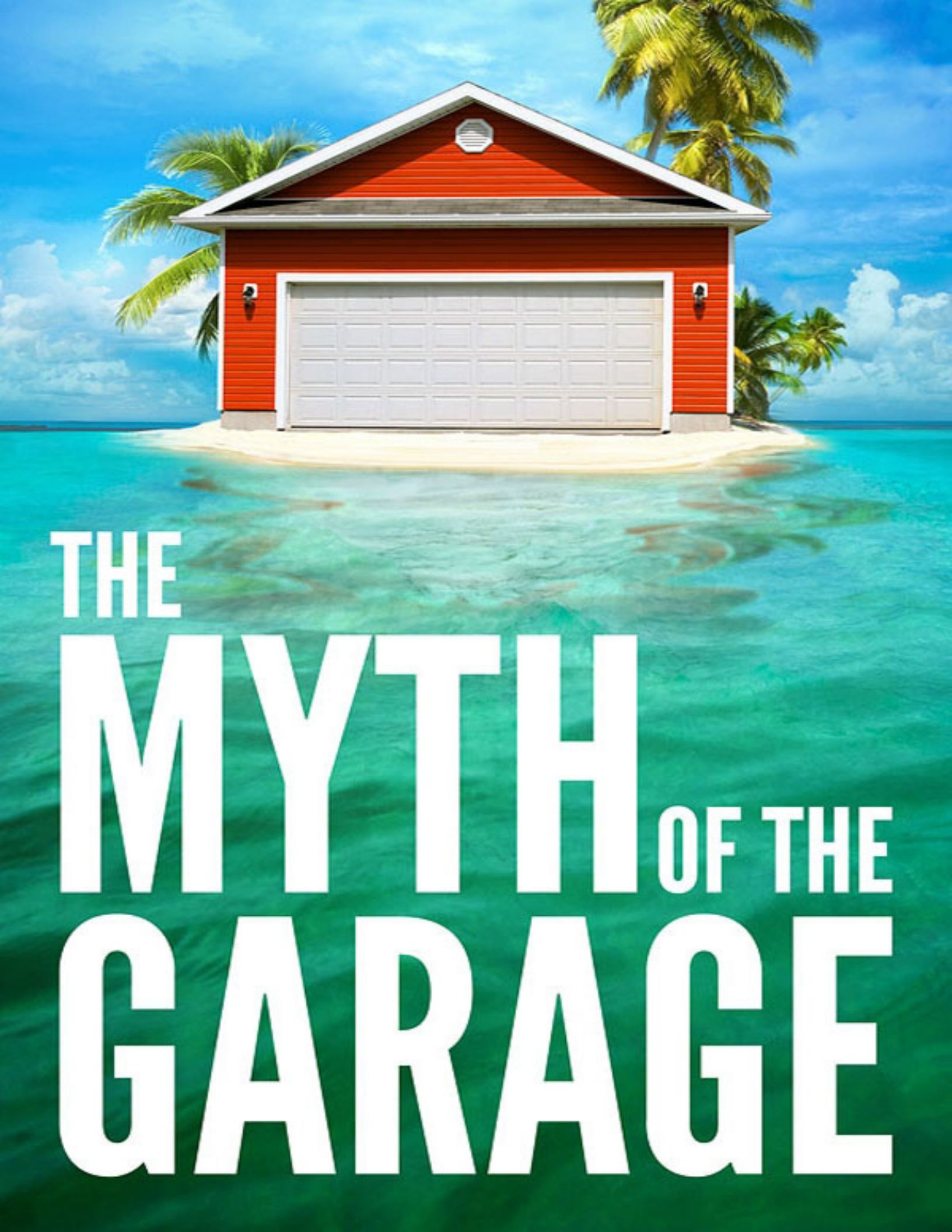




THE MYTH OF THE GARAGE

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Also by Chip and Dan Heath

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THE MYTH OF THE GARAGE

Chip and Dan Heath

Note to Readers

All the pieces in this collection were first published in *Fast Company* magazine, with the exception of “The Future Fails Again,” which is being published here for the first time. Dan and Chip Heath wrote a column for *Fast Company* from March 2007 thru March 2011.

