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KEITH FERRAZZI

Many people who don't know me react to my drive, ambition, and need to be successful with caution and even skepticism. When I was younger and not aware of it, I certainly pissed some people off. It's always been true, though, that once someone gets to know me and the sincerity of my actions, they quickly find that I deeply care about people and that I'm a good guy. It helps that I've always built relationships through being quick to help others, that's what builds lasting relationships. It has to be more about giving than getting. But, even today, that doesn't stop people from making quick and uninformed judgments on first impression.

—Keith Ferrazzi

Keith Ferrazzi, by all accounts, was one-of-a-kind. The 36-year-old CEO of YaYa Media, a company that specialized in innovative marketing and branding campaigns for large corporations, was described as “a circus coming to town” with his two ringing cell phones, two PalmPilots, and multiple ongoing conversations during which he seemed to be listening and talking simultaneously. He was always impeccably dressed in custom suits and black Prada shoes. He was tan, fit, and good-looking. He had an “irresistible balloon of energy” and was the quintessential networker.¹ He took every opportunity he could to move and shake with powerful and successful people. His list of friends included financier Michael Milken,² Hillary Clinton, celebrity doctor Dean Ornish, CEO Barry Diller, and many others. “People like Michael Milken like me because they have a lot of respect for how hard I work and how driven I am,” noted Ferrazzi. “Even Mike [Milken] knows few people who work as hard as I do. To find time to meet with Mike, I will always take his 5:00 a.m. to 8:00 a.m. meeting time that no one else wants. I am immensely competitive and I need to be successful. Period. No choice in the matter. Since I was a kid, anything short of adoration and success has never been an option. For good or for bad, my nature is to spend a good 10 to 25 percent of my time being unsatisfied and sometimes even unhappy because I’m not as successful as I’d like to be.”

¹ Tahl Raz, “The 10 Secrets of a Master Networker,” *Inc.* January 1, 2003.

² Starting in 1969, when he joined the firm that would become Drexel Burnham Lambert, Milken helped finance thousands of companies. Milken also started numerous philanthropic organizations. In 1989, the government charged him with securities/reporting violations. He admitted conduct that resulted in five violations. He was assessed a \$200 million fine and incarcerated 22 months. Ferrazzi was introduced to Milken through a mutual friend.

Victoria Chang and Jeffrey Pfeffer prepared this case as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation.

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Mark Eisen, Ferrazzi's prep school roommate said: "Keith is the ultimate networker. He will call me once a year every year on my birthday and we will talk for three minutes. But it doesn't bother me because if I asked him to help me, he would. He's just damn likeable. Just a few weeks ago, he called me and invited me to a ballgame with a bunch of CEOs and famous people. He's always trying to use his network to benefit others."³ Roel, Ferrazzi's ex-long-time partner said: "Keith craves partnerships and relationships with people he respects. Some people around him say that they don't trust Keith and that he's always trying to cultivate relationships to get things out of them. He's the most sincere friend and will do anything for you, but he certainly has a lot of acquaintances too."⁴ Tom Stewart, *Harvard Business Review* editor, called Ferrazzi "so transparent and ruthlessly ambitious that you'd want to hate the guy, but you don't because that's just who Keith is and we love Keith." Nancy Badore, an organizational consultant and Ferrazzi's personal coach, referred to Keith as "astonishingly honest." Others referred to him as a "light attractor."⁵ Badore also said that Ferrazzi's biggest challenge would continue to be "cultivating humility." Peter Rogovin, former director of marketing for Westin and former vice president of marketing and brand operations for Four Points by Sheraton, commented: "Keith has gifts. He has these gifts to do things that other people can't do, even if they studied at his feet. But he also has these tragic flaws, that no matter how high he gets, they have the potential to pull him back down. And he's working on these, but sometimes they are blind spots."⁶

