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CATALYST FOR THE FUTURE

Decades before the Internet-fueled explosion of youthful tech billionaires, Patrick J. McGovern Jr. built an empire and a legacy that generated far more than an annual spot on the *Forbes* list of richest people. McGovern built IDG into a worldwide technology media juggernaut that foretold and fueled the global information technology revolution. At its peak, IDG Communications had publications in nearly 100 countries, started an average of one new publication somewhere in the world every two months, and grew into a \$3.8 billion behemoth with more than 13,000 employees around the globe.

It owned influential global brands such as *Computerworld*, *PCWorld*, *Macworld*, *InfoWorld*, *CIO*, *GamePro*, and *Network World*, spawned 460 websites, 200 mobile sites and apps, and nearly 300 print titles in business technology, consumer technology, digital entertainment, and video games. IDG gave the world the bestselling For Dummies book series, and IDC, the company's highly respected research arm, had more than 1,000 analysts who followed technology trends in more than 110 countries. IDG's conference and exhibition management team produced more than 700

events and conferences annually in 55 countries, and San Francisco—based IDG Ventures USA (now called Ridge Ventures),grew into a leading early-stage venture capital firm, the first of many IDG VC firms around the world. Today, those firms have a total of \$3.6 billion under management.¹

From an early age, this grandson of Irish immigrants had that rare combination of desire, self-confidence, and vision that marks those who emerge as the most influential of leaders. While most entrepreneurs wrestle with the dichotomy of risk versus reward, only the truly exceptional leaders are capable of approaching the inevitable chasm and leaping, without hesitation, into an opaque future. McGovern saw and shaped that future. He knew what he wanted to build. He had a vision and he dared to achieve it.

There is usually a seminal moment, a spark that ignites an irrepressible iconoclast, and in McGovern's life, it came early. One afternoon in 1953, McGovern, a student at Philadelphia's Northeast Catholic High School, chanced upon a magical book that would help catalyze his dream. As he often did, the 16-year-old, a voracious reader with an insatiable thirst for knowledge, came home from school, hopped on his bicycle, and pedaled the 13 miles to the Philadelphia public library on the Ben Franklin Parkway. He loved this library, a sanctuary for a restless, endlessly curious teenager who harbored big ambitions. He'd go there two or three times a week, poring over enlightening volumes for hours and immersing himself in countless eclectic subjects—from physics to fish breeding—before heading home in the dark.

As one of 4,800 students in a highly competitive high school, McGovern, from a blue-collar family, was looking for an edge, a way to enhance his academic résumé and ensure acceptance to a top university. He edited the school newspaper, performed in school plays, and joined Junior Achievement, where he got a firsthand immersion in running his own company. He had a deep-seated attraction to math and science, his best subjects, and on this particular library visit, he came across a book called *Giant Brains, or Machines That Think*, written by computer scientist Edmund C. Berkeley.²

Berkeley wasn't writing science fiction. As an early proponent of the nascent computer industry, he was a futurist who foresaw the day when computers would be powerful enough to augment and mimic the human brain. Published in 1949, it was among the first books to suggest that computers would someday be capable of amplifying the human mind, doing lightning-fast calculations and analysis, and drawing from massive databases to perform tasks in minutes or seconds that would take a human days or weeks. It was purely theoretical but plausible, and McGovern was staggered by the vision. A devotee of Benjamin Franklin, he had been captivated by the great man's prowess in so many disciplines and often wondered how such a brilliant, multidisciplinary mind operated, seemingly on a different plane than most people. The idea that computers would offer a means to enhance mankind's intellectual skills struck a chord with McGovern and set him on a path of discovery that would illuminate his entire remarkable career. That intersection of technology and the human brain would become a lifelong passion, triggered by Berkeley's transformative book.

Within days, taking money he had earned from his paper route, an inspired McGovern headed to the local hardware store, bought plywood boards, bell wire, carpet tacks, and linoleum strips, and fashioned a rudimentary relay-based computer. The computer played tic-tac-toe, and McGovern designed it so it would never lose. Given that this was two full decades before home computer kits became catnip for technology-obsessed teens, McGovern's intelligent machine raised more than a few eyebrows in his school. He noticed people quickly grew discouraged when playing against an unbeatable foe, so he added a circular counter to the back to ensure that every fortieth move would be random rather than preprogrammed, thus offering hope that the player could win.

