

A CRITIC AT LARGE

NAKED LAUNCH

What's really new about the big new tech companies?

BY NATHAN HELLER



One Tuesday in January, 2007, Steve Jobs, the C.E.O. of Apple, sat backstage at San Francisco's Moscone Center and prepared for the most audacious bluff of his career. The iPhone was about to be unveiled, but the device was not remotely ready for the public eye. Its external casing didn't always fit together properly. Curious things would happen when you pressed the letter "E." Jobs had been rehearsing for five days straight, but almost every time something went awry. The unveiling would be broadcast live, a bid for dazzling immediacy which now seemed extremely ill-advised. A few high-ranking Apple engineers and

managers had concealed Scotch about their persons, and, as Jobs strode onstage with the phone, they took to drink.

The iPhone's problems were legion and unpredictable. It randomly dropped calls on its cellular channel. It had trouble holding connections on Wi-Fi. Its memory was so buggy that it needed frequent re-starting, like a ten-year-old computer, and it crashed when anybody tried to play a video in its entirety. Jobs intended to announce a late-June shipping date, as if production were already under way. In truth, the iPhone lacked even a manufacturing plan: no one at Apple knew how the company was

going to be able to build and ship the device in volume.

Jobs was both the source of this predicament and—at least in the sense that enslaved oarsmen rely on their captain for a route back to land—the solution. His management style was to commit to the impossible and drive his staff, often cruelly, to produce results. He treated his employees with a mixture of fickle favoritism and blame. "Very rarely did I see him become completely unglued," one of his engineers tells the journalist Fred Vogelstein, in his new book, "Dogfight: How Apple and Google Went to War and Started a Revolution." "Mostly he just looked at you and very directly said in a very loud and stern voice, 'You are fucking up my company,' or, 'If we fail, it will be because of you.'"

The iPhone seemed like a strategic necessity for Apple in the winter of 2007. Expectations were high, the company had nothing else up its sleeve, and a skittish cellular partnership rode on the device's timely success. But the specs that Jobs wanted were not easily delivered. Apple engineers had played around for years with full-sized multi-touch screens. When Jobs decided to use the technology in a phone, they had to shrink it, scale down a mouse-based operating system, and fit everything into a palm-size rectangle that left room for antennas. Major details stayed in flux for a long time, and puzzling bugs cropped up as a result.

Jobs leaned hard on the phone's successes. Though the device tended to crash when you sent an e-mail after visiting the Web, nothing awful happened if you sent the e-mail first. You couldn't play a whole video, but you could play part of one. To boost the phone's wireless radio, Apple engineers attached extra antenna wires. They gave Jobs lots of demo models, so that if one ran down its memory he could quietly swap it out. At the climax of the presentation, Jobs wanted to play music; put a call on hold to take another one; e-mail a photo; and search the Web. The idea of him doing this live onstage, in sequence, made some engineers feel physically ill.

Yet, in the end, the show went strangely right. Every illusion held. The iPhone came off as an exemplar of

Firms like Apple are new age in their imagery and old school in their business practices.

functional, user-friendly technology. When the products finally shipped, six months later, they behaved as promised, emerging as the crucial device of the new millennium.

Jobs is often described as an innovator. But, to judge from Vogelstein's adept and well-reported account of the iPhone's unveiling and the corporate battles it launched, his real hallmark was a flair for despotism and deception. These are not new skills in business, or transformative ones. If anything—as a crop of recent books about Apple, Google, Amazon, and Twitter makes plain—they mark the sly triumph of old-style corporate manners in a bright new skin.

Apple, like many of the companies spanning Silicon Valley, is so bur-nished with idealistic West Coast techie culture that its manner of doing business might be called “new corporate.” New corporations usually insist on what they're not; behind them looms the heavy shadow of the sprawling, narrow-minded, greedy companies of yore. “Think different,” Apple's famous ad campaign implored. (O.K., but my e-mail still won't send.) “Don't be evil,” Google's in-house imperative goes. (Nice to meet you, too.) It's an appealing promise, and yet, the latest batch of business books suggests, these corporations don't act so different. They may not be evil, exactly, but their approach to influence and growth follows a well-trod, ruthless path.