Keith Ferrazzi had certainly come a long way. The son of a steelworker and a cleaning lady, he was picked on by other kids for being poor at the private school he attended and at the same time by his poor friends in the neighborhood for trying to act like the rich kids. Ferrazzi's father had big dreams for his son. By reaching out cold to the CEO of the company he worked for, he was able to get Ferrazzi into an elite elementary school and then a top prep school in Pennsylvania called Kiski, the oldest boys' boarding school in the United States. After that, Ferrazzi continued to ascend the Ivy League ladder, first as an undergraduate at Yale and then at Harvard Business School (HBS). He was wooed by top consulting firms and ended up on the partner track at Deloitte Consulting where he built the company's marketing function. He left consulting to become the Chief Marketing Officer of Starwood Hotels and Resorts, eventually leaving the company to become CEO of YaYa Media. Ferrazzi was frequently mentioned in the media. In 1997, he was named by *Crain's Chicago Business*, as a member of the "40 Under 40." In 1999, he was also named one of the "Power 10" by *Business Marketing* and in 2002 was named among the most creative Americans in *Who's Really Who*. Ferrazzi was also a frequent commentator on CNN and CNBC and author of a number of pieces for business publications such as *Wall Street Journal* and the *Harvard Business Review*. In 1999, The World Economic Forum named him a "Global Leader of Tomorrow." Exhibit 1 presents Ferrazzi's resume.

In the summer of 2003, Ferrazzi was at a key crossroads in his life. He had sold YaYa Media to a public company called American Vantage. He questioned the opportunities for growth within YaYa and was considering a transition from the company into a new role. Many questions faced Keith. The first was, what should he do? Should he stay around and continue to grow YaYa? Should he go to work again for a large company in an executive position, ultimately seeking to become the CEO? Should he seek out another CEO position at a smaller, entrepreneurial

³ Interview with Mark Eisen. Subsequent quotes are from this interview unless otherwise noted.

⁴ Interview with Roel. Subsequent quotes are from this interview unless otherwise noted.

⁵ Interview with Nancy Badore. Subsequent quotes are from this interview unless otherwise noted.

⁶ Interview with Peter Rogovin. Subsequent quotes are from this interview unless otherwise noted.

company? Should he do something entirely different, such as turn his skill at networking and his passion for teaching others how to build relationships into a business? The second set of questions was around, what other bases of influence, other than networking and building social relationships, should or could he develop? At a dinner, after being complimented on his networking skills, he asked for feedback from the table, “What else should I be doing?”

EARLY INFLUENCES

Keith Ferrazzi’s drive came in part from his humble background and roots. “The motivation for doing what I do is clearly the insecurity inside of me wanting and needing approval,” said Ferrazzi. “The core of my story comes from a dad who was a steelworker and mom who was a cleaning lady. I was going to a private elementary school with all the real rich kids while my mom was cleaning their houses and I was caddying for their parents. I never really felt like I measured up to those kids.” Ferrazzi’s father encouraged certain values and drive in his son. “At a very early age, my dad instilled in me the focus and drive needed not to accept the background that I inherited,” said Ferrazzi. “As he would literally show me his dirty and rough hands, he used to say, ‘You’re doing this so that you’re not going to have to work like me and you don’t have to have hands like this.’” In fact, Ferrazzi’s high school principal used to make references to the “Great Gatsby” because of Ferrazzi’s optimism, similar to Gatsby’s belief in the green light. “The kids I grew up with are unemployed, working in gas stations, or working in steel mills, if they’re lucky,” said Ferrazzi.⁷ “I used to get pushed around at the caddy yard all the time,” he said. “The other caddies would rip off the alligator from my Izod shirt [that I bought from the Salvation Army] because I was trying to be more like the rich kids. However, I learned how to embrace all this in college and realized that the Horatio Alger⁸ story worked better than hiding my background. Plus, I simply wanted to just be myself, transparent for all that I was. As a kid, though, I was embarrassed by who I was and where I came from. And, more deeply inside, I was also struggling with the emerging recognition that I was gay. Once I was liberated from those two conflicts, I knew I would be so much more successful.”

At an early age, Keith Ferrazzi demonstrated a sense for building relationships with people who could link him to social circles he wanted to get close to. For instance, Eisen, Ferrazzi’s old roommate said: “I didn’t pick him as my roommate; I swear he picked me. I was a twin and my brother and I were very athletic. We wrestled and ran track and did cross-country so we were constantly mingling with upperclassmen and we were very popular. I certainly was friendly with Keith, but he fed the relationship. I was in the athletic crew and he was in the more academic circle. Keith already knew his cohorts and he figured out that in order to get on the other side, you have to know an insider, like me. Even though Keith came from a poor family, he never let someone’s social position stop him from befriending them. In fact, Keith tried to befriend everyone. People embraced him because he would find something in common with people.” Eisen also saw Ferrazzi’s ambition at a very young age: “Even at a young age he had his own

⁷ Arsenio Oloroso Jr., “40 Under 40: Keith E. Ferrazzi, 30, Senior Manager, Global Marketing, Deloitte & Touche Consulting Group,” *Crain Communication*, March 31, 1997, p. 21.

