URL: https://stvp.stanford.edu/clips/take-bold-action

"If you're a disruptor, you must play a bold and fun game with the big guys," says Eucalyptus CEO M�rten Mickos. During his previous tenure as CEO of MySQL AB, the management team encouraged Mickos to take bold action when a large competitor outmaneuvered the company for a critical acquisition. Mickos tells the story of how MySQL AB turned this challenge into a successful marketing opportunity.

Transcript

So, those of you who know MySQL as a product may know that there is a two-tiered architecture, there's a database engine, and the storage engine and somehow the most popular and best storage engine was written by another Finn and - who had his own company called InnoDB - oh, that's the name of the product.. So we negotiated with him of buying InnoDB.. We said, hey, we will buy your company because we need to combine the two.. And he negotiated with us and everything went well, but at some point, he started hesitating and wasn't sure about our intentions and whether we would pay a right price and he got worried.. And in a series of missteps by me and the board and whoever and I don't know what really happened, suddenly we got a call - I got a call from Charles Phillips, President of Oracle, who said, "Marten, I would like to tell you that this morning we acquired InnoDB and we did not do it to slow you down." But there we had one of the most vital parts of our products being acquired by Oracle, the biggest database company on the planet.. And I was ready to give up.. I felt so bad, I felt I had betrayed the people I had hired, I had hired them to a fantastic story.. I said this will be the biggest business ever.. We'll go public.. We'll acquire these companies..

We will get InnoDB on board.. We'll embed it tightly in the product and suddenly the product was acquired by somebody else.. And I flew back from London where I got the news back to the U.S.. That was the worst flight I have ever been on.. I sat the whole time just thinking of how bad and lousy and just unsuccessful I was, 10 hours.. But when I came back, the - my management team had already gotten together while I was flying and they said, "Let's meet at your home tomorrow in two hours." So we had a meeting at our house and they came in and said, Marten - they didn't say but I could see they were disappointed, but say we are not letting this go.. We will support you.. Here's a plan on how to do it.. So, we, in four hours, created a plan for how to go out even more boldly in the market.. And on Monday, we told the press that - because people thought this would kill MySQL..

We said trying to kill a dolphin and you know our mascot was a dolphin - trying to kill a dolphin or trying to kill MySQL by buying InnoDB is like trying to kill a dolphin by drinking the ocean.. And that single statement just changed everything.. We went out to prove that there are many storage engines and InnoDB is just one.. There is a whole ocean of open source software and whatever you competitors buy away from our land, we will replenish, it's open source.. And it worked so well that the next spring of MySQL User's Conference, we appointed Oracle partner of the year.. We didn't tell them in advance, but we thought, you know, let's be bold.. And this is a lesson on one of the successes, and I will sort of coming to it later, but if you are a disruptor, you must play bold and fun game with the big guys.. You must make fun of them one way or the other just like you see IKEA making fun of antique furniture and you see Southwest Airlines making fun of the big guys.. You see Virgin Atlantic making fun of the big guys.. You must do it..

You must seek this David versus Goliath situation.. And it was just wonderful when we appointed them partner of the year because they reluctantly dragged themselves up on the stage to receive it.. Of course, they couldn't - not do it because they were in the audience but they didn't really like the fact, but that's actually how we handled the situation...