



Column by [David Silverstein](#)

Beware of the Idea Killers

In 1962, after listening to four young, unknown musicians named Paul McCartney, John Lennon, George Harrison and Pete Best, the head of Decca recordings declared, "I don't like their music. Besides, guitar groups are on their way out." This executive was the successful industry expert of the day. He was the decision maker. He passed on the Beatles.

How many other great ideas has someone passed on? How many have YOU passed on? By some estimates, 99 percent of the best new concepts and ideas get killed before anyone ever hears of them.

Are you an idea killer? Is your organization filled with idea killers? How would you even know?

Now to be sure, some ideas don't die so easily. They get a reprieve because someone just wouldn't give up. The Beatles didn't give up. Neither did George Lucas after having multiple film producers pass on his silly sci-fi movie with the lame title (aka, Star Wars).

But here's the worst part: when an idea you've killed comes back from the dead — YOU don't benefit from it. The resurrection happens in someone else's backyard. Either they take the ideas and start a new business in the proverbial garage; or the idea is allowed to develop elsewhere because you dismissed it as an "under-funded startup" that couldn't possibly challenge your company's dominance; or you rationalize why you shouldn't worry and don't even pay attention. But one thing is assured — *once you pass on a great idea, your chances of capitalizing on it later are slim to none.*

In Scott Berkun's book "The Myths of Innovation," he describes what happened to Alexander Graham Bell when he proposed his invention, the telephone, to Western Union. Who better to understand the value of a new long-distance communication medium than a successful telegraph company? Who better for listening to a new idea? After all, it hadn't been that long since Samuel Morse cracked the code on the telegraph, a brand new concept itself.

But Western Union laughed at Bell and passed on his idea. Fortunately for us, Mr. Bell didn't give up. When all was said and done, how much did Western Union make from the telephone? Most would answer "nothing." But I would argue it's much worse than that. Their failure to recognize the potential and take a risk on Bell's idea cost Western Union billions of dollars in the long run.

Many of you are familiar with Alexander Graham Bell, but have you heard of Army General Billy Mitchell? In 1924, Billy Mitchell did not share the commonly held belief that the Great War — the one we now know as World War I — would be the war to end all wars. In fact, Mitchell stated that, "If a nation ambitious for universal conquest (meaning Germany and its allies) gets off to a flying start in a war of the future, it may be able to control the whole world more easily than a nation has controlled a continent in the past."

Given his perception of this threat to American soil, Mitchell did everything he could to keep aviation in the news. He advocated the development of aerial torpedoes, ski-equipped aircraft to take off and land on water, and bombsights for honing in on targets. He ordered the use of aircraft for border patrols. And he encouraged Army pilots (there was no Air Force at the time) to challenge speed, endurance and altitude records.

However, Mitchell's superiors did not agree with his ideas. He was ultimately sent to Hawaii, then to Asia, to get him and his planes off the front pages. He returned from Asia a couple of years later with a 324-page report that predicted a war with Japan, including the attack on Pearl Harbor.

In 1925, Mitchell was court-martialed on the direct order of President Calvin Coolidge and was found guilty of insubordination. He was reduced in rank to Colonel, retired and died five years before the Japanese attacked Pearl Harbor by air on December 7, 1941. The death of Mitchell's ideas led to the death of more than two thousand Americans at Pearl Harbor. Mitchell envisioned the future — and was court-martialed for it.

History is replete with such stories. Here are a few more:

In 1977, Ken Olson, founder of Digital Equipment Corporation, was presented with the idea of manufacturing small, personal-use computers. His response: "There is no reason anyone would want a computer in their home." Later that year, two computer hobbyists — both named Steve — launched a company called Apple Computer.

In the mid-1990s Larry Paige and Sergey Brin were doctoral students at Stanford, but despite distinguished academic records, neither graduated. Instead, they founded a company called Google. Surely you've heard of it. What you may not have heard of, though, is the fact that both Yahoo! and Alta-Vista passed on their Internet search concept, frustrating them enough to leave their studies and start their own company — in the garage.

So how is it that such SMART people can kill or pass on such GREAT ideas? How is it that yesterday's genius can become today's naysayer? And what is it about people like Alexander Bell, George Lucas and the Google guys that causes them to ignore the idea killers, to stay the course and to see their new ideas through hell and high water to ultimate success?

And why does it matter?

I imagine that you're familiar with the concept of efficient capital markets. Well, I believe that we're entering a new age — an age of *efficient competitive markets* where every company has access to low cost manufacturing in China, cheap software development in India and the internet as a distribution system.

In this new world, you cannot establish market leadership with an approach that makes you simply better than your competition. Today, being better isn't good enough — you have to be different, too.

So from where will your differentiating ideas come? And how will you make sure they don't get killed before you develop them to fruition?