⁸ Horatio Alger, Jr. (1834-99) was a prolific writer of dime novel stories for boys. The genre arose out of the widespread urbanization that followed the Civil War and paralleled the rise of industrialism. Alger’s stories heroicized the young street urchins living in poverty among large, urban centers such as New York, Boston, and Philadelphia. With uncommon courage and moral fortitude, Alger’s youths struggled against adversity to achieve great wealth and acclaim. These rags to riches stories were enormously popular with the public and flourished in the decades from 1870 to 1890.

agendas. It's as if in the ninth grade he was already a 30-year-old. He always knew he was destined for greatness. In the ninth grade, he said that he was probably going to be president. What's funny is that I believed him."

DELOITTE CONSULTING

When Ferrazzi graduated from HBS, in typical MBA fashion he interviewed with several companies, one of which was Deloitte Consulting. "We tried to talk Keith into coming to join us over McKinsey Consulting," recalled Pat Loconto, the former head of Deloitte. "Before he accepted, however, he insisted on seeing the 'head guys,' as he would call them."⁹ Loconto agreed to meet Ferrazzi at an Italian restaurant in New York City. "After we had a few drinks at this restaurant, Keith said he would accept the offer on one condition — he and I would have dinner once a year at the same restaurant," said Loconto. "So I promised to have dinner with him once a year and that's how we recruited him. That was one of his techniques. That way, he was guaranteed access to the top. We had dinner every year at that same place and we actually became friends, as well as colleagues."

Tom Friedman, a Deloitte partner, commented on his first meeting with Ferrazzi: "At a cocktail party, Keith just carried himself differently than everyone else did. He spoke about different things. He talked about what he had done and what he wanted to do at Deloitte. I observed Keith's peers saying, 'Boy, who is this guy, and why is he here, and why would I want to have anything to do with him?' I thought he was different so I signed up to be his counselor [mentor]. Initially not too many people liked him, which is what attracted me to him because I thought some of the resentment stemmed from the fact that people were jealous of him because he had accomplished more than they had. But his colleagues eventually got over that as they got to know Keith better."¹⁰ Loconto commented: "Keith is so engaging and once you get to know him, you just want him to succeed. He strikes a personal relationship with everyone that's up and around the person that's above him. He got to know my administrative assistant, my boss, my boss' wife, my wife, my kids."

According to Loconto, Keith "did fine" in his consulting role. "Keith wanted to do 95 things at one time and he would not necessarily finish them all. He would do what turned him on and then he wouldn't do what didn't turn him on, such as the analysis or the nuts and bolts of consulting projects, even though that work needed to be done. Keith always had a ton of ideas, of which only two were truly able to be implemented." Loconto also described Ferrazzi as "impatient" and constantly looking ahead: "He would always be better at the next job than the one he was currently in," said Loconto. "He was both ambitious and impatient and he didn't want to go through the steps to get where he wanted to be. We had trouble feeding his desire to be in charge. He was a problem for the people who had to manage him, but on the other hand, he was very creative and everyone understood that he had the talent to become partner and to succeed. He was definitely difficult to manage, but he made up for all of that with the great ideas he came up with."¹¹

⁹ Interview with Pat Loconto. Subsequent quotes are from this interview unless otherwise noted.

¹⁰ Interview with Tom Friedman. Subsequent quotes are from this interview unless otherwise noted.

¹¹ Ferrazzi did point out that he and Pat had not worked together since then and that others since Deloitte "would not say that I'm difficult to manage at all." Keith said that his experiences at Starwood "taught me a lot about this [early challenges at Deloitte] and I adapted."

Ferrazzi agreed with Loconto's assessment: "Tom Friedman, Ed Carey, Brian Fugere, and Bo Manning were some of the early Chicago consulting partners who took a special interest in me. There were also other senior national partners who, from day one, gave me great guidance like Greg Seal. The bottom line was that I really didn't like being a grunt consultant and while others thought I was doing a good job, I was frustrated that I was not hitting the ball out of the park doing work that I felt could add greater value to the company. They kept on telling me to keep my head down and develop a good traditional career path and I just kept banging my head against the wall and was miserable knowing I was not using my strongest skills." Ferrazzi wanted to generate business for the firm, but ran into difficulties: "I tried to do what I was supposed to do and also generate business for the firm and a lot of my peers and superiors resented me because I was acting like a senior partner. My reputation as a summer intern was that I was either going to get fired or I was going to become the CEO of the company. I was young and blind to or just didn't care what others thought back then. At the same time my behavior got the attention of senior partners of the firm but also hurt my peer relationships. I thought that was an acceptable tradeoff."

