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CEO Exchange Episode #508



CEO EXCHANGE PROGRAM #508 TRANSCRIPT

“MAVERICK CEOs: HOW TO ATTRACT BUZZ RATHER THAN BUZZARDS!”

FEATURING JEFFREY TAYLOR, KATHY CLONINGER, and JEREMY ALLAIRE

TAPED ON MARCH 28, 2007 AT THE HARVARD BUSINESS SCHOOL, CAMBRIDGE, MA

TEASE VO

In the new age of business, the challengers have become the champions, three maverick CEOs who are building big buzz. From Harvard Business School. Jeff Taylor of Eons.

JEFF TAYLOR, EONS

It's about having fun, and it's about having attitude, and it's about living a big life.

TEASE VO

Kathy Cloninger of the Girl Scouts.

KATHY CLONINGER, Girl Scouts

We are about cutting edge issues for girls.

TEASE VO

And Jeremy Allaire of Brightcove.

JEREMY ALLAIRE, BRIGHTCOVE

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OPEN

One world, many ideas, inspiring the next generation, shaping trends and forging the future, ideas that change the way we live. CEO Exchange.

ANNOUNCER VO

And now your host, Jeff Greenfield.

JEFF GREENFIELD

Thank you and welcome. Think different. That is the slogan that Apple made famous and is also a notion that is a lot easier to enunciate than to emulate. How do you convince workers and investors and by the way customers that what you have is different, better, unique, especially when there are countless others competing for the attention and the dollars of baby boomers, or young women or creatives looking for their piece of the internet.

As you'll see, these three CEOs are on very different missions. Except for the core mission, of trying to make their brand stand out in a crowded marketplace, and how do they do that? By moving against the herd. That's the literal meaning of the word 'maverick'. The idea for the show we freely acknowledge, which comes from the 2006 book *Mavericks at Work*, coauthored by the cofounder and founding editor of *Fast Company* magazine and a former editor of *The Harvard Business Review*, Bill Taylor. So let's listen for a minute to Bill himself, explain to you what he means by the term "mavericks."

BILL TAYLOR, AUTHOR

We're living today in an era of hyper competition and non-stop innovation, and the only way to stand out from the crowd, is to stand for something truly unique. I mean, let's face it, most companies, in

most industries, have a kind of tunnel vision. They all chase the same opportunities as everyone else. They all miss the same opportunities, as everyone else. It's the company that sees a different game that win big and mavericks, by definition, see things in their marketplace that other people just don't see. And that's why it's so important to have this original point of view.

JEFF GREENFIELD

Well, as the more observant of you can see, we have been joined by our three guests today and let me introduce them to you now. Jeff Taylor, first guest. He dropped out of college and became a DJ before dreaming up, and I mean literally dreaming up, the idea for the world's largest job search web site, Monster.com. He's now CEO of his new venture, Eons.com, which is a networking web site targeting baby boomers. Welcome.

Next, there's almost nothing harder I would think, than transforming the image of an organization that almost everybody recognizes, but in an age when girls may know more about cookies on a computer, than about Thin Mints, making the Girl Scouts of the U.S.A. timely and relevant, has been Kathy Cloninger's mission since she took the helm in 2003. Glad you're with us.

And finally, I assume we're all familiar with the YouTube phenomenon, but Jeremy Allaire has a vision for actually making money by streaming videos on the internet. His company Brightcove has attracted investments from luminaries like Barry Diller and Herb Allen, while signing up some more key clients like *Time-Warner*, *Post. Newsweek*, Dow Jones and TV and the Discovery Channel. Maybe because Jeremy Allaire helped create not one, but two software successes, Profusion and Macromedia Flash before he was old enough to run for President.

So here you are in front of these students, in an elite business school. They're fighting their way through incredibly complicated courses. You spent six years at a college. You were a great DJ and you dropped out, which tells them what?

JEFFREY TAYLOR

Well, I guess the most important thing is I learn differently. I actually went back to college and graduated when I was 40. So you talk about

the shortest distance between two points, we learn it in 4th grade. It's a straight line. Well, I think life is a much wilder and crazier line and I kind of followed my own path.

JEFF GREENFIELD

Now speaking of wild and crazy, as a CEO, one of the things you became famous for was doing things, doing some things that got attention. Water skiing behind a blimp. Could somebody succeed in a new media venture, if they were laid back, quiet, a bit of an introvert, or do you need the showman aspect to succeed, do you think?

JEFFREY TAYLOR

I think a big part of being a CEO and being a leader is being able to tell a story and I think somewhere in my skill sets in my strengths and weaknesses, I was able to talk about and to visualize ideas and then be able to get other people to follow those ideas. At times you want to lay back. You want to let your people kind of do their thing. Let the talents of people come forward, and at other times it's important for you to step out and be the leader and to be able to describe the vision.

JEFF GREENFIELD

Kathy Cloninger, one thing comes to mind when I think about your task of trying to take an organization with such a strong image and changing it. Seems to me that you seem like a patient and calm person, but not being one, if I were out there talking to somebody, and trying to describe the new mission for a group that's almost 3 million strong, and the first thing everybody said to me was, "boy, I love those Caramel Deluxe Cookies." Frankly, I'd want to take a punch at them.

KATHY CLONINGER

Yes, we love the cookie sale in Girl Scouting, but I get so tired of as soon as people see a Girl Scout pin on and they go, "oh you're with the Girl Scouts, do you have any cookies?" I want to say immediately, "yes, I have cookies, but also, did you know that we are growing the next generation of business leaders in this country? So there's a lot behind that cookie sale? Did you know that the cookie sale generates more female business entrepreneurs than any other single activity in the United States right now?" So I have to come right back at it with, "yeah, but did you think about leadership for girls?"

JEFF GREENFIELD

You were a girl scout, I think, in your mom's troop?

KATHY CLONINGER

I was.

JEFF GREENFIELD

It's an organization you've been involved with most of your life, and I'm wondering, you were a Girl Scout when it was a very different organization. So what, what stuck with you, is the idea that I can help lead this organization to be something in a really radically different world, where what it needs to do for young women, is radically different?