So what makes them think they're special? In a brilliant 2006 book, “From Counterculture to Cyberculture,” the scholar Fred Turner tried to figure out how the communal idealism of the nineteen-sixties transformed into the business-minded, new-corporate culture of the nineties and aughts. Turner, a communications professor at Stanford, dismisses the idea that the counterculture was simply a rejection of postwar industrialism. Instead, he looks at a frequently derided facet of sixties counterculture: the people who flocked toward the communes and the subsistence movements. These weren't the same as the activists known as the New Left. They were, in mood and interests, transcendentalists. They hoped to escape the old-style organizations that

kept people dutiful and hived off from one another.

Turner zeroes in on Stewart Brand as a bellwether for the group's changing relationship to tech enterprise. Brand was not what we would now consider a techie. In the late sixties—after finding his way into an “influential art tribe” and then into the orbit of Ken Kesey's Merry Pranksters—he created his most famous product, the “Whole Earth Catalog,” a photography-heavy compendium of craftwork tools, ethnic artifacts, and new-technology reports, which he imagined as an L. L. Bean-type catalogue for those “starting their own civilization hither and yon in the sticks.” If you had some use for wholesale buckskin, Brand's guide would tell you whom to contact. If you needed the new Hewlett-Packard tabletop calculator—maybe your abacus was broken—there was that, too. New technology, in the eyes of the “Catalog,” wasn't the crushing apparatus of the Man. It was a tool for frontier-style living and a medium of creative exchange—an ideal that Turner thinks harks back to the collaborative culture of Cold War research.

This outsider's idea of tech evolved into the dreamy, sentimental stories of new-corporate idealism, a belief in the defining heroism of creative innovation. In 1984, Brand introduced the “Whole Earth Software Catalog,” convinced that software was the newest set of “tools” enabling adventurous life styles. The “personal” computer was now seen as a path to individualism; communal consciousness would arise from the new connectedness of online life. Tech optimism inherited the countercultural icylic dream. This way of thinking crept far into the story that technology tells about itself, and found a home there. Jobs described Brand's catalogue as a bible of his generation. One of Brand's close protégés, Kevin Kelly, was a founding editor of *Wired*.

Turner's account helps to explain why new-corporate guys (and, as the new books make tacitly clear, it's an uncomfortably male-dominated world) vaunt their ingenuity and their exceptionalism, even as their business goals are standard issue. To customers, Apple champions usability and individualism, but its internal culture runs toward

Advertisement

Intense
focus...



“I was in Mombo in Botswana and the sun was setting fast. Shooting with a 300 2.8 lens with image stabilization allowed me to capture the moment in low light and slow shutter speed.”

- Canon Explorer of Light
Seth Resnick, on getting the
shot with the Canon EF
300mm f/2.8L IS II USM lens.

Canon

proprietary control. Apple makes money by creating sleeker versions of competing devices and selling them at a big markup. (The iPod, for instance, arrived three years after Rio established the market for MP3 players.) It patents everything it can—even the dross, the better to throw curious observers off the scent of new products. And it's enormously litigious. (Vogelstein, who has covered Silicon Valley business for more than a decade, mainly for *Wired*, includes colorful scenes from Apple's trial against Samsung, in 2012.) At one point, Jobs decided to switch to an unusual type of screw, so that only Apple-approved technicians would be able to open up his products. On the home front, he kept R. & D. siloed.

Vogelstein describes how Jobs's favoritism alternated between Scott Forstall, who ran the iPhone's software development, and Tony Fadell, who oversaw the hardware. Both were heirs apparent, and vied for approval from their king. Jobs, after months of openly preferring Forstall, once made a show of ignoring him and talking to Fadell—"just to fuck with him," an engineer tells Vogelstein. "And it was funny, because Steve did it in a way in which his back was to Forstall so that Tony got to look at Scott while it was all happening. I'm not joking. The look on Scott's face was incredible. It was like his daddy told him he didn't love him anymore."

If Apple is the high-strung mad scientist, Google is the college kid who spends most autumn afternoons perfecting his Frisbee pass, plays beer pong every weekend, and yet somehow ends up a Rhodes Scholar. Apple didn't realize that Google was seriously working on smartphones until its early systems were announced. (Neither did most people inside Google, who had been adapting products for the iPhone.) The company makes its money mainly through advertising, which supports an easy-breezy approach to its products: it doesn't matter if you build on them, or get them cheaply, as long as you use them. In fact, Google tends to release its stuff slightly underdone, like parbaked

baguettes, to be finished off with public feedback. But this open-access ethos is misleading. While Apple's products were still designed to link up to a personal computer, Google maneuvered for control of the Cloud—an expanse of server storage accessible through the Web.

