

## The Great Discontent

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# Jason Fried

Photo by [Marc A. Garrett](#)

## About Jason

Jason Fried is the co-founder and President of 37signals. He believes there's real value and beauty in the basics. Jason co-wrote all of 37signals' books and also speaks around the world on entrepreneurship, design, management, and software.

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## Introduction

The [story of 37signals](#) is widely known among those who use and love the company's web-based apps, but what about the story of Jason Fried, President and co-founder of 37signals? We had the pleasure of talking with Jason, a fellow Midwesterner, who recalled his path prior to 37signals. Although he originally pursued a finance degree, an interest in developing software led him to working on the web and the rest is history. In addition, his early job experiences taught him about the kind of company he wanted—and didn't want—to build as well as the kind of culture he wanted to create. And he set out to do just that. Read on to learn about Jason's personal path and to gain a deeper understanding of the philosophies that have shaped the way he does business and why he's most interested in making something that stands the test of time.

## Interview

### Describe your path to what you're doing now.

It all started when I was 10 or 11. My dad is a stock market investor and we used to get annual reports in the mail. I loved looking at them because they were beautifully made and had glossy pages and great photography. Until then, it had never crossed my mind that numbers and text could be designed to look so good. From that moment on, I wanted to be a designer, even though I didn't know what I wanted to design. I just knew that I wanted to make things look beautiful and be informative. That's where my initial interest in making things began.

Then I worked a bunch of jobs that helped to inform later decisions. For example, my first job was at a small, locally owned grocery store. I got to know the owner and some of the managers pretty well; some were good managers and others weren't. I started to form an opinion about what kind of person I would want to work for or with. Next, I worked at a shoe store, which was also a family-owned business. I had a great manager there, but the owner was suspicious of everyone and didn't trust his employees; I didn't like working for the owner.

After those experiences, I worked for several big companies. First, a company called Sportmart, which is like today's Sports Authority. I realized very quickly that I didn't like anything about the bureaucracy of a big company. I continued to have these little experiences that informed my point of view about the kind of company I would want to work for or run. I've tried to take something from each of those experiences to help me figure out what I want to build and how I want others to feel about what I build. My ideas about building a company and making things stem from that.

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### What was the rest of your path prior to 37signals?

In 1992, I went to college at the University of Arizona to study finance; I graduated in 1996. I mostly went to Arizona to get out of the Midwest and soak up the sun. Also, I wasn't a particularly good student in high school, so I couldn't get into a lot of great colleges, but Arizona was a decent school.

By college, I had a really good sense that I wanted to work for myself. I had been making software on the side and first was a product called Audiofile, which I made to organize my music collection. I put Audiofile on AOL, charged \$20 for it, and people started paying me. That's when I realized I could learn to do stuff, distribute it, and ask people to pay me for it. I thought, "Okay, maybe I can make a business out of making things." I continued to do more stuff like that on the side throughout college.

In 1995, I started designing for the web, which was becoming a big thing. Because none of us knew how to do anything, we all started at the same level. I learned how to dissect websites and taught myself HTML. Then I started finding clients to design basic websites for and realized that I really liked the web. I did some freelance web design work on the side during college and one of the guys I worked for offered me a job right out of school. Although I got a degree in finance, I didn't want to do whatever one does with a finance degree. This guy asked me to come work for him as a web designer in San Diego, so I said yes. I did that for three or four months before I realized that I'm not built to work for other people. I love working *with* people, but I need to run my own thing. After that, I moved back to Chicago and did more freelance web design. Eventually, I hooked up with two other guys who I met in Chicago and, in 1999, we started 37signals as a web design company.

### And after that?

Briefly, we got really busy doing website design and needed a better way to manage all our projects. We ended up looking around for software to help us, but couldn't find anything that we thought worked for us, so we built something. We started using it internally and then began using it with some clients; they really liked it. The light bulb went off and we thought, "Hey, maybe there's a product here." We polished it up a bit, called it Basecamp, and put it on the market. About a year later, it was doing more business for us than web design, so we stopped doing web design and have been focused on software development since 2005. That's the short—and long—story of it all.

