

Great Intrapreneurs in Business History

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These classic examples from the big leagues of product innovation began with an intrapreneur — an employee who convinced his or her company to chart a new course. Often with no more than a kernel of an idea, these employees went on to create changes in companies as varied as Sun Microsystems and 3M.

In each case, it took more than one person to launch the product. Every intrapreneur needs colleagues to refine, repurpose, or just plain redraw his or her idea; marketing folks to help figure out exactly what the product is (or is not); and higher-ups who are willing to champion it, even if a return on investment is years in the making.

Post-it Notes

Intrapreneurs:

Spencer Silver and Art Fry

Company:

3M

Year Launched:

1980

The Post-it, now as indispensable to the typical office worker as a chair and desk, might never have made it to market without 3M's longstanding "bootlegging" policy. The company's program allows employees to spend up to 15 percent of their time at work developing their ideas. That's how 3M scientist Spencer Silver invented a light, repositionable adhesive in 1968, although he was unsure how best to use it. He gave seminar after seminar, explaining the advantages of his adhesive to co-workers, but he was unable to drum up much enthusiasm for his not-so-sticky stickum. Five years later, Art Frey, one of Silver's colleagues, noticed his bookmarks were constantly falling out of his hymnals during choir practice. He remembered Silver's seminars, and in that "Eureka" moment, the Post-it was born. The product languished until a marketing manager, Bill Shoonenberg, designed a campaign called the "Boise Blitz" to drive sales and blanketed the state of Idaho in Post-its. The sticky notes went national in 1980 and quickly became an office-supply and household standard.

Sony PlayStation

Intrapreneur:

Ken Kutaragi

Company:

Sony Computer Entertainment Inc.

Year Launched:

1994

Ken Kutaragi was working in Sony's sound labs when he bought his daughter a Nintendo game console. Watching her play, he was dismayed by the system's primitive sound effects. He realized that a digital chip dedicated solely to sound would improve the quality of the games — and the product itself. Keeping his job at Sony, Kutaragi developed the SPC7000 for the next generation of Nintendo machines. Sony execs nearly fired him after discovering his sideline project, but then-CEO Norio Ohga realized the value of his innovation and encouraged Kutaragi's efforts. With Sony's blessing, Kutaragi worked with Nintendo to develop a CD-ROM-based Nintendo. But Nintendo decided not to go forward with it, so Kutaragi helped Sony develop its own gaming system, which became the PlayStation. The first PlayStation made Sony a major player in the games market, but the PlayStation 2 did even better, becoming the best-selling game console of all time. Kutaragi founded Sony Computer Entertainment, one of the Sony's most profitable divisions.

Java Programming Language

Intrapreneurs:

Patrick Naughton, James Gosling, Bill Joy

Company:

Sun Microsystems

Year Launched:

1995

The circuitous route Java took to market began when Patrick Naughton, a 25-year-old, up-and-coming programmer, told Sun CEO Scott McNealy he was leaving the company. McNealy asked Naughton to give him an assessment of what Sun was doing wrong, and the programmer responded that Sun, then known for its business workstations, was missing out on the fast-growing PC consumer market. His 12-page e-mail quickly became a rallying cry to change Sun's direction. Naughton stayed, and Sun set up a group dedicated to breaking into the consumer market. Group member James Gosling created an elegant object-oriented programming language called Oak (renamed Java), which Sun initially hoped would be used by Time Warner in its cable set-top boxes. When that deal fell through, it looked like the language would be abandoned. It took Bill Joy, a Sun

co-founder, to champion the project. Joy realized that with the explosion of the Web, a programming language like Oak could be used across different platforms — computers, cell phones, PDAs, and more. Joy also understood that the key to making Java a cross-platform linchpin was to give the language and development kit away. By the end of 1996, Java had nearly 100 licensees and had attracted 6,000 developers.

Digital Light Processing Technology

Intrapreneur:

Larry Hornbeck

Company:

Texas Instruments

Year Launched:

1996

TI researcher Larry Hornbeck had been tinkering for a decade with technology using tiny mirrors to redirect photons when his team developed the Digital Micromirror Device in 1987. DMD initially was used to print out airline tickets, but the government's Defense Advanced Research Projects Agency initiated research in high-definition video and awarded TI and other manufacturers a multi-million dollar contract to work on the issue. TI execs started an internal venture called the Digital Imaging Venture Project and tapped Hornbeck to lead it. At the time, video projectors weighed 40 to 50 pounds and cost \$15,000 to \$18,000. Hornbeck realized DMD technology could greatly shrink the size and cost of a digital projector. Digital Light Processing quickly became an industry standard, dominating the market in projectors less than five pounds. The technology also has revolutionized the movie theater business and allowed Texas Instruments to compete in the HDTV market. Hornbeck received an Emmy for Outstanding Achievement in Engineering Development in 1998.

ELIXIR Guitar Strings

Intrapreneurs:

Dave Myers and John Spencer

Company:

W.L. Gore

Year Launched:

1997

W.L. Gore, known primarily as the maker of Gore-Tex rain gear, encourages employees to develop new ideas through its "dabble time" policy: Ten percent of a work day can be devoted to personal

projects. In 1995, the company was experimenting with ePTFE, a chemical cousin to Teflon, to coat push-pull cables for use in animatronics. Dave Myers, an associate in the company's medical unit, thought the coating might be good for guitar strings and recruited both marketing and manufacturing personnel to work on the project. Myers' team originally believed that the coating's appeal would be in making strings more comfortable to use. But extensive market research, piloted by John Spencer, and more than 15,000 guitar-player field tests led the team to realize their real selling point: better sound. The coated strings were only nominally more comfortable than non-coated strings, but they kept their tone longer than conventional guitar strings. W.L. Gore launched them under the brand name ELIXIR Strings, now the No. 1 seller of acoustic guitar strings and the overall No. 2 seller in the guitar string market.

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