Assessing the companies' approach to business side by side makes for funny contrasts. Vogelstein writes of Google's attempt to launch the T-Mobile G1, an early Android phone: the company's founders, Sergey Brin and Larry Page, rollerbladed onstage from the street, quite sweaty, with no presentation planned. They wanted to play it by ear, and thought that roller skates looked cool.

Yet the more one reads about Apple and Google the more their general ambitions and management styles blur together. Was it Apple or Google that offered Twitter a special integration deal with its operating system, in the hope of spurning Facebook? (It was Apple.) Which company's executive gave his engineers a nearly impossible deadline, saying, "If you can't get it done, I'll fire you guys and hire a new team that *can* do it?" (Google's.) Vogelstein persuasively argues that both saw the smartphone market as the future of media and communications, and it makes sense that each took cues from the other. But, after watching them obsess about their stock valuations, manipulate competitors and customers, and settle down into protracted litigation, one is left to wonder what is really so new about new-corporate style.

In fact, biographies of the grand old-business leaders—books like Ron Chernow's *John D. Rockefeller, Sr.*, biography (1998) and Richard Snow's *I Invented the Modern Age: The Rise of Henry Ford* (2013)—show that new-corporate maneuvers have a venerable pedigree. Ford, in ads introducing the Model A, touted the car's simple elegance—"A boy of fifteen can run it"—and promised "IMMEDIATE DELIVERY," though no salable models yet existed. David Cannadine, in his 2006 biography of Andrew Mellon, reports that the manufacturing financier turned Treas-

ury Secretary took pride in his "fair and open competition," even as he used political power to alter Pennsylvania's divorce law and wield the Treasury's tax-assessment process against foes. (Both efforts backfired.) Rockefeller was a paranoid, secretive man who, under scrutiny, made a show of his magnanimity and his work on behalf of the consumer; he called his enemies, like the journalist Ida Tarbell, "evil," and seemed to believe it. The real difference between the business barons of yore and the leaders of new-corporate enterprises isn't a matter of temperament or ethics. It's a matter of business strategy.

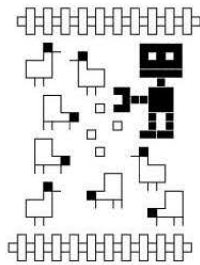
In an impressive new biography, "The Everything Store: Jeff Bezos and the Age of Amazon," Brad Stone tries to isolate the nature of that strategic shift, and what it might mean for digital-age commerce. Amazon, like Apple (and Ford), staked out its territory with a fair amount of bluster. There are stories of staffers maxing out credit cards shopping at toy stores and other sites, trying to bolster Amazon's selection during its 1999 Christmas season. There are also depictions of Bezos as an irascible, impatient boss who motivated employees with Jobs-like salutations. ("Are you lazy or just incompetent?") "If you're not good, Jeff will chew you up and spit you out," one colleague reportedly said. "And if you're good, he will jump on your back and ride you into the ground."

Beyond such hypercompetitive commonplaces, though, Stone writes about the idiosyncratic nature of Amazon's business approach. One notable example is Bezos's distaste for what he called "communication." As Stone tells it:

Junior executives recommended a variety of different techniques to foster cross-group dialogue and afterward seemed proud of their own ingenuity. Then Jeff Bezos, his face red and the blood vessel in his forehead pulsing, spoke up.

"I understand what you're saying, but you're completely wrong," he said. "Communication is a sign of dysfunction. It means people aren't working together in a close, organic way. We should be trying to figure out a way for teams to communicate less with each other, not more."

What's striking here is not Bezos's disdain for corporate buzzwords. (That fits his image as a rule-breaker.) It's his effort to atomize his company into small teams, keeping business



close to points of customer contact even at the cost of internal coherence. The teams were meant to be agile, but there wasn't a coordinating mechanism to prevent overlap and collision. A recurring theme in new-corporate biography is the limited information flow. Only a C.E.O. really knows what's going on across a company, and sometimes not even.