Others at Deloitte also had issues with Ferrazzi. "In the early days at Deloitte, my lack of patience for certain people was sometimes too transparent," said Ferrazzi. "I wanted to do everything, yesterday, and I had little patience for anything that held me or the firm back. One of the early learnings I had was that I didn't stop long enough to give people the direction that they needed to be successful and then I became resentful when they didn't get it done as quickly as I wanted them to get it done." One of Ferrazzi's early employees said: "You know, all things considered, aggravating as he may have been at times to me personally and to the rest of the team sometimes, because of how fast he thinks, there's something highly unique about him that causes us to put up with some of the craziness." Friedman agreed: "I'm not sure anyone manages Keith. You try to point him in a direction and let him go, and I think where the direction was consistent with his natural talents and desires and skill set, he totally amazed me, in terms of what he could get done. When you pointed him in a direction that wasn't really what he wanted to do, nor necessarily wasn't even expert at — some of the more typical consulting work such as attention to detail and detail analysis — Keith wasn't as good at this." Badore commented on his growth in this area: "In the way many people might experience him — he's toned down some and learned something about when to be more sensitive to others, to listen better, and to take others' needs into account."

At Deloitte, Ferrazzi was already exhibiting an exceptional ability to build networks. For example, while at Deloitte in Chicago, he started a philanthropic outreach program for HBS alumni (HBShares) as a way to help recent alums both develop relationships with influential people in the community and give back at the same time. In addition to HBShares, Ferrazzi started the Lincoln Award for Business Excellence in Illinois, which was modeled after the Malcolm Baldrige award and chaired by the Governor of Illinois and the top CEOs in the Chicago community. Ferrazzi was the founder and president. The organization awarded companies the Lincoln Award against pre-established criteria for excellence. "I never expected that Keith would actually get this done," said Friedman. "I thought Deloitte would have to pull all kinds of strings for him to do this, but instead, Keith opened up ten times as many doors as I ever would have expected. It was good for us and good for him."

After he had been at Deloitte for a while, Loconto and his right hand, Bob Kirk (who also became a strong Ferrazzi mentor), recruited Ferrazzi as the head of the firm's first global marketing organization. "Keith was struggling with what he wanted to do at that time and what he always did best was the marketing piece of consulting, so we offered him a new job that hadn't existed yet," said Loconto. In that capacity, Ferrazzi worked directly for Loconto for six years. Ferrazzi unveiled Deloitte's first major advertising campaign, a \$15 million print and broadcast effort with a bold message of "Them vs. Us," which underscored the perceived style and substance differences between Deloitte and rivals such as McKinsey and Anderson Consulting. The ad campaign increased the unaided brand awareness of Deloitte to 33 percent from 1 percent before the campaign began, said Ferrazzi.¹²

Right before Ferrazzi was to become a partner at Deloitte (he had already been approved as a partner by the firm), he decided to leave for a chief marketing officer position at Starwood Hotels and Resorts. Loconto said: "When I spoke with Keith about Starwood, I told him that he needed to slow down and get experience at a big company before running something himself. I told him to walk before you run and don't have so many ideas." Even after he left Deloitte, Ferrazzi kept in contact with Loconto. "He always treated me like a second father," noted Loconto. "So I was actually advising him almost constantly when he was at Deloitte and after that he would call me up at every key decision point in his life and ask me for advice."

STARWOOD HOTELS AND RESORTS

In May 1999, the CEO of Starwood Hotels and Resorts announced the appointment of Ferrazzi as chief marketing officer. He was the youngest head of marketing in a *Fortune 500* company. "When I came over [to Starwood]," noted Ferrazzi, "it was a different culture, not a partnership like Deloitte, which was all about familiarity, family, and cooperation. Historically, there was a challenging culture at Starwood but Barry Sternlicht [CEO at the time] wanted to change that along with a lot about the hotel industry. I was attracted to Starwood and Barry because of the promise that we would reinvent the industry." Several people discussed the challenges Starwood faced after acquiring Sheraton and Westin. Challenges included operational, marketing, and people-related challenges.

