Young
Simon

iCon

Steve Jobs

The Greatest Second Act in the History of Business

ISBN 0-471-72083-6

iCon

Books by Jeffrey S. Young

Steve Jobs: The Journey Is the Reward

Forbes Greatest Technology Stories:
Inspiring Tales of the Entrepreneurs and Inventors
Who Revolutionized Modern Business

Cisco UnAuthorized

Inside MacPaint: Sailing through the Sea of Fatbits

Books by William L. Simon

Beyond the Numbers

As Coauthor

The Art of Intrusion

A Cat by the Tail

In Search of Business Value

The Art of Deception

The Afterlife Experiments

Winning in Fasttime

Driving Digital

Lasting Change

High Velocity Leadership

On the Firing Line

Profit from Experience

iCon

Steve Jobs

THE GREATEST SECOND ACT IN THE HISTORY OF BUSINESS

Jeffrey S. Young
William L. Simon

WILEY
John Wiley & Sons, Inc.

This book is printed on acid-free paper.

Published by John Wiley & Sons, Inc., Hoboken, New Jersey
Published simultaneously in Canada

Design and composition by Navta Associates, Inc.

Library of Congress Cataloging-in-Publication Data:

Young, Jeffrey S., date.
iCon : Steve Jobs, the greatest second act in the history of business / Jeffrey S. Young, William L. Simon.
p. cm.
Includes bibliographical references and index.
ISBN-13 978-0-471-72083-6 (cloth : alk. paper)
ISBN-10 0-471-72083-6 (cloth : alk. paper)
1. Jobs, Steven, 1955—Adult biography. 2. Computer engineers—United States—Biography—Adult biography. 3. Apple Computer, Inc.—History—Adult biography. I. Simon, William L. II. Title.
QA76.2.J63Y677 2005
338.7'6100416'092—dc22

2005006841

Printed in the United States of America

10 9 8 7 6 5 4 3 2 1

For Janey, Alyssa, Fiona, and Alistair

For Arynne, Sheldon, Victoria, and David

Contents

Prologue

Charisma, a gift given to few people, is a complex skein of many threads. Nature bestowed that gift on Steve Jobs, along with a spell-binding ability to captivate a crowd that is the hallmark of evangelists and demagogues. To witness one of his hours-long performances is to watch a master showman deliver an unscripted, free-ranging monologue about nothing but technology—and the world according to Steve Jobs.

Once, when Jobs was younger and more callow, skeptics said this bravura performance art was all he had. There was an arrogance about the young prince of technology on his first ascendancy at Apple that made him seem cold and empty, even as he pushed the envelope of what was possible with a personal computer. He attracted followers, but it was a cult.

Fifteen years in the wilderness after being rejected by his own company changed all that: it made him human.

Nowhere was that more clear than in January 2000 at the MacWorld Expo in San Francisco's Moscone Convention Center. At that event, on that frosty morning, Steve Jobs reached an emotional watershed, one that few people had thought would ever happen for him. And as with everything else about this man's larger-than-life world, he did it in front of thousands of observers.

For those who were attentive enough to hear what he said, Steve Jobs let the world see how much he had changed. Nearly drowned out by applause and shouting, his confession took place in one unscripted and unhyped moment at the very end of the presentation.

Making a presentation at the annual Macintosh trade show and "love-in" in San Francisco is an essential part of the life of an Apple chief executive. Steve had started doing it years earlier; after he was kicked out of the company his successors carried the tradition forward. But no one did it like Steve, and by the time he was back at Apple he had honed these presentations to a fine performance art.

Now balding and bespectacled, Steve had built to the finale. A black mock turtleneck and a well-worn pair of jeans demonstrated his continuing disdain for corporate uniforms. With a diffident and self-deprecating smile, Steve brought up one last slide on the giant fifty-foot Big Brother screen behind him. On it was his title, Interim CEO.

Pacing back and forth, alone onstage and in the warmth of the limelight, he acknowledged how hard everyone at Apple had been working since his return and spoke of his dual jobs running both Apple and Pixar. "After two and a half years," he said, "I hope that we've been able to prove to our shareholders at Pixar and our shareholders at Apple that maybe we could pull this dual CEO thing off. So I'm not going to change any of my duties at Pixar or at Apple.