KATHY CLONINGER

Yeah and I think you were right about following your passion. I still know what it feels like to be a girl. There's a part of me that never left girlhood. So I bring with me to the National CEO role, the personal experience of how it touched my life as a girl. But I also bring with me the – my golly we're not going to be the way we were when I was young, because the world of girls is so dramatically different than it was when I was growing up.

JEFF GREENFIELD

Which leads to this question. What about people who say look, it's a noble effort, this is an early 20th century institution, just can't make it in the 21st.

KATHY CLONINGER

Yeah I love to talk about our founder, Juliet Gordon Lowe, who was revolutionary. I mean she founded Girl Scouting, in a day when women didn't even have the right to vote, and her image of girl scouting indeed the girl scouting she created, was way out on the cutting edge. And I think over the decades, we got known as being nicer and nicer instead of being more cutting edge and revolutionary. So I keep taking us back to the, you know, the founders vision.

JEFF GREENFIELD

Jeremy, it's 1990, I mean I know it's not now but taking you back, and in your room is this internet connection, at a time when most of us are still trying to figure out how to get the VCR not to blink 12:00, which some of us are still working on. Did you think of it as a kind of interesting diversion, kind of a play thing? You know, like a really

cool video game, or did you look at it early and say, there's something here that's going to be way more significant than that?

JEREMY ALLAIRE

I absolutely saw the significance of the internet at that point. For context, I was in college studying political science, economics, international affairs, and not technology per se, and when I got access to it, I was just completely enamored and impressed with the fact that literally I was able to access tens of thousands of unique people and sources of information all around the world, very easily. Whether that be, you know, discussion groups happening in a third world country, or getting e-mails from someone who is watching tanks go by in Latvia, as the Soviet Union fell, and saw that this was going to be a disintermediating and ultimately empowering media and communications platform. Certainly well before the web emerged.

JEFF GREENFIELD

One thing that interests me, is you have a set of rules. I don't know how rigid about how to succeed as an innovator, and either rule 2 or 8, I'm sorry, I can't remember, was don't hire your friends. But when you left McAlaster College to start your company, it was your brother, and six of your college friends, and it did okay. You sold the company for I think, \$360 million dollars. Why are you telling people not to do what you did? (laughing)

JEREMY ALLAIRE

It's the secret that I don't want anyone to know actually. No, it's interesting. I mean I think that was, in many respects, luck. There were a few of us who were very talented, and persevered, but what was interesting about it is in that first venture, you know, within a year, we were replacing ourselves with people who actually knew what they were doing in terms of building out and in that case, a mass market software business. I certainly have worked with a lot of competent people and my first instinct could have been go hire these people I've worked with before, but I looked at the industry and said, this is a different industry. It's a different problem space. If I want to really scale this, in the way that I'm envisioning, I have to bring to bear a different kind of talent.

JEFF GREENFIELD

We want to take a question from the audience here at the Harvard Business School. Tell us who you are and ask your question.

FROM THE AUDIENCE

My name is Greg Camella, I'm in my 1st year in the MBA program and I'm just wondering, if you wouldn't mind sharing some of the surprises that you guys had in starting your own businesses, on your way to your current leadership positions?

JEFFREY TAYLOR

I started my first businesses in college and one of the things about going to the University of Massachusetts in Amherst, which is where I went, it's 35,000 people. So I had a captive audience to start businesses. The challenge was I forgot to go to class to the earlier comment. And I found out that I loved business and so early successes were in the safety of a college environment, but it was also a tough environment as well.

JEREMY ALLAIRE

I can comment on that as well. I mean, I actually also had a very young start in entrepreneurship. My first business was when I was in junior high and high school. I started something called the Allaire Sports Cards. My parents had given me and my brother, each \$5,000 to put into mutual funds, and I said no, I want to trade baseball cards. So I started this business and I actually did quite well and paid for my pin money in college.

And continued to be entrepreneurial. I think the first company Allaire, was very much the classic, you know, \$18,000, food strapped garage, kind of opportunity. And you know, a lot of surprises throughout that experience, you know? I think the learnings are, you know, we hired multiple executives, who basically almost wrecked the company and we had to you know, fire these people. We, you know, promoted friends into positions that they shouldn't have been in, and had to learn the lesson that your friends aren't necessarily the right people to build some of these things.

JEFF GREENFIELD

Did you have entrepreneurial impulses and want to own your own company?

KATHY CLONINGER

Yeah and I was actually, when you were asking the question, I was thinking certainly I didn't found this 95 year old institution, but in many ways, re-founding an institution, I do think, calls for very similar

entrepreneurship skills. So for a lot of people called me and said so what's your agenda? You know, what are you going to do with Girl Scouts of the USA? And I didn't know. I knew that I wanted to get there and talk to girls across the country. I wanted to get the right people around me, so we did this entire restructure of headquarter staff and brought new people in and outplaced other people. So it was – it was about being open to what was going to unfold in a journey.

JEFF GREENFIELD

Thanks for the question. Before we go further, we want to find out a little more about the paths that our three guests took that brought them here today. So first, here's correspondent Kevin Smith with a look at how Jeff Taylor went from kind of bust to boomer.

JEFF TAYLOR PACKAGE

KEVIN SMITH, CORRESPONDENT

All right, we're in a classical building, what's the point of this? "This building is called the Muster House, and to muster is to gather the troops or I think to muster the courage." Shaped like a lighthouse, the Muster House, not Monster House, is the perfect quirky headquarters for Eons. So I understand here at EONS, you don't even have an office. "No, what I've discovered is that if I'm out and about, I'm actually learning, so my old office at Monster, was just these 4 chairs and so I brought them here, as kind of representative of good communication. And then if you look in the bathroom, just for – just for kicks, I had some fun with this picture. It's about having fun, and it's about having attitude, and it's about living a big life."

You may be only the CEO who has ever taken us into the bathroom at corporate headquarters (laughter). "Hey you gotta design every part of the space, right?" Growing up in Peoria, Illinois, then near Boston, Taylor dropped out of the University of Massachusetts, and became a disk jockey. He later earned his degree and went into advertising. He came with the Monster idea for an online job search service in 1994. "The activity of looking for a job in a newspaper was 150 or 200 years old, very little innovation. The idea that the marketplaces were changing, technology was evolving, something new had to happen."