Rogovin elaborated: "Many of us had the sense that Keith's ambitions were just too outsized and what Starwood really needed was someone who just got stuff done without trying to redefine, reconceptualize, and restrategize. Barry Sternlicht and Keith were both young and accomplished, and they were both outsiders in the business. So Barry's support was essential for Keith. Keith wanted to lead and get credit for redefining Starwood and hotel marketing. Keith also had a reputation for not being a detail-oriented person and for bringing in too many consultants right off the bat." Badore said, "It was a learning curve. He tended to draw on a few (external) people whose capabilities he'd already tested. He brought in a few people as consultants and had them aid him in data collection. I don't think he realized (nor did I at the time) exactly how much he was walking into a different kind of political hotbed."

At Starwood, Ferrazzi learned that it was not just positioning but the product itself that made the marketer successful. For the hospitality industry, this meant all aspects of the product from soap

¹² Laurie Freeman, "Power 10: Keith Ferrazzi," *Business Marketing*, April 1, 1999, p. 24.

in the rooms to the décor of the hotels. Thus at Starwood, they created the “Heavenly Bed” which was a bed that consisted of a custom-designed pillowtop mattress set by Simmons with 900 individual coils, three sheets, a down blanket (three versions for three different climates), a comforter with a crisp white duvet; and five goosedown/goose feather pillows. The “Who’s the best in bed?” campaign was a big hit. While at Starwood, Ferrazzi also launched a customer relationship marketing initiative for the hotels. According to Badore, “Keith also raised the question of the role of the Internet within the hospitality business. Are customers going to just buy cheap hotel rooms via Expedia? Are they going to pay any attention to us? How can we employ the Internet strategically to our advantage? How can we use it tactically to save costs? Keith also put a lot of work into knitting his new team together.”

Ferrazzi spent less than two years at Starwood Hotels, during which time he had four presidents and CEOs that he reported to. “The guy who brought me in first [Juergen Bartels] really promised to mentor me, teach me, and make me ultimately the leader of the company in a president-type role. But then one day, he was no longer there,” said Ferrazzi. “Then Brenda Barnes came in and was very supportive, but she left too. Finally a guy came in from Europe [Robert Cotter, president, international operations]. When I joined Starwood, Juergen, Barry and I agreed that I would do at Starwood what I did at Deloitte. I began to wrestle with regional operations to consolidate marketing, bring global consistency to the brands, and make Starwood a brand-led organization. Bob Cotter was one of those regional operations guys who believed the decisions and the money should be kept autonomous in the regions. We both had strong, solid bases for our beliefs but when he ultimately became the president and COO, the organization changed and the writing was on the wall for me personally. The organization was becoming regional and not global and he changed the marketing function so radically that I no longer had a serious job. Certainly not one where I saw my path to anything more senior.”

Under the reorganization, Starwood peeled off its North American marketing operations from its global marketing division, allowing for increased focus on the U.S. region, where the bulk of its properties were located. With the restructuring, North American sales and marketing plus human resources would function as a standalone unit along with four other geographic regions. According to Starwood, Cotter and Ferrazzi worked together on the restructuring and Ferrazzi was offered the chance to head up the North American marketing operations or the separate division in charge of global brand strategies after the restructuring. At the same time, in an article about himself and his career, Ferrazzi stated: “Marketers can appropriately spend big budgets. But there’s a lack of opportunity for marketing people to run a business and take responsibility for the overall picture.... I found myself a little over a year ago [2000] contemplating the path to professional fulfillment. Do I continue on the CMO route: building bigger and better brands, striving for greater revenue (and profits), and more extraordinary creativity and strategic focus, so the company might some day sit among the brand icons? Or, should I set my eyes a little higher on the CEO position, which not too often befalls a lifetime marketer. I had spent the greater part of my career convincing top management that marketing can and does directly influence all operating activities, yet I was not responsible for all of them. To truly define the brand, wouldn’t the ultimate marketing job really be the role of the CEO? If I chose the latter, what else did I need to learn? What were my chances? What sacrifices or risks were there?”