McGovern submitted the computer to a local science fair and won. Some MIT alumni in the Philadelphia chapter happened to visit the fair and spotted the invention. Impressed, they approached him and suggested he apply to the famed Cambridge, Massachusetts, university. Since no one from his high school had ever gone

to MIT, the priests urged him to forget such vaporous dreams and apply to Villanova or some other Jesuit school. Undaunted and willing to take the risk, a trait that would later exemplify his leadership philosophy, McGovern applied to MIT, was accepted, and received a full scholarship. In the fall of 1955, he headed to Cambridge.

MIT energized McGovern, as it did generations of the most brilliant technology thinkers. But in many ways, he was an atypical MIT student. Fueled by his fascination with "giant brains," he focused on the juxtaposition between neurophysiology, the study of how the brain works, and electronic circuitry in the emerging field of computing. He combined biology with electrical engineering in the hope that the two disciplines would forge a career building computers that could think.

"I quickly found out that there are a hundred billion neurons and a hundred trillion connections between them, and computers at that time were running on vacuum tubes or hybrid circuits," McGovern recalled. "I thought, there's no way you can analyze something as complex as the brain by using computer simulations, not at that time. But I did believe that computers someday would become supercomputers and do billions of calculations a second. Then we could make some real progress in understanding how the brain works."

Unlike most of his hyperfocused classmates, McGovern had an array of interests. Having edited his high school newspaper, he was attracted to the media—for the impact that the widespread flow of information had on humankind. After all, Ben Franklin had been a publisher, among his many vocations. McGovern thought a lot about how best to present content so that it resonated and triggered the synapses in people's brains. "How do we understand how to make the information as meaningful and enjoyable and understandable to people as possible?" he asked himself. "To do that, you have to understand how the brain works."

One day, while glancing at the student union bulletin board, the 19-year-old McGovern spotted a notice from a new magazine looking for a technical editor. The publication, *Computers and*

Automation, was the first mainstream magazine focused on computers. McGovern was intrigued. When he applied for the job, he discovered that the magazine was the brainchild of none other than Edmund Berkeley, the author who had written the book that had so inspired McGovern's interest in computing and the human brain.

Arriving in Newton, a Boston suburb, for his job interview, he told Berkeley how much he had been motivated by *Giant Brains, or Machines That Think*. Berkeley asked him some questions about the book, and then exclaimed, "You really read it! You understand it all! You're hired." A chance to work with this early computer enthusiast and futurist was thrilling for McGovern. Berkeley wasn't just a fantasist about what might happen. He was a pragmatist, among the early corporate computer users, who had worked as an actuary at a big New York insurance company using a Univac 1. He eventually founded the renowned Association for Computing Machinery (ACM), an organization for computer professionals.³ For McGovern, it was an introduction to the nascent information technology universe.

Up to then, he had assumed he would focus on a career in biology or neuroscience research. But what became an eight-year stint at Berkeley's magazine was transformational. Early on, he was in awe of the fact that as the assistant editor of a real magazine, he could pick up the phone and call anyone in the computer industry and they would talk to him. He was, after all, still a college student. When Thomas Watson Sr. visited the MIT campus, McGovern, with his press credentials, was able to land a few minutes to interview the legendary founder of IBM.

McGovern later recalled two things Watson told him that left an indelible impression. Watson spoke about valuing employees, giving generous benefits and salaries to people, a concept that IBM introduced to corporate America. When McGovern mentioned that he'd recently returned from a trip to Iceland, Watson smiled and began to talk about IBM's manager in Reykjavík. He not only knew the fellow's name, he knew his wife's name and that he had

three children. "Here's a guy running a company with 300,000 people around the world, and he knows the name of a manager in Iceland and his wife and children," McGovern said. "He really does put people first." It was a revelation and a leadership lesson McGovern would remember.



McGovern, editor of the MIT student newspaper, photographs James Killian, MIT president, who in 1957 was named President Eisenhower's science advisor at the dawn of the Sputnik era.

During his first summer at the magazine, Berkeley handed McGovern a Greyhound bus ticket. He said, "I bought you a \$99 ticket for which you get unlimited travel to anywhere for 99 days. I want you to go around the country and meet the heads of the computer companies and their engineers and find out what they're planning to do. I also want you to talk to some leading computer users."

After spending his summer meeting industry luminaries and passionate technologists and having free rein to pick their brains,

McGovern had an epiphany. Instead of becoming an engineer or scientist, he would become a communicator, spreading the word like Johnny Appleseed about the coming information technology era.