To get young people to pay attention to him, and want to put their resume on Monster, he had to do all kinds of zany stunts, to

communicate to his marketplace, we're not the old, boring classified pages, we get you. We understand what makes you tick.

TELEVISION COMMERCIAL

I want to claw my way up to middle management. I want to be underappreciated.

KEVIN SMITH

Taylor sold Monster to TMP Worldwide in 1995, but stayed on to become CEO. The whole game plan changed in 1999, when this famed Super Bowl ad gave Monster the lead for good.

After Taylor left Monster in 2005, it didn't take him an eternity to launch EONS. A web site determined to prove that booming is business. "I've always had my company name as my license plate. I think with EONS, an eon is a billion years. It's about time, right? It's the thing we don't have enough of and we need to do more with it."

Time to do things like celebrate the first anniversary of EONS, by telling his employees to go jump in the lake, sort of. "I said, 'what do you think about the idea of going and jumping in the ocean for our one year anniversary?' Well three days later, in the middle of September, this past year, almost half our company jumped in the ocean right off the dock right down here. And there's a great picture of us all, like whoo!"

The idea made a splash with employees, most of whom now hang out in this adjacent office space, rather than Muster House. Life isn't so bad in exile though, when the centerpiece of the office is, what is this tiki bar setup? "Doesn't every office have a tiki bar?" Mine will now. The EONS web site offers ways to meet other boomers with similar interests, health tips, and a longevity calculator to figure out how long you'll live. But it's not all fun and games. Taylor plans to make money by selling consumer ads online. "Age 55 and above controls 65% of the net worth of this country, with 12,000 people turning 50 every day, this is where the action is going to be. EONS is about celebrating turning 50 and moving towards that reachable goal, living to 100. It is about your time." And since Taylor himself is four years shy of 50, time is very much on his side. In Charlestown, MA, I'm Kevin Smith for CEO Exchange.

JEFF GREENFIELD

It is legend now, that Monster.com came to you in a dream. Do you still remember that aha moment of leaping out of bed and saying, “I’ve got to put this down before I forget it?”

JEFFREY TAYLOR

Totally.

JEFF GREENFIELD

What did you do?

JEFFREY TAYLOR

We had this idea in our ad agency, of a big idea, a monster idea. And I literally had a dream in December of 1993, and I woke up from that dream at 4:30 in the morning and I was thinking about building a bulletin board called the Monster Board. And I have a pad next to my bed. In the dark I wrote The Monster Board. Now typically in the morning, I wake up and it looks like a Martian visited me during the night, and there’s a bunch of dashes and lines and a big dark circle. So I got out of bed at 4:30 in the morning, went to a coffee shop and wrote the interface and started to think about the idea of the monsters, and this this job board that we were going to build. In five hours at a coffee shop, we still use the interface today.

JEFF GREENFIELD

If somebody had interrupted you at that coffee shop to say, pass the sugar, you might never have founded Monster.com.

JEFFREY TAYLOR

Well one of my classic lines is don’t let anybody tell you how long you should take a shower. Cause you can change the world in a half hour showering. It’s about that, that being able to kind of get the left and right side of your brain working together to come up with ideas. And it’s that subconscious time, dreaming is one of those times. Very important to come up with new ideas.

JEFF GREENFIELD

This occurs to me, cause okay, so if Monster.com was birthed in a dream, and EONS .com was birthed in a shower, what does this tell us about the value of meetings at the office?

JEFFREY TAYLOR

(Laughter) My office at Monster was just 5 chairs and a coffee table. No desk and I'm basically a Blackberry addict, so no laptop even. And so I think the ideas are always moving, always changing. And I think it's important not to get too kind of settled in, because it's always changing.

JEFF GREENFIELD

Hey I don't know where you nap, but I'm buying this. (laughing) You got EONS.com aimed at baby boomers 77 million baby boomers, 10,000 people turn 50 every day. Okay. 1946-1964, those are baby boomers. And a skeptic might say, what in heaven's name do you think they have in common? The oldest baby boomer could biologically be the father or mother of the youngest. The antiwar demonstrator could have been busted by a cop, who is also a baby boomer. So is this not an artificial construct that baby boomers have something special?

JEFFREY TAYLOR

Okay so the first thing I did was I decided that I needed to create a waiting list and a sneak in. That was my goal. So I created the cutoff at 50. Eons is about celebrating life at 50 and pushing toward that reachable goal of living to 100 and you can sneak in at 49 and you're on the waiting list before that. So, I've often said of my new world, if you're not 50, you don't matter to me. And once you're 50, everyone says, talk about life stage, lifestyle, life experience, but never about age. I actually disagree. If you're 54 years old, the only thing not debatable is your age. So what I decided is to draw a line in the sand, invite the world after 50, celebrating the second half of their life and it's all about loving life on the flip side of 50 and it's working incredibly well..

JEFF GREENFIELD

Okay, cause advertisers, traditionally, it used to be 18-49, now they've budgeted all the way from 24-54.

JEFFREY TAYLOR

It's still 18-49. At least that's the rumor.

JEFF GREENFIELD

Okay but the belief is, that you know, and very prominent advertising people say this. By the time you're 50, your brand preferences are solidified, you are who you are, you don't change, sounds to me like you're posing a frontal assault to this whole notion.

JEFFREY TAYLOR

Well I think the whole idea that this group is going to dry up like a raisin and try to retire and exit gracefully is absolutely not this generation at all. This generation is going to pump up their life. I think they're open to new experiences, they're traveling the world, the wanderlust is so strong.

JEFF GREENFIELD

Your search engine, it's called Cranky?

JEFFREY TAYLOR

Yeah.

JEFF GREENFIELD

Which is, I suppose an in your face notion about how older people are? Cranky?

JEFFREY TAYLOR

Or at least tongue-in-cheek, yeah.

JEFF GREENFIELD

But I noticed that recently the top five search requests, sex, work-at-home, Mia Farrow, wallpaper and how do I make my iPod work? (laughing) And I'm thinking if you could combine those five, you have one hell of an afternoon.