"But I am pleased to announce today that I'm going to drop the 'interim' title."

The crowd erupted with shouts of "Steve! Steve! Steve!" At first, a core handful of Apple-lovers started the chant. It built, rising out of the center of the auditorium. The pace of clapping hands quickened, then feet stomped, and, finally, the crowd gave him a standing ovation.

"Steve! Steve! Steve!" The noise level reached a crescendo and drowned out everything else. Onstage, the prince himself at first didn't quite catch what was happening. Then, after cupping his hand to his ear to hear better, he suddenly realized: thousands of Apple fanatics, owners, developers, and faithful were telling him something he wanted to hear. The entire audience was pouring out its love for him.

For the first time in his public life, there, onstage, at the end of a remarkably well orchestrated two-and-a-half-hour show, Steve appeared genuinely touched. With a sheepish smile, he felt and basked in love that flowed freely all around him.

Perhaps he wasn't brash and cocky anymore. Maybe four kids, and the complete failure of one company and the near failure of another, had taught him something. There on the stage at the Moscone Center, Steve was genuinely moved. With a lump in his throat, he fought back tears and mumbled something to make it clear that, yes, we all can change. Yes, even Steve Jobs had made the transition into a world where feelings and passion could partner with business and technology.

"You guys are making me feel real funny now," he started. "I get to come to work every day and work with the most talented people on the

planet, at Apple and Pixar. The best job in the world. But these jobs are team sports."

His eyes misted up. A team sport. Fifteen years ago it would have been a lie, but now everything was different. Time, that great leveler, had eroded his invincibility and his elitism, and made him realize just how human and how lucky he was, and now he could stand in front of thousands and honestly, genuinely thank the many people who had worked long hours to make him look good.

With grace and a deft touch, he whispered one last thing to the audience: "I accept your thanks on behalf of all the people at Apple."

There it was. This was a new Steve Jobs. Humbled by failure, elevated by the birth of his children, mellowed with age, yet still as headstrong and perhaps even more certain of his own decision making than ever before, he now understood that it really was the many others who did the work: "Apple is a team sport."

He was the person who, more than any other, had made technology seem freighted with promise for every person. It had been a masterful romp through a collection of marginal and incremental technologies that made everything seem new and shining and important when infused with his infectious enthusiasm, his passion for the Macintosh, and his genuine thrill with the journey of redemption itself—for himself, for Apple, and for the personal computer industry. His charm, his relish at the triumph of the moment, and his easy manner coalesced in a tour de force that recalled all the old slogans—"Insanely Great!" "Let's Make a Dent in the Universe!" "The Journey Is the Reward!" "Let's Be Pirates!"—and replaced them with new ones: "This Is Going to Be Huge!" "Beyond the Box," and, finally, "Reinventing Apple," "Think Different," and a noisy parade of characters from Buzz Lightyear to the clown fish Nemo to the family of Incredibles.

Steve wasn't the only one who was emotionally touched that day. Off to one side of the auditorium, sitting by himself and barely recognized, was the other Steve, Steve Wozniak, the one known as Woz, the once and former partner, the genius behind the Apple II who had created the original cult of Apple with inspired and quirky feats of engineering.

As Woz watched his former partner gently, even humbly, accept the applause and the praise being showered on him, tears ran down Woz's

cheeks. Walking out of the hall, he told a reporter that "it felt just like the old days, with Steve making announcements that shook my world." If Woz could forgive Steve, so could anyone. It had been a long time since Steve had first made him cry.

But lots had changed since that time. As Steve Jobs basked in the moment, the giant loudspeakers came to life. He slipped off the stage, and the Macintosh faithful streamed out of the auditorium, enveloped in Steve's reality-distortion field, while the sounds of one of his heroes whispered all around them. The song was "Imagine" by John Lennon, who was killed so close to the day of Apple's IPO in December 1980:

> You may say I'm a dreamer,
> But I'm not the only one.

Yet no one could have imagined Steve's own story.

PART ONE

Flowering and Withering