"It's not about the money; it's about the fact that I can make something that's more valuable than the money people pay for it...people are going to trade their money for what I'm giving them and I want to give them more than what they're paying for."

### Was creativity a part of your childhood?

I hated art when I was growing up because my mom was "the art lady" at my elementary school. She came to our school once a month to show off her prints of famous paintings.

### That's embarrassing when you're a kid.

Right! I love my mom, but I'm sure you can imagine how embarrassing it is when your mom shows up at your class! So, I hated art, but loved making things. I played with Legos, Tinker Toys, and construction sets. I also used to draw when I was younger and did take a few art classes. I've never thought of myself as an artist or creative in the traditional sense, but I have always enjoyed making things. The idea of creating something from nothing is so cool. I'd like to be good at woodworking or metalworking, but I'm not; as it turns out, what I'm good at is making software. I feel like I have a knack for making things that people interact with.

I do think there is some creativity in me. I've never been a structured person; I've always felt loose and free to figure out what works best for me rather than doing what I'm supposed to do. I think I'm creative in the sense that I don't accept the way things are. Instead, I think about better ways to do things.

### Did you have an "aha" moment along the way when you knew that this was what you wanted to focus on?

The number one "aha" moment for me was when I made that Audiofile program. I included a text file with it that said, "If you like this, send me \$20. Here's my home address." I had no idea if anyone would send anything. The first envelope I got was from Germany—I didn't know anyone in Germany. I opened it up and the text file was folded up like a letter and there was a \$20 bill with a note saying, "Thanks. Love your product." That was when I realized that I could create something that solved my problem and also solved other people's problems to the extent that they would find value in it—enough value to pay for it. That was the "aha" moment and I've been doing the same thing ever since—making stuff and asking people to pay for it. It's not about the money; it's about the fact that I can make something that's more valuable than the money people pay for it. If people pay \$20, they should get at least \$21 worth of value out of what they buy. I've always kept that in mind because people are going to trade their money for what I'm giving them and I want to give them more than what they're paying for.

### Have you had any mentors along the way?

I've always leaned on my dad, especially when I was younger. He's really smart and is a great business person. Some family members were also entrepreneurs, so I feel like some of that is in my blood and, even though I didn't know them well, their influence is there anyway.

There are also a lot of people I've met along the way who I ask questions and bounce ideas off of as often as I can.

Then there are people I've never met, but really respect, like Richard Branson and James Dyson. This might seem like a weird one, but I also like Judge Judy. She is interesting because she tells it like it is; I respect that because it's so hard to do. I also respect Clayton Christensen, a professor at Harvard and author of *The Innovator's Solution* and *The Innovators' Dilemma*; he is a brilliant thinker. I pay attention to these people and although I can't call them mentors in the traditional sense, I do take something away from them.

Also, the people I work with teach me new things all the time.

"I've always been careful, patient, and slow about the things I do. I don't put anything too big at risk at any one point in time...The entrepreneurial myth is that the people who risk the most succeed the most or reap the biggest rewards. I don't know if that's true."

### Has there been a point in your life when you decided to take a big risk to move forward?

I'm not really a risky person. I'm actually pretty risk-averse and have always moved slowly into things. With Basecamp, we were doing web design and making Basecamp on the side—Basecamp just *happened* to be successful, but we didn't go into it saying we were done with web stuff. We hedged a little bit and didn't take a major risk. I've always been careful, patient, and slow about the things I do. I don't put anything too big at risk at any one point in time. That's different than a lot of the thinking out there. The entrepreneurial myth is that the people who risk the most succeed the most or reap the biggest rewards. I don't know if that's true.