JEFFREY TAYLOR

It would be quite a program. (laughing) Well I think it changes every day and the idea about Cranky was that people said to me all across the country, in their 50s and 60s, that search was easy to look at but very difficult to understand. And somebody said, I'm really cranky about this. And I was like what a great word and I think people can remember it, but in the middle of the word cranky is the word rank and we rank the top four sites, the top four authoritative sites on any subject and that's what Cranky is all about and it's great.

JEFF GREENFIELD

Just one last thing before we move to another guest. One of the things that you promise – you have a longevity calculator.

JEFFREY TAYLOR

That's correct.

JEFF GREENFIELD

According to it I died last October, by the way. (laughing) But it lets you figure out how long you're going to live and –

JEFFREY TAYLOR

And how does that feel to still be alive?

JEFF GREENFIELD

Well I'm glad I'm here. (laughing) But the other thing you permit, for instance, people to get obits when somebody they know from college you know, passes on. Is that a good selling point? Is that a way to reaffirm living?

JEFFREY TAYLOR

Well, so let's talk about the calculator. You take a 40 question survey, it has a 97% completion rate. Almost unheard of on the internet. Because people want to figure out what their calculator age is, how long they might live. But the more important thing for EONS and this is part of our brand promise, is this idea that says you're going to live to be 92. I want you to live to be a 100.

JEFF GREENFIELD

I want to move the discussion from baby boomers to young women, but before we do that, we'd like to find out how Kathy Cloninger has, if you'll pardon the pun, lit a fire under the Girl Scouts from correspondent Patricia WU.

KATHY CLONINGER PACKAGE

PATRICIA WU, CORRESPONDENT

The cookies are here! Is that what you think of when you hear Girl Scouts? An old fashioned group that sells cookies? Well think again.

(inaudible) everybody (inaudible) in space camp.

PATRICIA WU

That's right. Space Camp and a whole lot more.

KATHY CLONINGER

"We're about, you know, rolling out a whole new brand strategy so that the public really knows that we are about cutting edge issues for girls. Math and science and technology and environmental conservation."

GIRLS SINGING

Happy birthday dear Girl Scouts –

PATRICIA WU

The Girl Scouts turned 95 this year. As the CEO, or the leader of the pack, it's Kathy Cloninger's mission to make the icon relevant to today's girls. The uniforms certainly have changed over the years.

KATHY CLONINGER

"They have."

PATRICIA WU

And your strategies have as well. You're reaching out to new groups of girls.

KATHY CLONINGER

"That's right. We recognize the population of girls whose mothers are in prison, so those girls have a lot of issues and we began a program called Girl Scouting Beyond Bars."

WOMAN BEHIND BARS

I thank God that I get to spend some time with her.

BILL TAYLOR

Kathy has done an amazing job transforming this brand away from something known for selling cookies and doing campfires, into the best leadership development organization for young girls, in the country. And she's made girl scouting exciting again. Relevant again. Interesting again.

PATRICIA WU

Cloninger's innovations reached every nook and cranny of the girl scouts. Even the merchandise has a hip, new look.

KATHY CLONINGER

"I love these t-shirts. Girls really are proud when they wear this kind of t-shirt. Defy the Ordinary."

PATRICIA WU

It's got a great message.

KATHY CLONINGER

"Yeah it does. And it's part of a campaign that we call, It's a Girl's Life, Lead It."

When Kathy Cloninger spent her own girl's life in Texas, there was little to suggest that she would eventually lead this organization. As a member of her mom's girl scout troop, Cloninger recalls the experience as eye-opening.

KATHY CLONINGER

"So it really did inspire me to you know, strive for things that I had never thought about being possible before."

PATRICIA WU

For Cloninger, those things included being the first in her family to graduate college and earn a master's degree. After heading Girl Scout Councils in Colorado, Texas and Tennessee, Cloninger took the National CEO job in 2003.

KATHY CLONINGER

"Sometimes I do think, you know, destiny takes you where you're supposed to go and I certainly feel privileged to be able to give back in this professional way, to an organization that really profoundly impacted my life."

PATRICIA WU

You certainly can't do a story about the CEO of the Girl Scouts without mentioning their famous cookies, and even the cookies speak the language of today's girls. For example, Thin Mints, it's got its own MySpace page.

KATHY CLONINGER

"And girls are going on saying, 'Wow, that's really cool. So we're having a lot of fun with it.'"

PATRICIA WU

But some things about the Girl Scouts never go out of style.

GIRL SCOUTS SINGING

Make new friends but keep the old.

INDIVIDUAL SCOUT

The best thing about being a girl scout is making friends and having fun.

INDIVIDUAL SCOUT

My favorite thing about girl scouts, is going on field trips, like going camping and I like raising money to donate to the poor.

PATRICIA WU

The new mission statement says girl scouting builds girls of courage, confidence and character to make the world a better place. Girls who some day might trace the roots of their success to Kathy Cloninger. In New York, I'm Patricia Wu for CEO Exchange.

JEFF GREENFIELD

You're talking to young women. They're on the internet. They're on the web. They've got all these tools that Jeremy and Jeff are exploring. They've got this whole other world and they're saying, what's the Girl Scouts? You want to put me in a uniform and go out and toast marshmallows and that's yesterday! What do you tell them?

KATHY CLONINGER

When I think about the old girl scouting, you know, people think it's camping and you know, girls are sort of beyond camping. But when I look at them and say, how would you like to go to Camp CEO? Then their eyes sort of light up. Or if I say, how would you like to go to a robotics camp? And you know, believe it or not, a lot of girls are really interested in doing something that sounds, you know, very out there in the world to them. So I think it's more about really trying to put some of the things that we used to do in the context of what girls are interested in now.

JEFF GREENFIELD

Well speaking of difference, this is one of your public service ads and you can see they're not selling S'mores, or identifying leaves. It's I am your future President, which is one of the career choices, which I have to say, given current public opinion polls, maybe more relevant than it might have been a few years ago.

KATHY CLONINGER

We did that before. (laughing)

JEFF GREENFIELD

Explain to us how then you say, being a part of the Scouts, a traditional organization, will lead to this new sense of empowerment.