Badore evaluated Ferrazzi's experience at Starwood: "Overall, I'd give Keith pretty high marks, especially given the short time period he was there. It was a pretty big task. He cleaned house and got rid of some non-performers. I think he probably bit off more than he could chew, but many new CEOs or new leaders do that when they take on a new job, especially when they're in a new industry." Rogovin provided his perspective: "I think Keith prided himself on knowing how others perceived him. But I didn't always find that to be the case. Sometimes he would tell me how others perceived him and I knew for a fact, due to my direct relations with the person, that Keith's perceptions were not true. I think that was a little bit of a blind spot. Many of us saw impending clashes between Keith and other people. Keith did not have the support of the operating people, but initially he had Barry's support, and he also got the marketing people excited, because he was trying to raise the profile of marketing in the organization. He had a classic CPG (consumer packaged goods) orientation, which held that marketing was the hub of the wheel, and other functions were spokes."

Rogovin commented on what happened at Starwood after Ferrazzi left: "The new COO [Bob Cotter] made it very clear that the GM (General Managers) in the field knew a lot more about their markets and guests than those of us in White Plains. And he made it clear that his leadership would be defined by a bottom up rather than top down structure. I think people were pleased with his appointment; he was very popular and had great relationships across the organization. Starwood eventually kind of came around to Keith's global marketing model after he left. Not too long after Keith left, Starwood hired a vice president of marketing with a CPG background, who probably didn't come on as strong at first, but eventually ran a group that is today very similar to what Keith tried to set up — with strong, classically trained marketers in a brand management model. So they're right back to using that model of centralized strategic direction with local execution. I think Keith probably tried to do too much at once, and got involved in both big and small issues, whereas the new VP (now an SVP which is what Ferrazzi was) took it slowly, started just in North America, and then eventually was given global responsibility. So there were both timing and personality or fit issues."

After Ferrazzi's Starwood experience, he took the search for his next position very seriously with hundreds of conversations with his network and even, at the recommendation of Badore, went on a Vipassana meditation retreat where he sat for 10 hours each day for 10 days straight: "Ten days of silence and 10 hours of sitting a day was a major cathartic moment," recalled Ferrazzi. "You can't help but listen to what is really going on inside of you. I did this after I left Starwood because that was a very difficult time for me in terms of trying to figure out what I wanted to do with my life. Such a deep inward look was the most challenging and terrifying thing I could think of doing, especially for someone who loves talking and prides himself on his parallel processing capability. What it brought me to was some clarity and knowing that there was a quiet and serene place I could go. It has stuck with me and been a great tool ever since." Ferrazzi described the entire process in a piece attached in an exhibit.

After working at Starwood, Ferrazzi did a number of consulting engagements where he helped DuPont launch a soy business and served as the interim president of Telispark, a wireless B2B Deloitte startup. In each of these, Ferrazzi looked for new opportunities that would leverage his skills as a marketer, but at a more senior level. "In determining my next move, I created a detailed and written wish list of what I wanted in a new position. This became my ongoing

sounding board and just one of many checklists I developed. It included the VCs I wanted to meet, CEOs I knew and wanted to get advice from, companies that I admired, things that I did well and others that I did not, and on and on....”¹³ Ultimately, Ferrazzi’s opportunities consisted of another CMO post at a very large entertainment group, president of a smaller travel and leisure company, and CEO of YaYa, an online marketing company.

YAYA

Ferrazzi joined YaYa Media in December 2000 as the company’s CEO and president, at the request of Michael Milken [Milken’s Knowledge Universe was among the leading investors in YaYa]. The expectation of developing a strong working relationship with Milken was one of his strong motivators in going to YaYa versus other opportunities. As for the business, despite the recent bursting of the Internet bubble, Ferrazzi was still passionate that the Internet was and would be a powerful advertising, marketing, and sales platform and he wanted to revolutionize the way companies marketed their products first online and then more broadly.

YaYa started by creating marketing applications that were more conducive to the Internet medium than static banner ads, principally games at the beginning. Each of these applications engaged the user and captured valuable information that fed the brands’ CRM (customer relationship marketing) programs. YaYa solutions were built in conjunction with leading brands and websites to facilitate measurable customer acquisition, increase brand equity, drive traffic, increase customer loyalty, maximize brand interactivity, and capture marketing information. For example, Ford Motor Company of Canada engaged YaYa to create “The Escape Moon Rally,” an interactive Internet-based AdverGame (a word made popular by Ferrazzi) promoting the company’s new SUV, the Ford Escape. The game was a low-gravity sports utility racing game on the moon featuring the Ford Escape. Users who successfully finished the game were automatically entered in a Ford Escape sweepstakes to win a variety of prizes. The game had a 16.4 percent clickthrough rate and allowed Ford to nearly double its original list of prospects, according to YaYa. Ferrazzi said: “TV ads will be dead in the future. The only advertising that will be watched will be ads and promos built into shows via sponsors or advertising that is in itself compelling content.”¹⁴