### Are your family and friends supportive of what you do?

Yes. For a long time, my parents didn't really understand it and they still kind of don't, but they've always been extremely supportive of everything I've ever done. This extends to all parts of my life. I played basketball my freshman year of high school and sat on the bench the entire season because I wasn't good enough to play. My parents came to every single game and that really meant something to me. Then I ran track and was really good and they came to every meet. I ran track in college, too, but they

didn't come because it was in Arizona. Their actions reminded me that they're behind me on whatever I want to do and that's incredibly important. I don't know what it's like not to have that, but I'm really glad that my parents are supportive.

As far as friends go, I've never really looked to friends for support, so I don't feel like I have an answer to that one.

**Do you feel a responsibility to contribute to something bigger than yourself?**

I do, but I don't necessarily know what. One of the things we try to do a lot at 37signals is share about our experiences and the things we've learned in hopes that it will help other people. I'm interested in helping entrepreneurs think differently about how they run a company—to think about keeping things smaller and be in it for the long-term. If I can have influence on people in that way, then that's something that is bigger than me. I want more people to have the same kind of success that I've been fortunate to have and to have it in the way I've had it; I think it's a much calmer path.

But that's still small thinking in terms of impact. I'd like to give back as much as I can, but I don't just want to give something to say I'm giving back. I really want to figure out what it is that I can help with in a much bigger way. I don't know if I've really hit that yet.

**It takes a long time to figure that out.**

Yeah, it does. I support a variety of causes and charities, but that's not focused. If there's something I can do to help a lot of people, I'd like to figure that out over time. I also think that people often think of charity or volunteering time as the only way to help a bunch of people. I also think that building a great business with great products that help a lot of people is a very effective way to contribute. I hope we're doing that at 37signals as I speak. I hope we're helping hundreds of thousands of companies run more efficiently, helping people start and finish things properly, and giving people ideas on how to make things smoother at work.

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# REWORK

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FOUNDERS OF 37SIGNALS

[Rework](#), the bestseller by Jason Fried and David Heinemeier Hansson

**Are you satisfied creatively?**

Yes, but I'm also impatient. I'm satisfied in that I get to build what I think is right. I don't feel repressed in that way. I have a lot of friends in this business who feel repressed because they have an idea, but can't act on it for whatever reason. I feel very free, but I'm also always slightly frustrated with the fact that there are more ideas and more things I want to do, but can't because I don't have time or knowledge to do them yet.

**Where do you see yourself in 5 to 10 years?**

I don't have an answer for that. I pay more attention to what's going on now. I think a few months at a time about what I'm working on and if it's satisfying and important to



me. I discover things as I go and don't think you can predict your passions. Jeff Bezos from Amazon says something that I totally agree with: "You don't find your passions; your passions find you." You don't necessarily know what you're going to be super interested in in 5 to 10 years. You just have to be open to being introduced to those things and that's what I've been working on—keeping an open mind about things and not limiting myself.

"I think obscurity is your friend when you're just starting out. People want to get rid of the obscurity so everyone knows who they are and what they're doing, but it's nice to have that cushion of being able to mess up without anyone knowing or caring..."

**If you could give advice to a young person starting out, what would you say?**

It's gotta be something about not trying to do too much too early. Every time I've seen people go down the wrong path, it's because they've tried to do too much too early. They'll have a super ambitious idea and are probably better off just implementing a small part of that idea first, rather than trying to do a huge thing to change the world at 21—it's very hard to do that and I think there are a lot of lessons you have to learn along the way before you're able to do that. If you set yourself up to do something you're not able to do right off the bat, it leads to a lot of disappointment. I'm more a fan of the idea of building on top of small victories and eventually doing a lot more with the lessons you learn.

Also, I think obscurity is your friend when you're just starting out. People want to get rid of the obscurity so everyone knows who they are and what they're doing, but it's nice to have that cushion of being able to mess up without anyone knowing or caring so that you can learn without the spotlight on you. Once the spotlight is on you, there's a lot of pressure and you don't need that kind of pressure early on. Take it easy, have a long-term view on things, build on little successes, and learn more before you try to go out and change the world.