What specifically do you tell your potential members that you're going to do?

KATHY CLONINGER

Yeah what we've been doing in the Girl Scout movement, is the transformation that went back to the question, what are we best in the world at? Because we really had been sort of activity driven. Girls, you know, earned badges and they went camping and they did field activities and all of that, but we had lost the focus on crisply, what are best in the world at and that is leadership. So we're engaging girls all across the country talking to us about do you want to be a leader? What does leadership mean and it's very interesting, the kinds of things we're learning.

JEFF GREENFIELD

But in one sense, it seems to me you have a challenge that's very similar to private companies that are looking to change. I mean you, you deal with scouts whose mothers are in prison. Who are in the inner city. Who are in some of the most at risk circumstances imaginable. You've taken some controversial positions like your founder did. And I'm wondering to what extent you have found or risked alienating people who were very comfortable with the scouts as they were?

KATHY CLONINGER

It's taken a lot of courage because you know, I've been in the Girl Scout movement as we call it, for 25 years. So I've got a lot of friends. I've known volunteers for years. And they've got their, you know, very particular way of defining the organization. And here we come saying that girl scouting looks very different, challenging the traditions. But I think we've been very innovative in how we've continued to involve people who have been in our organization for 50-60 years, and how we've reconnected or better connected really to the younger generation of girls, and so it really is about engagement and dialogue.

JEFF GREENFIELD

What convinced you or persuaded or prodded you to go into the prisons? What was that about?

KATHY CLONINGER

Yeah, it's about knowing what issues girls face and about caring about not only one group of girls, but caring deeply about girls all across the nation. And I am very worried about the generation of poverty that we have growing up in this country, which is predominantly female. 80% of women in poverty in this country are women and their children. So

we start looking at how do we break that cycle? Well you have to start with the girls and which set of girls are most profoundly impacted? Girls whose mothers are in prison already are stacked for all kinds of obstacles, so how can girl scouting bring the leadership experience to girls to break that cycle?

JEFF GREENFIELD

Probably the area of guaranteed to produce the most controversial responses is the whole area of sexuality.

KATHY CLONINGER

It is. That's one of the areas where I probably have gotten beat up the most, because as you know, we live in a really polarized society around issues of sexuality and especially as it affects girls and their choices. And I feel like we cannot be the nation's expert on girl issues without dealing with how issues of sexuality affect the girls of this nation. We believe parents are part of the discussion, but girl scouting needs to be part of education and discussion as well.

JEFF GREENFIELD

Well, we talked about competing attractions and it's not just girls, it's boys, it's men, it's women. It's watching videos online. No one is more tuned into that than Jeremy Allaire, so once again here is correspondent Kevin Smith with a closer look at Jeremy's vision for video on the net.

JEREMY ALLAIRE PACKAGE

KEVIN SMITH, CORRESPONDENT

"So we have several thousand channels of commercial and professional video at Brightcove.com and increasingly end users creating their own channels, as well."

KEVIN SMITH

Jeremy Allaire envisions a bright future for his three year old internet video venture. Brightcove, named for a town on Cape Cod, provides major media companies, as well as independent producers, ways to make money from their video content on the web. It's kind of like YouTube with a business plan. "YouTube started by focusing on end users as publishers, and created a fairly simple tool set for end user consumers to publish content. We started with a focus on copyright holders and content owners as publishers."

KEVIN SMITH

That means Brightcove distributes each client's videos on the Brightcove web site, on the client's own web site, and to outside web sites, that want to run the videos. Brightcove and its clients split ad revenues and licensing fees. Brightcove also will make money from its software used to run the videos.

DAVID YOFFIE

Nobody really has quite as broad of a view of how to put internet television all together into one piece as Brightcove does.

KEVIN SMITH

While a freshman at McAlaster College in Minnesota in 1990, Allaire got plugged into the internet by his roommate. Allaire, his brother and several college buddies developed a pioneering software called Cold Fusion.

JEREMY ALLAIRE

"It was the technology that allowed you to use the web to build interactive applications instead of just putting sort of documents up."

KEVIN SMITH

Cold Fusion became so hot that Macromedia bought Allaire's company for a cool \$360 million dollars. Allaire joined Macromedia and helped develop the widely used Flash video technology. But for Allaire, the allure of launching Brightcove in 2004 proved too tempting.

There obviously are a lot of companies trying to cash in on the video on the net boom. Well remember the dot.com crash of the 90s? There surely will be some road kill on this part of the information superhighway as well. But Jeremy Allaire insists, he's not worried.

JEREMY ALLAIRE

"Clearly, the big picture here is we're moving towards a world where video is as ubiquitous as text, and that virtually every URL on the internet will have video."

Besides, big name media clients ..."if I click into one of these, say *The Wall Street Journal*, as an example,.." Brightcove also has raised an impressive \$82 million dollars from big name media investors, like Barry Diller, Steve Case, and Herb Allen.

WILLIAM TAYLOR

Jeremy has a well established track record of under-promising, and over-delivery. And therefore, in an environment of people making wild claims, and making wild promises, his kind of quiet, steady, blue chip approach is really serving him very well.

KEVIN SMITH

While no one can predict how the video on the net frenzy will shake out, anyone competing against Jeremy Allaire, may well be swimming upstream. In Cambridge, Massachusetts, I'm Kevin Smith for CEO Exchange.

JEFF GREENFIELD

You've talked about the notion of disruptive media and clearly if we trace your instincts back to college days, this was a part of you. If you're dealing with Barry Diller or dealing with Herb Allen, two of the biggest players. If you're dealing with Time-Warner, if you're dealing with MTV, how is that disruptive if some of the biggest, most powerful players are saying, yes please help us?

JEREMY ALLAIRE

Well, I think everyone who is in the media industry, whether you're traditionally in television or you're a newspaper or magazine company, that is, you know, looking to transform itself by taking advantage of broadband content and video, those are all businesses that are at risks in some respects because of this. And so they're paying particularly close attention to the changes that are happening here and I think that's part of why they're working with us. So we're not focused on user generated content per se, but really professionally created content and we work with thousands of production companies, broadband content startups, you know, web sites that want to launch video businesses, so it's a very diverse range of production and programming.