When he graduated from MIT in the spring of 1959, McGovern became the full-time associate publisher of Berkeley's magazine for a whopping \$60 a month, not much even in those days. The money didn't matter. He was enthralled with the editorial process. He worked for *Computers and Automation* for most of the next eight years as his interest in media and information technology grew exponentially. The influence that came with providing intellectual leadership to this suddenly burgeoning community was deeply satisfying and impossible to ignore.

INTERNATIONAL DATA

It was a cold February day trip to New York City in 1964 that brought everything into sharp focus. McGovern took the train to Manhattan for an RCA product introduction in the morning and an interview with Univac CEO Lou Rader in the afternoon.

RCA had introduced a new magnetic card memory system, and McGovern was underwhelmed. Another company had introduced something similar six months earlier, and its sales were pitiful. Why is RCA going down the same road, he wondered? When he questioned the RCA engineers about the intended application for the product, they responded, "Oh, we haven't thought about an application. We thought this would be the most clever random access memory method available." *In other words, throw a product into the marketplace and hope demand emerges.* Even in the earliest days of the computer industry, this illogical strategy was a head-scratcher for McGovern

When he met Rader, he posed a question: Why are so many companies doing all this R&D and making products that don't have an identifiable need in the market?

"You're exactly right," Rader replied. "That's just what I worry about, that all this money is being spent without guidance from the marketplace. We don't know where the customers are or what they are doing. Right now, we try to find this out through our own sales force, but it is of limited help." Rader looked up and added, "If somebody could put together a database that described where computers were now installed, what their configurations were, what people wanted to have in the future, what are their key applications, what new peripheral devices they wanted . . . that would be very helpful."

McGovern was intrigued. At the magazine, he had compiled a count of installed computers by model and knew there were about 10,000 machines in the corporate and research worlds. He thought this broader level of information could be a valuable supplement to the magazine. He said to Rader, "I could send out questionnaires to all the organizations that have the size and scope to be a computer user and compile a database of installations, configurations, and outstanding orders." Rader replied, "Fantastic! That's just what we need. How much would you charge?"

This was 1964, and there were no benchmarks for McGovern to rely on. "About \$15,000," he blurted out, pulling a number out of the ether. Rader shot back, "No. That's unacceptable!"

Thinking quickly, McGovern responded, "Well, my office is near a high school. I could probably get the high school students to do the work, to keypunch the data, and maybe I can do it for \$12,000."

Rader leaned across his desk. "No, no, Pat. You don't understand. No one would trust information that is as cheap as you are proposing to provide! They wouldn't believe it had any quality or reliability. You'd have to charge a lot more, twice that, and then they'll think it's quality and they'll use it. Charge \$30,000 and you'll be professional."

McGovern was stunned. "The higher the price, the more the usefulness?" he asked. "Absolutely!" Rader replied.

McGovern smiled. Rader added, "Don't only sell it to me, but offer it to the other computer companies, and you'll have many

more resources to build the best database to help our industry understand the future needs in the market."

In a euphoric daze, McGovern headed to Penn Station for the train back to Boston. "The higher the price, the more the demand," he thought to himself. "I certainly like that business model." Before boarding, he placed a call to Ed Berkeley back at the magazine. McGovern explained the concept and suggested, "We'll have to make an investment to get this going." But Berkeley immediately nixed the idea. "I'm not interested in research, but if you want to do it on the side, that's fine. You just do it and take the risk yourself."

Most young journalists would have dismissed the notion of taking on such an enterprise alone. But McGovern couldn't wait to try out the concept and make it real. On the train, he wrote a project proposal and a possible questionnaire to send out. And he decided this new enterprise needed a name. Ever the pragmatist, he took out some index cards, wrote down the elements of a possible name using words like "data," "national," "computer," "systems," and more. He then shuffled the cards and picked three. Up came "international," "data," and "corporation." In that moment, International Data Corporation, or IDC, was born. Geographically, "international" extended no further than Newton, Massachusetts, but McGovern was unabashed.

"I thought that sounded like a sufficiently general name that would give me lots of freedom to move in any direction in the market," he recalled. After calling a friend at Harvard Law School, who checked and found that the appellation was unused, McGovern added the name to the proposal and typed it up over the weekend. On Monday, he mailed the document to 20 companies thinking, "I'll never hear anything about it." Instead, the mailman brought a welcome surprise. Within two weeks, he was "astonished and amazed" to receive checks from eight companies for a total of \$80,000 in prepayments representing a third of the total he would garner. For someone making \$60 a month, such a sum was "inconceivable."