The other advice is to focus on one thing. I see a lot of entrepreneurs build something and then move onto the next thing and the next thing and the next. Building something is only step one. It's not that hard to put something out there. Building on top of that to maintain and improve it is actually the harder thing to do. Anyone can release something, but it's much harder to polish and refine it over time once it's out there.

**That's a good reminder, especially with the startup culture right now. We were talking with [a friend](#) about this recently. Who is going to be interested in building things out and making them good over time? It seems like people aren't in it for the long haul as much anymore and I don't know if that's reflective of a shift in the culture or what.**

I think that's a super important point and I think it is a shift in our culture. Everything is being compressed. Expectations are so high about things happening so quickly that it's seeping into every crack in our culture. I don't think that's healthy for business. People should consider the value of a long-term investment in something. Can you make your idea your life's work instead of your life's work being 30 ideas? Or, can you find that one thing that ends up being your life's work instead of searching out these short moments of excitement? I'm more of a fan of constant, steady growth because it feels more sustainable over a long period of time. Creating things that are lasting is what great cultures do. When you travel in Europe and see structures that have been around for hundreds of years, you think, "This culture cared to make something that would last forever." What are we creating today that's going to last for 20, 50, or 100 years? I like to think about that and I'd love to have more people think that way rather than thinking about what they can do for two years until they get bought out. Anyway, that's a little bit of a rant.

**No, I think it's totally on point.**

"I'd like to give back as much as I can, but I don't just want to give something to say I'm giving back. I really want to figure out what it is that I can help with in a much bigger way."

**This is an additional question, but I think it fits well here. During the day, I work at Crush + Lovely and one of our cofounders, Matt, was interested in hearing about how you've managed to keep 37signals so small considering all the products you work on.**

It's hard. You have to be really disciplined because there are always more ideas. There are five new things I want us to be doing right now. One option is to hire people to do all those things; that's the easy answer. The hard answer is to say, no, we can't do all this stuff well. We can do all this stuff, but we can't do it all well. If you care about doing things well, it's a lot easier to keep your company small because it forces you to focus on one or two things at a time. When you're focused on one or two things at a time, you can give those things your full attention, carefully think about them, and hopefully put out great work.

The other thing is that, culturally, I've found smaller companies to be better places to be. We have the revenue to grow the company, but I don't think it would be worth the growth because of the damage it would do to our culture. I put the culture ahead of a lot of other things that we could do, like making more products, making more money, or gaining more influence. None of those are worth damaging our culture. We're now at 36, which is the biggest we've ever been. That means I don't know everyone as well as I used to or have the time to talk to them as much as before.

We've grown slowly over 14 years. If you bring on a couple great people at a time, I think you can grow a much larger company and maintain a culture, but you have to do it carefully, slowly, and thoughtfully along the way. People need time to understand the culture and become assimilated into it; you want them to feel part of it, instead of just floating on top of it.

I also think you need to have a conservative approach to spending. Hiring people is the most expensive thing you'll do and I prefer not to spend money that I have *just* because it's there. I want to make sure that it's valuable for us and for the people we hire. If you hire people and don't have important work for them to do, then it's really an insult to them. No one wants to work on things that don't matter. Again, we could have more people around here, but I don't want to give them work that doesn't matter and I don't want us to be so diluted that we can't make great stuff. All of those reasons are why and how we've decided to keep the company as small as possible.

**That's all really great.**

I know it's sort of scattered, but there's never one answer or reason for things. That's how philosophies are put together.

**No, it's good to hear your thinking behind all of that.**

Cool.

From the authors of The New York Times bestseller REWORK



[Remote](#), the forthcoming book by Jason Fried and David Heinemeier Hansson, will be out in fall 2013.

**Alright, on to a few lighter questions. You're in Chicago. How does living there impact your creativity and the work you do?**

The thing I really like about Chicago is that it has a pace that feels like a longer-term pace. I've spent time on both coasts and I love the energy in New York, but I feel like it would rush me too much. While the West Coast is more laid-back, it's also rushed in the sense of building, blowing things up big, and selling them. Chicago has a very practical, Midwestern feel—you're from the Midwest so you know—which is more grounded and down to earth. People aren't chasing fame or those kinds of artificial things. Instead, people are trying to build solid, sustainable things and I think that has a big impact on me.