JEFF GREENFIELD

What I'm unclear about though, is why the big boys need you? I mean Time-Warner, they're not a small struggling startup. They have lots of money and why wouldn't they just say, what the heck do we need Brightcove? We'll do it ourselves?

JEREMY ALLAIRE

Right. I think it comes down to essentially a natural division of labor that exists, and if you look at the existing television industry, you already see this so, the broadcast television networks, the big four, for

example, historically had to work with operators in local markets who set up infrastructure to reach user base.

JEFF GREENFIELD

It seems to me that if you're in the business of creating a way for these networks to get to the internet and imminently to the TV, that sooner rather than later, someone is going to say why do we need the cable and satellite companies?

JEREMY ALLAIRE

That's right.

JEFF GREENFIELD

So how –

JEREMY ALLAIRE

That's really the origin vision of the company that basically internet television, ultimately will be hundreds of thousands of unique programming networks that are geographic independent. They can reach any device on the planet, whether that's the PC, a portable device or a television set without traditional operators getting involved.

JEFF GREENFIELD

Which means that the X dollars I've paid at Time-Warner, Comcast, the Dish satellite network, they go bye-bye.

JEREMY ALLAIRE

I think over the long term that's definitely the case. That people will opt for the dramatic choices and control they get from internet and delivery platforms versus the fairly closed systems that they're on today.

JEFF GREENFIELD

So before we turn to the audience question, why in heck would Time-Warner whose owns, you know, tons and tons of cable hardware networks, say oh Jeremy this is great! Come on in 'cause you're going to put this side of our business out of business in, oh I don't know, five years?

JEREMY ALLAIRE

Well I think companies like Time-Warner have portfolios, right? They own a major online portal. AOL we do a lot of business with them. They own Turner, Warner Bros. They own an enormous range of programming properties, online distribution properties and so they really are you know, building a portfolio and I think they have a small

percentage of our company and we're part of that broader portfolio investment approach.

JEFF GREENFIELD

Okay. I'll buy this for now. Let's take a question from the audience please.

FROM THE AUDIENCE

Hi. My name is Yiming Li and I'm a first year student. So my question is, a lot of the discussion here today has been focused on technology. So I wanted to get your perspective on technology and whether there was a defining moment in regarding the topic that has defined your career ever since?

JEFFREY TAYLOR

I would say I'm more of a marketer, maybe more of a creative. if you're a business person, you should try to take at least one technology or database class, and if you're a technology person, you better at least take one really solid business class, because I think in order to not be commoditized, you have to be able to be a project leader, which means you have to understand to be a bridge between technology and business applications, business models, and ultimately product creation.

JEFF GREENFIELD

Does technology play a role in how you reach this new generation of women?

KATHY CLONINGER

Oh absolutely. We are reinventing the delivery system for girl scouting to make sure that we are you know, figuring out how to maneuver through My Space in a way that's safe for girls, but seizes on the way that girls live and where they spend their time. So we've got huge technology challenges, and then on the other side, we've got 25-35% of the girls in this nation, and kids in the nation, families in the nation, who don't even have a computer at home. So we're trying to figure out how do we bridge that growing digital divide, because those kids are so much further behind.

JEFF GREENFIELD

I think everybody is struggling with that one. We're going to be back with our three quests in just a moment, but first we want to take a tour of the Harvard Business School, which is hosting our program today and here is CEO Exchange correspondent, Randal Pinkett.

SCHOOL TOUR

RANDAL PINKETT

Thanks Jeff. Harvard Business School has reason to be proud of two campus CEOs, a husband and wife team, Khary and Selena Cuffe. They have started a business that has not only transformed their lives, but the lives of countless others in South Africa.

KHARY CUFFE

Thanks Randal. We're here on the campus of HBS in front of the class of 1959 Chapel, home to a variety of services and concerts, and also where Selena and I got married.

SELENA CUFFE

We actually met while I was in 2nd year and he was a prospective student.

KHARY CUFFE

Now while I'm getting my MBA..

SELENA CUFFE

We're both running our business, Heritage Link Brands.

KHARY CUFFE

But before we talk about our company...

BOTH

... let's check out HBS.

KHARY CUFFE

Founded in 1908, Harvard Business School offered the world's first MBA degrees. It now has 33 buildings, on a beautiful 40 acre campus. Harvard pioneered the case method. An interactive teaching style that exposes students to real world business challenges, and puts them in the role of decision maker. Most HBS classes use the case method.

The Baker Library's 600,000 volumes include an extraordinary collection of historical materials.

SELENA CUFFE

The school's social enterprise initiative holds special meaning for us, because of our commitment to Africa. At the first annual wine festival in Soweto, South Africa, I was surprised to learn that none of the delicious wines I'd tasted had distribution in the United States.

SELENA CUFFE

So we became the official importers of the South African Black Vintners Alliance. Alliance members are working together to generate South Africa's economy and our goal is to share their stories of hope.

KHARY CUFFE

Being an HBS student adds value to our brand, because many of the issues that we face as international business owners, like tackling supply chain management issues and recognizing the importance of cultural nuances, are things that we learn here.

We salute you South African Black Vintner's Alliance....

SELENA CUFFE

....and the Harvard Business School.

KHARY CUFFE

A great place to get an education...

SELENA CUFFE

....and a wonderful place to meet your spouse. Cheers. (both)

RANDAL PINKETT

Here's to campus CEOs Khary and Selena Cuffe for not only demonstrating the spirit of entrepreneurship, but demonstrating the spirit of social entrepreneurship, doing well and doing good for countless others in South Africa. Back to you Jeff.

JEFF GREENFIELD

Thank you Randal, Selena and Khary. So, how do maverick CEOs create buzz around their brands? Whether new or traditional. Here again is an insight from Bill Taylor.

BILL TAYLOR

The way to get people to pay attention to you is to do something worth paying attention to and that means not worrying so much about making your products or services a little more useful, a little more reliable, a little more functional. It's about making an emotional and psychological connection between you and your customers. That really is the essence of branding.