New-corporate businesses grow not by structure but by story. Ford expands its product line by creating a new model of car. But Amazon, Apple, and Google expand in the manner of a serialized comic, with each chapter supplying a new plot point about the company's development—we're taking over new markets every year! a wholly different kind of phone is coming!—and creating products backward from that revelation. The iPhone wasn't Apple's first music phone. (Previously, it had a flop called the Rokr.) But it was the first music phone designed to be a plot point in Apple's own narrative of

heightening innovation, and it caught on. Bezos, in a similar vein, makes employees propose new products by writing mock press releases—the idea being that design starts with customer seduction. In "The Everything Store," Stone recounts being teased by Bezos about "the narrative fallacy," Nassim Nicholas Taleb's term for turning a mess of information into a neat story. The irony of the quip isn't lost: inventing hydra-headed businesses out of tidy stories is what companies like Amazon do best.

All this helps to explain the appeal of new-corporate enterprise. A former Apple employee describes Jobs to Vogelstein as "the best marketer on the planet." Naturally, his greatest narrative project was the creation of Steve Jobs himself, a man who, despite initially misjudging many of his company's iconic successes—he didn't like the idea of a combined phone and media player, hated the "i" nomenclature for products, and thought that bright white was a

goofy color for computers—is today recognized as one of the most visionary leaders of the Internet age.

A myth so strong naturally begets others. Nick Bilton's new-corporate biography "Hatching Twitter: A True Story of Money, Power, Friendship, and Betrayal," tells us that Jack Dorsey, the once-and-again figurehead of Twitter, read intensively in Jobsiana during a period of exile from the company and climbed back to the helm by taking cues from Jobs's verbiage and his style. In design meetings, Bilton reports, Dorsey spoke cryptically of "rounding the edges" (a phrase Jobs favored) and identified himself as "an editor" (having heard that Jobs referred to himself that way). He described his firing as C.E.O. as "like being punched in the stomach," a line that Jobs used in discussing his own ouster. For a while, too, Dorsey went around in rimless round glasses, and got very into Gandhi and the Beatles.

The source of Dorsey's corporate



Advertisement

...for flights of imagination...

It was sunrise on Ndotu Lake in Tanzania when these cranes suddenly began a mating dance. The Canon EOS 70D DSLR camera has an amazing new **Dual Pixel CMOS AF** technology that's perfect for conditions like these, when accurately tracking focus is critical.

- Canon Explorer of Light
Seth Resnick

Canon

style is relevant, because, Bilton says, it was by recasting the story of his involvement in Twitter that he convinced people of his right to return. "Hatching Twitter" is not particularly flattering to any of the company's four founders—they come across as callow, and a little crazy. But Bilton turns Dorsey into a figure from a Jacobean revenge play, plotting against the erstwhile partners who betrayed him.

In this scene-by-scene retelling, Twitter began with Evan Williams—Bilton calls him Ev—and his frustration with a life alone. In the late nineties, Williams wrote some software for "Web logging" at his nascent startup, and opened the platform for public use as Blogger. He became semi-famous. One day, his neighbor Noah Glass, a software developer, hailed him through their adjacent windows, and they became friends. Glass was enthusiastic. "Like a puppy, he had the energy of a nuclear power plant," Bilton writes, puzzlingly. Together, they

brainstormed ideas. Bilton tells us, "Often Ev just watched and smiled, his head moving side to side like a windshield wiper as this animated character paced in his living room discussing concepts that could eventually turn into real things."

By the time these concepts became things, other people had come aboard. One was Biz Stone, who, Bilton says, grew up on food stamps and had a violent drunk for a father. ("Such a traumatic upbringing would normally turn a young boy into a recluse, maybe someone who needed decades of therapy," Bilton writes. "But not young Christopher 'Biz' Stone. No, it made Biz into a complete and utter goofball.") The other was Dorsey, whom Williams had hired as a programmer. The company they worked for, Odeo, was supposed to be a podcasting hub. When its prospects started to unravel, though, Dorsey mentioned an idea he'd had for a site of online status lines. The four of them teased out this shred of a

notion, and a Twitter prototype was born.

Owing to the youth and the personalities of the people involved, the story of Twitter's growth comes across as a new-corporate history in beta form. It gives some sense of the long, tangled process of finding a winning narrative. Williams fired Glass even before the project took off. But he didn't want to be C.E.O., and so the title fell to Dorsey. Still, as the service started to grow, it became unclear whether Dorsey had the wherewithal to manage it. The company's lead venture capitalists helped push him out; Williams took over. He and Stone were named among the Time 100 and invited to a fancy dinner. ("White gloves floated in the air transporting trays of champagne that swept smoothly around the room like magic carpets, immune to the turbulence of the power that swirled around them.") Dorsey got himself unofficially invited, but he wasn't happy.