THE MYTH OF THE GARAGE

TALES OF GROUNDBREAKING innovation sound a lot alike. Like action-adventure movies, they have a predictable structure. You know how *Die Hard 4* is going to end and you know how YouTube began: Some ordinary guys, without money or power, triumph via a brilliant insight and scrappy groundwork, just like Hewlett and Packard, who started in their garage. Or Jobs and Woz, who founded Apple in another garage. Or Michael Dell, who lived the same tale but upgraded to a dorm room. Rebels, all of them, who triumphed over Big Business.

But what if those stories mislead us about what it takes to generate great ideas? Two researchers from the Haas School of Business at UC Berkeley, Pino Audia and Chris Rider, have debunked the Myth of the Garage in a recent paper. The garage, they say, “evokes the image of the lone individual who relies primarily on his or her extraordinary efforts and talent” to triumph. The reality is that successful founders are usually “organizational products.” A separate study of VC-backed companies found that 91% were related to the founders’ prior job experience. Audia and Rider say entrepreneurial triumphs aren’t due to lonely, iconoclastic work—they’re “eminently social.” Wait a minute: Entrepreneurs aren’t rebels, then, so much as recently departed organization men.

Consider two of the founders of YouTube, Steve Chen and Chad Hurley. Both cut their teeth at PayPal—in fact, Hurley was one of PayPal’s first employees and even designed its logo. (He is also the son-in-law of James Clark, who founded Netscape and Silicon Graphics.) Top-tier venture-capital firms were calling them, offering money, counsel, and

connections, within months of launch. That's not quite as uplifting as hearing that twentysomething buddies created a cool site to swap videos with friends.

As for Jobs and Wozniak: There was a garage, but less discussed is Jobs's background at Atari (he was employee No. 40) and HP ("What I learned there was the blueprint we used for Apple," he told a journalist in 2003). Wozniak was an engineer at HP, and he gave it the first shot at his microcomputer idea. (Bad call, HP.)

In other words, companies aren't born in garages. Companies are born in companies.

This reality shouldn't diminish these monumental achievements. Yet it feels like it does, because we crave the excitement of these creation myths. Your startup "emerged from a systematic discussion of market opportunities, conducted at a networking function at the Marriott"? Yawn. Give us the garage. In fact, the story would be even more satisfying if Jobs and Wozniak had actually *built* the garage first, by hand, out of toothpicks scavenged from local restaurants.

Because we eat these stories up, ideas tend to evolve to suit our fancies. Christopher Columbus, we all know, wanted to prove he could reach India by sailing west. But no one believed his absurd theory that the earth was round; his own sailors were terrified their ships would fall off the earth. His crew almost mutinied!

But that version of Columbus is a myth, according to historical sociologist James Loewen. In Columbus's day, most people knew that the world was round. The evidence was there for them to see. People noticed that, if another ship is receding into the horizon, its hull disappears first,

and then the mast later, which suggests that there's some kind of curvature in play. Furthermore, Columbus's three ships enjoyed "lovely sailing," with no record of mutinous talk. And he actually set sail to find gold, not to prove an idea for humanity.

Columbus arguably discovered the New World. Kind of a big deal. But as with garage entrepreneurs, we want more—we like Columbus's story even more when he has to fight off his feisty crew en route.

As stories are told and retold, they evolve. They come to emphasize individuals, not organizations; to celebrate a flash of insight over stepwise improvements; and to exaggerate obstacles while downplaying institutional support. In years to come, expect YouTube's triumphant story to grow even grander than it is today. But if you're starting a company or launching a product, don't get lured into scouting out a garage. Learn from your predecessors: First, get a *job*.

December 19, 2007