JEFF GREENFIELD

All right, so the question is, you got all these choices available whether you're boomers or young women or internet video addicts and the question is, how do you make your enterprise stand out?

JEREMY ALLAIRE

When we started this, you know, online video was not broadly talked about. It was not well understood. I spent enormous amount of time talking to probably about 300 different content owners of every size, understanding how they thought about the internet, what we could do and then when we launched the company, we tried to define an agenda. We tried to define a term, internet TV and we were you know, very outspoken about what we were trying to create.

And what's interesting is that we've been able to take advantage of the fact that the media loves to talk about the media. They love to talk about themselves.

JEFF GREENFIELD

Let me throw one at you. I'm a crusty, media mogul. Even older than Jeff thinks I am. I say to you, you got one sentence, what are you going to do for me?

JEREMY ALLAIRE

We're going to allow you to take all of the assets and value that you've created and are continuing to create, and reach a much broader audience, much more cost effectively than you have in the past, and to take advantage of the massive shift of advertising dollars from the mediums you're in, into the mediums that it's going into.

JEFF GREENFIELD

One sentence. Okay. You're hired. Thank you. One of the things that Monster.com is – will always be known for, is that Super Bowl ad where the kids are talking about what they're going to be like when they grow up. Now, can you really rely on that kind of amazing success to define your brand?

JEFFREY TAYLOR

Well I think it's really important to define the passion, the kind of voice that's at the center of your brand and for Monster, it was first, half about a better job and half about a better life and it was today's the day and it was never settle. I believe that the harder you work, the luckier you get and I think at some point, in a company's history, or in a company's opportunity, there is a moment where your vision and your voice and luck come together. And I think for me, at Monster, it was that when I grow up spot.

I think with EONS, it was okay, I'm 46 years old. I can't even get into my own site. One of the challenges I have in building a spirited inspirational brand for people 50+ is there's really never been a place like that before. So you start out with the idea of just educating people about your brand and doing a great job with your product. That's very

important today in the internet world. And then let the people come and start to tell their friends.

JEFF GREENFIELD

When you reach out to these young women, who have, as we said, more choices than they have ever had before, They have a choice to stay home and don't have to leave their homes and commit to time and participate. What do you say to them. Look here's what we can do for you that none of these other groups or diversions can do? What is it? A unique selling proposition, but what?

KATHY CLONINGER

The first thing girls want to hear, it's gotta be fun, which is interesting, for us. Because you know, we're in a social movement where we have to give girls what they want in ways that they need. So we've got to figure out how to satisfy the needs of a 10 year old girl, but in a way that fulfills the social mission or movement. So it's a dual challenge I think in the non-profit sector.

In this transformation that we're underway with now, we have thought a lot about what is different? What do girls get in scouting that they can't get anywhere else? One is, it's an all girl experience. So it's the power of girls together. Girls get to decide what they want to do. I mean they're in school all day. They're in their church community, whatever, with people telling them and telling them and telling them and in girl scouting they get to sit around and they get to figure out what they're interested in and they get to go for it. So it's about being girl-driven, girl power and it's about being fun and another sort of under leveraged differentiator that is resonating with girls with us right now, is the fact that we are connected to a world movement.

JEFF GREENFIELD

We're going to come back to that in a minute, particularly with what you've done in terms of channeling as deep down in the organization as you have, but we want to take a question from the audience.

FROM THE AUDIENCE

Hi, I'm Laura Dillon and I'm a 2nd year student. As an international student, I'd love to get your view on how globalization and increasing global information flows or impacts your business, and your global brand building initiatives.

JEREMY ALLAIRE

We're seeing enormous international activity in the business that we're in and we're a pretty young business, but nearly half of the usage of internet, television, video on our platform is coming from around the world in about 170 different countries. And that's one of the promises when we started this, was that you could launch these video channels and have a global audience. Video is amongst the most powerful cultural forces and it crosses boundaries and we think that will be quite exciting. But that's led us, as a result, to start investing in real international expansion, again we're only two years old, but we're opening offices in Europe and Asia. We've raised capital to do that.

JEFF GREENFIELD

You've already mentioned that international appeal is –

KATHY CLONINGER

We do and of course, we're encouraging girls to really look at , I mean global literacy now is incredibly important as a skill set and when we restructured our national headquarter staff, so that we could deliver on a new strategy, we put in a vice president of global girl scouting and added staff into that focus. So, it's incredibly important.

JEFF GREENFIELD

Thanks for the question. There's another characteristic common to maverick CEOs is the emphasis that they place on originality in the work place. As much as the marketplace and Bill Taylor explains briefly.

BILL TAYLOR

Maverick CEOs who are trying to do something original, often don't recruit people from the industry they're in. The theory is if you're trying to do something really distinctive and offbeat in our industry, why would we recruit veterans of our industry? Let's bring in people from other industries, people who aren't steeped in conventional ways of working and teach them our business?

JEFF GREENFIELD

So you know the companies like Google and Yahoo and Southwest are famous for hiring certain kind of employees. Start with you Kathy, you're sitting down with a prospective employee, is there a core element you look for when you know that's the kind of person or that's not my kind of person?

KATHY CLONINGER

I watch for a light to go on in their eyes, when I ask them to talk about issues facing girls today. So, you know, it's all about the passion and fit with the mission.

JEFF GREENFIELD

Jeremy?

JEREMY ALLAIRE

We have a mission and a passion and a agenda about what media can do globally. And I'm always interested to find people that can, from looking at what we do and studying what we do, and being prepared to come and try to pitch to the company, have they really looked at that? Have they embraced it? Are they themselves passionate about the transformative role of video communications on the global scale? I use this phrase, we like to hire smart and nice people. You know, there are a lot of smart people who jerks, and so, we've tried to build a culture of, you know, people who really enjoy working together, that reduce the amount of politics in the organization, and you know, focus on working as teams and so forth.

JEFF GREENFIELD

Let me just follow up for a minute. So if you've met someone who you thought had the spark of genius, but had zero social graces, preferred to sit in a room by him or herself and tinker, and maybe even was a little bit of a misanthrope, you'd say I'm sorry, take your genius somewhere else?