Like any young entrepreneur faced with an influx of cash, McGovern rushed to his bank to deposit the checks in his account,

but the teller stopped him. "This is a company name," she said. "You need authorization by your board of directors to open an account with us."

Suddenly, what he had thought of as a flyer had turned serious. His law school friend helped him with the process of incorporating his new venture. He asked a few friends to invest and join his board, but only his sister, Laurette, and his research assistant and future wife, Susan Sykes (whom he married in September 1964), had enough confidence to do so. They both invested \$10 for 10 shares, and became, along with McGovern, the original board. He registered the company, deposited the checks, and decided he needed some base capital to get things moving, so he sold his car for \$5,000. Looking back, he was immensely proud of the fact that the \$10 investments from his wife and sister were eventually worth millions. And because the nascent venture began to generate cash so quickly, he never had to touch the original \$5,000 base capital. "That \$5,000 is still sitting there, with some interest," he boasted decades later. "I never added another dollar of base capital to it."

It would be satisfying for business folklore to claim that McGovern knew he had a tiger by the tail and quit his day job. But he stayed on as an editor at *Computers and Automation* for three more years, mixing his editorial duties with the burgeoning demands of his start-up venture. Eventually Ed Berkeley became annoyed at his young protégé's divided loyalties, and in 1967, McGovern realized that IDC required his full-time attention.

McGovern had already learned a valuable business lesson: If you listen to what people want and respond accordingly, you will do very well. If you focus only on what you'd like to do and try to force it into the marketplace, the risk of failure is high. In 1967, the computer industry was roiling with portent. Corporate customers were not only embracing computers in fast-growing numbers, but an entire new industry sector, built upon smaller, cheaper, powerful systems called minicomputers, was putting technology into the hands of end users. As products proliferated in all directions and the future of computing began to crystallize for a growing number

of bright, talented entrepreneurs in Silicon Valley and Boston, the thirst for industry insight and data was insatiable. It was a demand Pat McGovern was well positioned to meet.

A NEWSPAPER FOR AN INDUSTRY

McGovern's departure from *Computers and Automation* was little more than a footnote to his epiphany of 1967. That year, as he embarked full-time on his solo venture, he started his first, and perhaps most important publication, *Computerworld*. Since he started IDC in 1964, he had been publishing a newsletter called *The EDP Industry and Market Report*, known as The Gray Sheet. For \$49 a year, subscribers received detailed semimonthly reports on what the major computers makers like IBM, Burroughs, Univac, and Honeywell were selling. But McGovern foresaw a much bigger publishing opportunity.

A flourishing industry that embraced the research from IDC now required more. Most data center managers, faced with multimillion-dollar technology purchasing requirements, remained dependent on advertising literature from the computer makers—and they didn't appreciate the obvious marketing effort that offered little news, credible product data, or industry insight. What they weren't getting was any knowledge about what their colleagues in competing companies and industries were experiencing. Were their challenges and pain points similar? Did others have the same issues with product reliability? How were they training their people? There was no reliable source for answers to these questions.

In fact, there existed just one publication, a monthly magazine called *Datamation*, started in 1957 when corporate computing was in its infancy. McGovern envisioned something far more dynamic and immediate. *Computerworld* would be a weekly newspaper designed to cover the fast-changing industry with a staff of editors and reporters who would blanket the marketplace and write high-quality stories about both vendors and end users. Like any credible

newspaper, *Computerworld* would report the bad news along with the good, and early headlines such as "Disk Drive Crashes, 1,000 Records Destroyed at Bank" or "Hospital Data System Loses All Its Data" shook up an industry unused to such candor and timely information.

Unlike *Datamation* and other ad-driven magazines starting to emerge within the industry, *Computerworld* would sell paid subscriptions along with advertising. In an environment where trade publications were all built upon "controlled circulation" or unpaid subscribers, McGovern decided to use Lou Rader's formula: if you make a product appear valuable, it will have instant credibility and people will pay for it. By charging a subscription fee, not only would *Computerworld* become profitable quickly, it would have the cachet and credibility that rapidly made it the bible of the information technology industry. *Computerworld*, all 12 pages of it, debuted in June 1967, at a computer expo in Boston. Within two weeks, McGovern had 20,000 paid subscribers on board. In short order, the publication began to grow beyond his wildest dreams. His passion for communicating information that could change people's lives had found its essential building block.

