

Preface

Over the years, I have read a lot of books. Many of the books have interesting premises about how to be a better person, be a better salesperson, or be happy in your job.

These books contained interesting and engaging strategies and hypotheses. They build and develop principles that let you model and expand on issues that can help you improve yourself and your life. In fact, if you follow their examples you will usually be a better person. I have no doubt that the copy of *The Power of Positive Thinking* that my mother kept in her house was a great comfort to her. My personal friend Steve (Big Tuna) Lundin's *Fish* has been quite helpful to a number of my relatives and other people in the global workforce, allowing them to approach their jobs with a more positive attitude.

Over the years, I have found many such books interesting, helpful, amusing, and entertaining. Eventually, I saw my daughter reading these books. What caused me to pause was that the books tended to deal with issues that did not reflect the dynamics that I personally felt in the workplace and in the world.

Many of my favorite news show hosts seemed to get mired in what I felt was a pessimistic one-issue view of the world and what could be done to change it. I had difficulties understanding their views. They seem surprised at goings on in the financial world. They had difficulties explaining how companies work. They had bizarre views of the interrelationship of financial mechanisms. Their view was that the middle class was doomed. I agree that as a class of people, the middle class is under constant financial pressure. But the pressure was due to changes that could be overcome. The people who made livings making buggy whips eventually ended up without jobs due to technology changes. But could they have evolved to a different

type of work? Can you make a thirty- of forty-year career plan when the whole world changes at a rapid rate?

This process of technology change is ongoing. There is constant change in the world as well as in our economy. Fortunately, I have always had the luck to work at the bleeding edge of technology and, thus, see progress in a different way. In many ways, I felt that trying to capture the potential of technology was like trying to catch a wave to go surfing.

This book tries to capture that view. I view the world from the perspective that there will be change, it will cause economic dislocation and disruption, and there will be another day. Big waves appear! I am optimistic! Change is good, and it is inevitable! Clearly, tolerance of change biases my view of the world. Many people cannot deal with large amounts of change. I embrace it. Change creates challenges and opportunities.

The purpose of this book is to discuss techniques, attitudes, reasons, and ways to balance extreme optimism and risk in the technology business.

This is a book about technology and innovation. Technology is important to a healthy and prosperous economy. Innovation drives technology. Innovation creates waves of opportunity. Economic development in the United States is driven by technology. Technology creates jobs and wealth. It may also destroy existing processes, infrastructure, jobs, and wealth. Technology and innovation create risks for the people and investors involved in the technology development. But technology changes, and its attendant risks create massive amounts of opportunity and the potential for success and wealth. This is a book about controlling and understanding the risks involved in this constantly evolving process.

Today the technology business is driven by small firms that can adapt and maneuver rapidly. It is these firms that create the high-paying, high-tech jobs of today. They also create the

new products that drive our economy. Innovation in new technology creates new products and jobs, but it may kill other jobs and products as well as cause entire companies to disappear.

In the 1960s and 1970s, it was large firms that created the jobs and innovation. By the early 1980s, our economy was in a mess, but a set of tax cuts changed the risk–reward ratio and set off a small high-tech industry that brought us unprecedented prosperity. Today, small companies are where high-tech jobs exist. High-tech jobs create the new breed of manufacturing jobs.

In the 1960s and 1970s, the measure of a company was its assets. Today, that measure is intellectual property (IP) assets. IP measures innovation. Small firms with their agility create IP. Whether it was railroads, cars, computers, or the Internet, economic development equals high tech at any particular time in history. What constitutes high tech at one time is obsolete at another time! Change is a constant. You must adjust. This book will take you through that adventure. In the book, we will travel through many aspects of high-tech industry, and I hope that you will find it an interesting trip.

Small businesses are the engine of the innovation economy. Many of the *Fortune* 500 companies that are in the technology business today were launched in a recession or bear market. There are always technology opportunities available, regardless of the state of the economy.

This book may help you be a better person, but it will certainly let you see a different style of life and attitudes. And it will clearly let you see techniques that can be adapted to give you a more entertaining view of the happenings of the world.

In my experience, it is important that you have a good self-image and self-worth. Part of the issue in achieving that status is to be satisfied in your daily endeavors. You would not want to go to a job every day if it were a burden.

I am not a shrink. I have no formal training on how to tell you how to have a better life, feel more satisfied in your job, or how to look forward to going to your job. All I can tell you is that you should seek tasks in your daily life that are fulfilling. I can show you how various people in the technology business get into position to develop and sell innovative products. In a majority of these cases, developing such products is the way these people achieve satisfaction. In my case, I gained satisfaction by having and working at exciting technology jobs and dealing with the interesting characters, problems, and technologies that come along with such jobs. There is a real thrill in getting a technical break through to work for the first time.

My friend, a Harvard MBA graduate, looked at this book and told me this is not the stuff he was taught in school. My response was that I was not educated on this material through formal schooling. If you want formal business methods and feel-good strategies that involve a lot of analysis, there are a lot of good books to read and schools to attend. But this is not a theoretical book about how to analyze a business. It is a book about getting it done. The ideas in this book have proven effective. However, the typical business professor will have problems with numerous strategies in this book. The strategies are unconventional and extreme, but you should expect that because the book is about dealing on the extreme edges of technology.

This book is a street fighter's guide to technology change and how to manage risk and profit from that change. It is a book about controlling the risk associated with high-technology innovation. It assumes that because of economics, we are going for the brass ring each and every day. We want to win, and that will require us to have a widely varied set of skills. In the small startup company, there are very few people to lean on and every action (successful or not) has a huge effect.

I have lived the lifestyle described in this book. I worked for and consulted with large companies for a number of years, but more importantly, over the years I have cofounded several successful small companies. I have designed large-scale systems as well as having conceived of and sold products of various sorts in the software arena. The products and systems that I worked on when I was with large companies ended up being worth billions of dollars. The products that I helped end-user companies purchase for their systems were worth tens of billions of dollars. In various incarnations of my life, I have been fortunate to be quite successful at a variety of corporate and investment opportunities that I sought out over the years.

If you start a small company, you stand the chance to be rewarded in several ways: contentment and money. You need to understand your motives and make sure that you move forward toward your own view of success. Just like surfing a big wave, there is only you out on the face of that giant wave, and the experience is both scary and exhilarating. Having started several small companies, I always try to tell my partners how lonely it will be out on the face of the wave. Typically, they underestimate both the rewards and the fear that they will face. To spot a technology big wave is to get the opportunity to create value for yourself and associates. To ride a technology big wave requires a varied set of skills. Both propositions are enumerated in this book.

Optimism and risk-management strategies are what you will need in a start-up and rapidly growing company. Those strategies are what you will find in this book. Even if you don't decide to ride the big wave, I hope you find this book interesting, insightful, and amusing. But my personal advice is to give it a shot. You will never know if you can succeed unless you try. I recommend that you seek the big waves both as a lifestyle and a vocation.