Creatively, I don't know. I'm a big architecture fan and Chicago is a great city for that. Creatively, I don't take much from the city, but mentality and pace-wise, it's influenced me quite a bit.

**Is it important to you to be part of a creative community of people?**

I'm an introvert so I don't network or socialize that much. What I think about all the time is my team. I want to create a really comfortable place for everyone to be because



this is where we spend eight hours a day. I think about how I can make sure that it's a healthy community. Outside of that, there are people in Chicago who I talk to often and I have lots of friends elsewhere. I don't think of community in terms of local as much as a network of people who I know who have gone through similar things.

"Building something is only step one. It's not that hard to put something out there. Building on top of that to maintain and improve it is actually the harder thing to do. Anyone can release something, but it's much harder to polish and refine it over time..."

### What does a typical day look like for you?

My days are different. I've been waking up a lot earlier, which I really like. I used to wake up at 8:30–9am and now wake up around 6am. In getting up early, it feels like I get an extra half a day—it almost seems like I'm cheating. In terms of what I do every day, it's scattered. I do whatever needs to be done. I think about new ideas; sketch; meet with people on the team; do customer service; deal with business crap; deal with staff issues. I do whatever I can to help with things that come up. Sometimes in the afternoon I'm worthless and have nothing to offer. That's when I take care of email or administrative stuff that piles up. Most of my creative thinking is done at night, which is my "me time". My creativity ebbs and flows. One of the things I do a lot is contradict myself. The next day I'll decide against something I decided the day before. I go back and forth a lot and spend a portion of my days reconsidering important decisions.

### Do you keep routine hours?

People's schedules are different depending on who they are, but I try to make sure that people don't work over 40 hours a week. We also have people across a variety of time zones, so we try to make sure everyone overlaps for at least a few hours a day to build camaraderie. We have 12 in Chicago and 24 elsewhere around the world, all the way from Russia to the West Coast. Because of that, we don't all work together at the same time. The most important thing, though, is that people don't work over 40 hours. Overwork and burnout is the worst thing for a business and that's my biggest concern.

### What music are you listening to?

I can't get enough of Calexico. They're from Tucson and I learned about them when I was in college in Arizona. I could listen to them all day long. I could also listen to great jazz drummers all day long—I can't get enough of that. Finally, I love catching Tom Petty's "Buried Treasure" show every week on SiriusXM Radio.

### Your favorite TV shows and movie?

I like *Judge Judy*. I used to love to watch *House*, but they took it off the air two years ago. I really like a lot of the shows on Discovery and The History Channel, like *How It's Made* and *American Pickers*. There's something about the stories and history of the objects and the people who hoard the things. I also love *Shark Tank* on ABC because it's fun to watch.

My favorite movie of all-time is either *The Breakfast Club* or *Inglorious Basterds*.

### Do you have a favorite book?

I really like *Zen and the Art of Motorcycle Maintenance*.

### Your favorite food?

My favorite cuisines are Ethiopian and Moroccan food. I love those flavors.

### What kind of legacy do you hope to leave?

I hope I leave a legacy of fairness. Being reasonable is very important to me.

Whatever I contribute, I want it to make things better and make things that last. I've always loved things that last. On the other hand, I do like things that are ephemeral. For example, I'm big into gardening and right now is my favorite time of the year because everything is in bloom. The cherry trees and apple blossoms are blooming and they're the most beautiful things. They only last for two weeks, but that is why they are such a pleasure to be around. So there's a weird dichotomy—I love to be around man-made things that are lasting and meaningful and I also like things in nature that are here one day and gone the next. But as far as my contribution, I want it to be of a certain quality

so that it will last.



"Chicago has a very practical, Midwestern feel...People aren't chasing fame or those kinds of artificial things. Instead, people are trying to build solid, sustainable things and I think that has a big impact on me."

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