Computerworld marked the beginning of a frenzied period of growth and expansion that spawned a long list of leadership challenges that McGovern would stare down throughout the next five decades. In an industry bursting with brilliant young minds and a tsunami of new ideas that would change the world, high-quality leadership, that rare but indispensable ingredient, would mark the key difference between the winners and losers.

BUILDING THE EMPIRE

Embracing globalization before the term was popularized, McGovern boarded a plane to Japan in 1971 to start his first overseas publication, and to his colleagues, it seemed like he never disembarked. McGovern renamed the company International Data

The Newsweekly for the Computer Community

Vol. 1, No. 1

Cambridge, Massachusetts, June 21, 1967

COMPUTERWORLD IS LAUNCHED

First Newspaper For The Full Computer Community

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Next Issue Next Month Weekly In September

READERSHIP TARGET 300,000

BOSTON, June 20th — Considerable interest was raised here today with the announcement of a weekly newspaper for the computer community. The announcement was made as the DPMA exhibition opened this afternoon, and conversation buzzed around the small COMPUTERWORD exhibit — and other places in the hall — as to its prospects. Visitors to be exhibit were able to examine a prototype issue which had been exhibit were able to examine a prototype issue which had been produced to alter the advertising area to the new publication. Atmost without exception the basic idea of such a newweek-ly was accepted although there were some disparaging re-marks made about the typography and style of the proto-type. Evryone was agreed, however, that they were looking forward to seeing the first issue, which was due to the COM-PUTERWORD. Stand the next day.

forward to seeing the first issue, which was due to the COM-PUTERWORD, Datandthe next day.

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Debut issue of Computerworld, 1967.

Group, or IDG, to create a broader, truly global canvas on which to paint his masterpiece. He designated the name IDC for the company's original research arm.

Those who joined this unique firm as young, eager participants in the embryonic technology upsurge got more than a job. McGovern created a culture rather than a workplace, and as venture capitalist Fred Wilson said, "Culture is destiny. You can get everything else right, but if you get your culture wrong, you are going to have problems."

McGovern got IDG's culture right. He cultivated, developed, and protected it for half a century. Few founders can claim such successful longevity. IDG alumni, those who got their start in technology journalism or marketing, make up a virtual Who's Who of industry influencers. While most early entrepreneurs in the tech revolution shone brightly and then faded quickly, McGovern managed to stay ahead of countless technology trends by hiring smart, young, and aggressive talent, providing enthusiastic support, and stepping out of the way.

George Colony, founder and chairman of Forrester Research, a leading technology research firm, has been an outspoken witness of the technology revolution. He deeply admired McGovern for his vital role in shaping that revolution.

"If you look at the history of the technology industry over the last 40 years, he was a fundamental part of that story in that he created the publishing industry that supported, advertised, analyzed, and publicized the growth of that industry," Colony said. "We really wouldn't have been able to understand the architecture of the Apple II or IBM's corporate networks within large corporations without Pat McGovern because IDG was educating the world about all those products and companies. Every industry needs that megaphone and he was the tech industry's megaphone for all these years."

What set McGovern apart from so many successful moguls who dominated various industry sectors was the breadth of his skills and his persistence, over 50 years, in relentlessly pursuing

his goals. He wasn't only interested in educating and informing people about machines that think, which resulted in IDG. He was also deeply fascinated by the *original* human brain and how it worked, which, in 2000, led him and his second wife, Lore Harp McGovern, to give a \$350 million gift to MIT, one of the largest gifts in the history of academic philanthropy, for the creation of the McGovern Institute for Brain Research (MIBR). McGovern wanted to establish an environment in which the latest technology could come together with world-class brain researchers to fuel a deeper understanding of brain disorders and find cures for serious neurological diseases. He approached the MIBR with the same unique, hands-on leadership qualities that he brought to IDG.

HOW DID HE DO ALL THIS?

The road to the future, now as when McGovern began his enterprise, is littered with good intentions and missed opportunities. But this merely serves to illuminate how remarkable Pat McGovern's story truly is. Getting it so right for so long is the stuff of a rare and notable journey. Along the way, he emphatically offered up a collection of leadership lessons worthy of serious attention.

The chapters that follow offer an exploration of 10 of those vital leadership lessons. As you will see, the essential significance of each applies to any organization in a wide range of industries. Great leadership and insight transcends corporate boundaries, and applied with wisdom, these lessons offer a potent starting place for any existing or start-up enterprise to drive the future forward.