

**“The most remarkable
businessperson of our age.”**

—WARREN BUFFETT



Jeff Bezos

In His Own Words

Edited by Helena Hunt

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“The common question that gets asked in business is, why? That’s a good question, but an equally valid question is, why not?”

—JEFF BEZOS

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Introduction

THE ONLINE RETAILER AMAZON MAKES ABOUT \$178 billion in annual revenue as of this writing. If you aren't contributing to Amazon's revenue, perhaps you are making a statement against any number of the company's ethically ambiguous characteristics: its increasingly monopolistic dominance of the e-commerce and retail markets, its often adversarial relationships with book publishers, or its reportedly cold-blooded workplace culture. But Amazon's more than 100 million Prime members (a figure finally revealed after much speculation in a 2018 shareholders letter) don't seem too worried about these shortcomings. They choose Amazon again and again for its low prices, dedication to customer service, and willingness to expand into new services and product offerings that, in some cases, anticipate customer needs before customers even know they are needs. The word *Amazon* has become synonymous, not with a river in South America, but with a particular service made possible by the internet—and the vision of Jeff Bezos, Amazon's founder and CEO, to foresee the possibilities of moving life online.

Bezos would be the first to say that he isn't solely responsible for the success of his \$800 billion–market cap company and its rapidly multiplying subsidiaries. But it is difficult to imagine the success of Amazon—and ventures such as the *Washington Post* and Blue Origin—without the singular vision, tireless motivation, wide-eyed optimism, and uncanny prescience of the man who started it all.

That prescience is key to most of Bezos's success. In 1994, when he was working at quantitative hedge fund D.E. Shaw in Manhattan, Bezos came across a surprising statistic: the recently created internet was growing at a staggering rate of 2,300 percent a year. Bezos knew he had to join (and, hopefully, monetize) this wave of growth before it left him behind, and so he acted quickly—leaving his job, picking up a Chevy Blazer from his parents in Texas, and driving to Seattle, where he planned to sell books via the internet out of his new house's garage. He chose Seattle because it was a large city with a major airport and because it was near a book warehouse in Oregon. He chose to sell books because they were sortable, packable, and shippable—and because a vast selection already existed that couldn't be sold by any single physical retail competitor. In every instance, Bezos applied a keen, almost cold, talent for analysis, optimization, and rapid movement that has proven to serve him well.

Now, more than 20 years later, Amazon will sell you almost anything. You can buy tents, tires, Barbie dolls, fresh food, and restaurant meals on the website, as well as on the devices Amazon itself has pioneered—most significantly, the Kindle, the first dedicated e-reader, and the Echo, an artificially intelligent, voice-activated, multiuse home device. The company's stock price has soared, and Bezos himself is worth billions of dollars.

The success of Amazon didn't always seem so certain, however. In the late 1990s and early 2000s, during the dot-com boom and bust, analysts called Bezos's company "[Amazon.bomb](#)," "[Amazon.con](#)," and "[Amazon.toast](#)." Bezos's business plan was to have razor-thin margins, relentlessly cutting costs to draw customers while at the same time expanding fulfillment capabilities and selection, a strategy that didn't always create profits or appeal to investors. As stock prices fell, Bezos held on to the mission of Amazon: to be Earth's most customer-centric company. He took the long view, and despite warnings and analysts' predictions, he did what it took to serve his customers—and that included staying in business.

Bezos believes that his customer-forward business model—predict what people need before they realize they need it—is really what drives innovation. This philosophy led to Amazon, of course, but also to Amazon Web Services, a data infrastructure that developers and services such as Netflix, Spotify, and the CIA rent from Amazon; Kindle, an e-reader that Bezos claims improves the technology of the book; and even Blue Origin, Bezos's space company, which also has a forward-thinking, customer-obsessed mentality. Someday, Bezos reasons, people will need to go to space; we might as well start building them a service to do that now.

While the customer-centric model may have won over Amazon's vast membership, for employees it can create a punishing environment that isn't oriented to their wants or needs. The infamous 2015 *New York Times* profile "Inside Amazon: Wrestling Big Ideas in a Bruising Workplace" describes a corporate culture where employees cry at their desks, are encouraged to leave if they face pregnancy or illness, and struggle against cutthroat internal competition. *The Everything Store*, a nonfiction account of Amazon's rise by Brad Stone, quotes Bezos asking employees "Are you lazy or just incompetent?" and "Do I need to go down and get the certificate that says I'm CEO of the company to get you to stop challenging me on this?" among other choice phrases.

In public, Bezos may not be as openly confrontational, but he does explain that his company thrives on constant invention, and those who can't keep up will be left behind—whether they're inside or outside Amazon. But in many ways Bezos still seems to be the earnest intellectual whom a 1999 *60 Minutes* segment dubbed "Nerd of the Amazon." He started Blue Origin in part because he was a fan of *Star Trek* (a *Star Trek* game on the school computer was what first got him interested in computers, too). His determination to go to space goes at least as far back as his high school valedictory speech, where he described building hotels and amusement parks for space colonists.

Bezos has followed his passions to a remarkable level of success—he is now the richest person in modern history with an estimated net worth north of \$150 billion. Because he's already accomplished so much that once seemed so unlikely, it's hard not to believe him now when he describes a future where millions of people live and work in space. And if he has it his way—which he so often does—Jeff Bezos will be among the first to go there.