DaimlerChrysler also engaged YaYa to create a game to drive product consideration among women ages 35 to 49 by communicating the unique product attributes of Chrysler’s full line of vehicles. Almost 90 percent of users who initiated the game completed it and were assigned a personality type and vehicle preference. Nearly 50 percent of the gamers went on to also register for the weekend travel contests, providing address and hotel usage information shared in partnership with Wyndham Hotels. At the end of the game, 68 percent of game players requested more information about Chrysler vehicles. Ten percent of players invited an average of 2.2 friends to play the game. The viral “e-mail a friend” campaign resulted in 66 percent e-mail open rates — above the 39.4 percent industry average.

According to Loconto, he would have advised Ferrazzi against going to YaYa: “By that time [prior to Ferrazzi joining YaYa], Keith wanted to be CEO so badly to get it out of his system,

¹³ Keith Ferrazzi, “Journey to the Top,” *BrandWeek*, April 16, 2001.

¹⁴ *Ibid.*

that he just had to do it. He seemed to like it at YaYa, but just couldn't build it into the big thing that he initially thought he could." Badore provided her perspective: "If the dot-com craze had gone on for another couple of years, we might be saying that Keith had made the right decision to go to YaYa. I don't think it was a bad decision. He weighed his options very carefully, of which one was to do one more round of being a marketing officer with some promise at a full executive officer role in the future. I think he felt that if he did this, however, these would just be promises and he just didn't want to be a marketing officer again. He wanted to run a company."

Martin Zagorsek, former vice president of strategy who left YaYa in 2002 (about a year before this case was written), commented on Ferrazzi's tenure and performance at YaYa: "YaYa's strategy was very good at the high level. However, what the company didn't focus on as much was what assets YaYa would build. In other words, beyond going client by client and finding solutions for them, what would we build for investors to buy?"¹⁵ In addition, Zagorsek felt that Ferrazzi was challenged with execution: "Keith definitely enjoyed focusing on the vision and selling the vision to outsiders, but I think ultimately he didn't spend enough time and mental energy on the execution piece and on the internal aspects of the company." Ferrazzi felt that in a challenging market with little expectation of future investment, he needed to spend the lion share of his time defining the product value proposition, driving revenue and getting to profitability. He brought on James Clarke as COO of YaYa to help him execute the company's vision. Clarke had been an HBS classmate of Ferrazzi, former startup COO, WestPoint graduate and had been an Army Ranger. According to Ferrazzi, their styles were very different and, at the beginning, the two had had communications issues but quickly, as trust and understanding grew between them, they began to work together and complement each other well. Ferrazzi commented that he had learned, starting at Deloitte that he needed to surround himself with skill sets that allowed him to concentrate on his strengths. What Ferrazzi did consider his strength, was creating a market for YaYa. Shortly after joining the company, YaYa had revenue from large clients like Ford and Nike and it had a vision recognized in the marketplace with a cover story about Ferrazzi and YaYa in Brandweek. Zagorsek also described Ferrazzi as having a "killer combination of being both visionary and relentless." "I've seen Keith in extreme cases steamroll along when there's initial client resistance, cutting clients off, talking over clients on conference calls, and plowing ahead to make sure he gets to say what he wants to say. Sometimes I thought that clients were going to hang up on him, but more often than not, they ended up buying into his message. He's very articulate and almost a 'made-for-TV' kind of speaker who speaks in clear and concise sentences. It's hard for people to not understand what he's trying to say."