When Williams himself is pushed out as C.E.O.—he vomits into a trash can from the anxiety, or, possibly, Bilton helpfully notes, because of an incipient illness—it's apparent that the battle for control of Twitter is a contest for control of its story. According to Bilton, Dorsey engineered his own return, and brought with him a fresh narrative: Twitter hatched, fully grown, from his head, and the company was his creation, too. (In fact, he'd been the lowest on the totem pole of the four founders until his promotion.) He realized that what people needed wasn't a new array of Twitter functions so much as an account of its connectedness and cultural ascent. Dorsey hasn't been Twitter's C.E.O. since his stint of less than two years in the mid-two-thousands, yet his story has eclipsed all others so completely that he's frequently considered its de-facto head.

"Hatching Twitter" is a vivid but exasperating book. This is partly because Bilton has curious ideas about how to craft a sentence, and partly because his reporting is both too close to its subjects and too far away. We believe Bilton when he tells us that every detail of his descriptions, every train of thought imputed to a character, is sourced (often to tweets or other archived digital records). And yet we rarely learn



"Don, we need to scream."



"Let me chase the squirrels from now on."

which detail came from where. The result—a bologna-like mystery meat of a story—seems the opposite of what's required in reporting on a world whose special skill is, in fact, mythmaking. As Bilton himself would seem to suggest, knowing who told which anecdote of Twitter's growth, and when, and perhaps why, isn't just verification. It's the thing itself.

And so we wish for more, but also less. Bilton is so eager to flesh out every scene with details and bold dialogue that a lot of weird stuff slips in, too. At one point, we are told all about the logistics involved in getting to the Oprah Winfrey show. (Once he arrived, "Ev's adrenaline was swirling as the cameras began to dance around the set like practiced ballerinas.") Seemingly important matters, meanwhile, like the creation of Twitter's advertising platform, come and go in sentences. It is wild fun, but

it is not wildly illuminating. "Hatching Twitter" reads, at times, less like a book than like a screenplay in the middle stages of development. The more we hear about Twitter's founding, the less we understand about the way the business managed to work.

In his study "The Future of Industrial Man" (1942), the corporate-management theorist Peter F. Drucker proposed that industry might provide a structure for social improvement. Only bad companies dehumanize their employees, he wrote. The good ones do the opposite, offering professional identity and a network for support. Drucker saw a parallel with the ideal war effort: that project, in his eyes, meant innovation turned toward a socially comprehensive, politically inflected end—a community of purpose.

More recently, though, new corporations have tasked themselves with being both Alfred P. Sloan and Bob Dylan: collaborative venues of the sort that Drucker prized but also freethinkers like those of the "Whole Earth Catalog." They're proud models of novel efficiency, and yet, in the same breath, they claim that efficiency isn't their real priority. Brad Stone says that Bezos touts his company's purpose as "missionary" rather than "mercenary" (a wishful distinction). Google takes pride in a corporate culture of "sharing" (even though it's out to take over your mail, your work files, and your glasses). The ambiguity is what's new in new corporatism; a company that wants to be the champion of arty, quirky individuation and also wants to grow toward enormous profits fits no widely held social world view that we know.

In that respect, new corporatism marks an awkward attempt to reconcile two ideas of "innovation" dating from the postwar years: the industrial kind, flourishing during hot and cold wars, and the iconoclastic kind, rising against the social mainstream. Although scholars such as Fred Turner have noticed the intertwining of these two legacies, they're still in tension. The new corporatists are children of both. Today, the term "entrepreneur" simultaneously conjures an ambitious business-builder and a mold-breaker laboring apart. The masters of the trade, like the new-corporate chiefs, must draw from both traditions, even in the absence of a unifying social narrative to tell them how.

And so they make their own. An odd thing about recent new-corporate biographies is that, for all the contradictions and hypocrisies they convey, there's very little disingenuousness to be found. Jobs, Bezos, and Dorsey were true believers, and never stopped being so. Their vanity was to believe that their ideas guaranteed a different kind of practice, even though life in a new-corporate company differs little from life elsewhere. (There are probably more smoothies.) It is caged in, and, when it's not, it is subject to wild flights of personality. Maybe we shouldn't be surprised. As Steve Jobs—and, later, Jack Dorsey—liked to say, "We're just humans running this company." ♦