Part I



PART ONE: GUIDING PRINCIPLES

Entrepreneurship

DEFINING ENTREPRENEURSHIP

ENTREPRENEURSHIP IS REALLY more about a state of mind than it is about working for yourself. It's about being resourceful, it's about problem solving. If you meet people who seem like really good problem solvers, step back, and you'll see that they are self-reliant.

—*Inc.*, April 1, 2004

A BEGINNER'S MIND

THAT ABILITY TO look at things with a fresh mind, a beginner's mind, is very useful for entrepreneurs.

—*Foreign Affairs*, January/February 2015

EASY IDEAS, HARD RESULTS

IT'S EASY TO have ideas. It's very hard to turn an idea into a successful product. There are many steps in between, and it takes persistence.

—*Edison Nation video series*, April 2011

OVERNIGHT SUCCESSES

I've noticed all overnight
successes take about 10
years.

—Internet Association charity gala, May 2, 2017

THE INITIAL BUSINESS PLAN

WRITING THE BUSINESS plan, the initial hiring, getting the company incorporated. In a way they're sort of, you know, simple, almost pedestrian tasks. But that's how you start, one step at a time.

—American Academy of Achievement interview, May 4, 2001

MAINTAINING OPTIMISM

MY WIFE SAYS, "If Jeff is unhappy, wait three minutes." I believe that optimism is an essential quality for doing anything hard—entrepreneurial endeavors or anything else. That doesn't mean that you're blind or unrealistic, it means that you keep focused on eliminating your risks, modifying your strategy, until it is a strategy about which you can be *genuinely* optimistic.

—*Inc.*, April 1, 2004

BE REALISTIC WITH YOUR BUSINESS

YOU CAN'T SIT down to write a business plan and say you're going to build a multibillion-dollar corporation; that's unrealistic. A good entrepreneur has a business idea that they believe they can make work at a much more reasonable scale and then proceeds adaptively from there, depending on what happens.

—*Foreign Affairs*, January/February 2015

IT'S VERY IMPORTANT for entrepreneurs to be realistic. And so if you believe on that first day, while you're writing the business plan, that there's a 70 percent chance that the whole thing will fail, then that kind of relieves the pressure of self-doubt. I mean, it's sort of like, I don't have any doubt about whether we're going to fail. That's the likely outcome. And it just is. And to pretend that it's not will lead you to do strange and, you know, unnatural things.

—American Academy of Achievement interview, May 4, 2001

WHAT TO DO WITH EARLY INVESTMENTS

WHAT YOU DO with those early, precious capital resources, is you go about systematically trying to eliminate risk.

—American Academy of Achievement interview, May 4, 2001

BE STUBBORN AND FLEXIBLE

THE TRICK TO being an entrepreneur is to know when to be stubborn and when to be flexible. And my rule of thumb on that is to be stubborn on the big things and very flexible on the details.

—Wired's *Disruptive by Design*, June 15, 2009

PROFESSIONAL SWASHBUCKLING

Without professionalism,
swashbuckling just gets you
killed.

—Vanity Fair New Establishment Summit, October 20, 2016

HOW? WHAT? WHO?

WHEN YOU START out, it's a one-person thing, at least on the first day, and you're not only figuring out what to do but actually doing it. At a certain point the company gets bigger, and you get to where you're mostly figuring out what to do but not how it's done. Eventually you get to the point where you're mostly figuring out who is going to do it, not even what to do. So one way to think about this is as a transition of questions, from "How?" to "What?" to "Who?"

—*Harvard Business Review*, October 2007

LASER FOCUS

START-UP COMPANIES NEED to be absolutely laser-focused, you know. So many start-up companies I see—and I talk to entrepreneurs and I see them—they have too many things going at once. And it's really, really important when you have these initial precious resources, and they're so very finite, that you need to be very focused.

—92nd Street Y in New York City, April 11, 2001

START-UPS NEED LUCK

I BELIEVE THAT all start-up companies require huge amounts of luck.

—*Charlie Rose*, June 28, 2000

THERE ARE A lot of entrepreneurs. There are a lot of people who are very smart, very hardworking. Very few ever have, you know, the planetary alignment that leads to a tiny little company growing into something substantial. So that requires not only a lot of planning, a lot of hard work, a big team of people who are all dedicated, but it also requires that not only the planets align, but that, you know, you get a few galaxies in there aligning, too.

—*American Academy of Achievement* interview, May 4, 2001

THE DANGER OF MANAGERS

ONE OF THE differences between, sort of, founder/entrepreneurs and professional managers is that, you know, founder/entrepreneurs are stubborn about the vision and keep working on the details. And, you know, I think one of the dangers of bringing in professional managers to companies at times is that, if something's not working, the first thing they do is change the vision, and usually that's not the right thing to do.

—*Wired's Disruptive by Design*, June 15, 2009

VISION TRIAGE

ONCE YOU HAVE the big vision, you'll see that within it there are hundreds of smaller ones, and you need the ability to do brutal triage, to be able to say, "No, we don't do this, that, and that; we're going to focus exclusively on these three things."

—*Success*, July 1998