JEREMY ALLAIRE

So there are exceptions. (laughing) There clearly are exceptions. So I would say, you know, engineers are creative professionals, basically, and within the creative professional sphere, you have people who are incredibly talented, but have limited social skills, or have no desire to collaborate effectively. They just want to innovate or do their thing.

JEFF GREENFIELD

I have a specific question for you Jeff. You are a very successful motivational speaker. I mean you have gotten government bureaucrats to stand up and participate actively, you know, in yelling when you ask them to, to the Batmobile. Suppose oh let's say hypothetically, I'm a creative guy, reasonably smart, but I just can't respond to motivational

speakers. So when a motivational speaker says, you know, when I tell you to take off your shoes, the faster you take off your shoes, that shows me you are a real early adaptor. And I'd say no it doesn't! I'm going to sit there with my shoes on.

JEFFREY TAYLOR

That makes you a shoe laggard. And that's a depressing moment when you're a shoe laggard.

JEFF GREENFIELD

I admit it. I'm copping to this. But and I don't stand up and yell to the Batmobile, cause I just feel like an idiot. But the serious part of the question is, can somebody work for your company who doesn't respond to what has made you a very successful motivator? Just says I motivate myself.

JEFFREY TAYLOR

Well okay so, one of my philosophies is you have to hire into your weaknesses. And as an entrepreneur, we tend to have something that we do well. We've searched for it occasionally, but and I tend to hire – I'm not a very organized person. I'm not someone that is good at the accounting or finance. I'm operationally challenged. But yet, I'm incredibly interested in it. So I will always try to hire into my weaknesses. I think the other thing now is I'm kind of saying in a lot of positions, if you're not 50, don't bother applying for the job. And so all of a sudden, it's like whoa, is that allowed? Well, you know, why not? Right? You don't have to be like me. But you gotta be something. I think the challenge for me if you say, I love to run. I'd spend the whole interview talking about – tell me about running.

JEFF GREENFIELD

I gotcha.

JEFFREY TAYLOR

Right and I'm going to ask questions. I want to see how passionate you are about running. If you're a great runner and you love to talk about it, I'm going to hire you.

JEFF GREENFIELD

One of the things you've done in the girl scouts, is it's almost hard to describe, but the way you have reached deep down into the organization, both at headquarters and out there to actively involve the whole constituency in the restructuring of Girl Scouts. Now that sounds like a great idea. I would imagine implementing this was a bit of a challenge. What did you do? How did this happen?

KATHY CLONINGER

Yeah it was daunting and just for background, we have four million members in our organization. So we started with knowing that we wanted to do some deep transformation. And I couldn't involve four million people in it. So we started with a very cross participative sector, of 26 people, a 26 member strategy team, that really, you know, went out and talked and had dialogue. I wanted to think of everything we could possibly do to engage people.

JEFF GREENFIELD

I want you to switch places for a minute. You have young kids, Jeremy. Suppose that you were charged temporarily with taking over the girl scouts. What – I'm not suggesting you might have a 5 point blimp, but what are the first kinds of things you'd do to look at that organization and say here's what I'm thinking.

JEREMY ALLAIRE

You know, any time you come into an organization and I've sort of merged into organizations, become an executive in those and the first thing is just spend time listening, spend time with the team of people that are there. Look at, identify challenges and weaknesses, and really immerse yourself in that. I think, just thinking about that from the perspective of the young kids that I have, I know personally, I'd think about programs that were focused on leadership. I would think about activities that really focused on community engagement, problem solving, getting people immersed in actual social, political, environmental and other worldly issues that those children can touch, affect and change their lives so that they do grow to become significant leaders.

KATHY CLONINGER

You're hired . (laughing)

JEFF GREENFIELD

Not so fast. Now I want – now that you had the benefit of Jeremy's wisdom. I want you to help Jeff out. What do you think for you, think you're almost eligible to be part of Eons. What would you be looking for on Jeff's web site? What would most intrigue you to be part of that?

KATHY CLONINGER

I would want to really get in and look at the segmented markets because I wouldn't – there's a lot of difference between I think how men and women see their, you know, beyond 50. So I'd want to talk to a lot of customers either via e-mail or in focus groups. Figure out what are the few things that we really need to focus on, exceedingly well,

because the internet world is so complex that you can't be everything to everybody. It's that niche focus of what makes us different from all the other overwhelmingly bombarded kind of, e-mail world we live in.

JEFF GREENFIELD

Now, obviously you see where we're going with his. Now I want you to temporarily step in and consult with Jeremy's Brightcove. So what's your notion or what would you do as a CEO to help Brightcove stand up. I don't know, would you hire a blimp to fly around? You were famous to put the Monster.com blimp over Coca Cola when they were laying off employees. That was a pretty cool thing. What do you got in mind to make Brightcove stand out?

JEFFREY TAYLOR

So I guess I'd take it from a couple of approaches. One is kind of the big head and the long tail. I think the big head of TV has completely changed. I don't watch TV the way I used to. I get two seasons of Lost and I sit down and I start watching Lost and at 7 a.m. the next morning I've watched 13 episodes of Lost in a row and I have found my new passion. And then I think in the long tail, I think it's a journeyman's job to go get those top 500 partnerships, but it's the 5 million pieces of video that are out there, that no one is really collected and while no one is thinking about it, you can go get most of those. Right? So you want to be leading the charge with your sales force or with your business development people on those top 200 brands media companies and going and getting their very best content.

JEFF GREENFIELD

Okay, well as a tradition bound show, thinking not differently enough to break from the *60 Minute* format, we don't have to extend our time. So I want to thank deeply, Jeff Taylor, and Kathy Cloninger, and Jeremy Allaire for joining us today. Thank you all. Thank you to the Harvard Business School and our audience and if this meeting of the minds has helped contribute in any way to the world's marketplace of ideas, that is the business of CEO Exchange. I'm Jeff Greenfield. And thanks very much for watching. (applause)

To learn more about the CEOs featured on this program, and other leading CEOs, visit PBS.org. To order this episode of CEO Exchange on DVD, call PBS Home Video at 1-800-PLAYPBS.

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