Zagorsek discussed the challenges of working with Ferrazzi: "It was exciting and frustrating at the same time. Keith gets you access to extremely high-level executives. That part of it was exciting, but the frustrating part of it was that when he moved, his pace was a very fast one, and he didn't always take the time to brief people who were going into meetings with him. Thus I was able to go to some very exciting meetings, but I also often had no context for what we were talking about or who this person was and what we were trying to do, and so I was reduced to essentially being a spectator." Zagorsek commented on Ferrazzi's ability to change: "Keith told me himself that he welcomes feedback and has a pretty thick skin. However, he'd be the first person to say that he doesn't change easily. His style has gotten him pretty far and so he doesn't just change based on feedback from one person." That said, others, like Clarke, Ferrazzi's COO,

¹⁵ Interview with Martin Zagorsek. Subsequent quotes are from this interview unless otherwise noted.

would indeed credit him for the changes he made in his style and attention to detail during his tenure as CEO. Ferrazzi provided his perspective: “I’ve worked hard to improve my skills as a CEO by addressing the issues that some people have had problems with, like trying to move too fast for others to implement. My relationship with Clarke is solid. We need each other, and he and I really work well together. It’s one of the aspects of YaYa that I most enjoy today. We have found a strong balance. As for building lasting assets, before the sale of YaYa, our capital constraints prevented us from a number of investments that we wanted to make. That said, we had built enough value in the company to find a great buyer. Now, with a public currency and investment dollars, we have begun to expand the breadth of services YaYa offers in order to build more lasting assets.”

Ferrazzi discussed challenges of his CEO position: “Growing up it was very important to me that people liked me and that I had the affirmation of others. I sure had to grow out of that quickly enough. I think at the beginning of my YaYa tenure, this was an inhibitor of mine because there were times when I was not as ruthless as perhaps I needed to be. Big budgets and politics in big companies often encourage you to put off making certain difficult decisions like retaining mediocre people. Yet, the irony is that in a smaller company where you cannot afford a weak link, you are also challenged to afford (given constrained resources) to replace people with the best and brightest all at once. As CEO, things changed for me quickly. When running a small company, every resource is crucial and it is not fair to shareholders to spend a single dollar that is not delivering maximum value. As the CEO, you have to put aside many things and be willing to ruffle many feathers for the sake of driving shareholder value. That’s something that I internalized in a big way in the last three years. There is a big difference between being CEO and the head of marketing and it required growth on my part that I’ve truly enjoyed. Being squarely driven by shareholder value and the bottom line is frankly liberating. I smiled to hear myself say to my head of marketing within six months of my coming on board that it’s not just about the brand now, it’s about SALES. I knew I had turned the corner.”

In 2002, YaYa had reported revenues of approximately \$8 million and planned to break even in 2003. In 2003, Ferrazzi sold YaYa to American Vantage Corporation (AVCS). By then, YaYa had developed a blue-chip set of clients, driven by Ferrazzi and his significant network of contacts. “I’m still running the company and rolling out an acquisition strategy with my new board. And, at the same time, I’m always looking at what my options are and planning my career,” said Ferrazzi. “I’m talking with a major portal about running one of their divisions. I’m also investigating starting up a new venture in direct response television.” Zagorski discussed the acquisition: “YaYa as a stand-alone company lacked the capital to really develop a platform that would be compelling. The company also lacked scope (breadth of product line) on the client side, in that selling as an independent with this one point solution was much more difficult than being part of a large advertising agency or a large media company, where you could sell the product as part of a suite of other marketing options. Ultimately, *Fortune* 500 companies wanted to market to everyone, not just through the games channel. We often had to work with a lot of other advertising agencies to coordinate everything and there was a lot of overhead involved, both in execution and also in sales. What ended up happening was that YaYa found a financial buyer, which, at least gave it the operating capital it needed to grow and to build some of its internal technology.”

PERSONAL LIFE

Ferrazzi was a gay man who did not formally “come out” in business until he arrived at Starwood, although he began the “process of coming out” at HBS to friends and family, according to Roel,¹⁶ Ferrazzi’s long-time partner and schoolteacher at Beverly Hills High School. “Roel and I were partners for 11 years but we broke up a year ago [2002]. One of the issues all along was that we just didn’t share the same objectives in life. God bless him, but he wanted to travel and read and I wanted to change the world. It took Roel a while to find his passion, but he has found it now. He is a high school teacher and couldn’t care less about the business, political and philanthropic worlds I thrive in and live for and that’s great for him. Ironically, though, it has taken this breakup for me to find greater balance in my own life as well. My next relationship will be very different from my last and different than what I would have envisioned before. I have come to value both the strong, shared drive and the mutual support and the down time for the sake of the relationship. I do want someone to buy into my vision and support it or someone who has drive and ambition for themselves. Either way, I want somebody who shares my life and not just tolerates it—someone who will really push me and kick me in the butt when I need it. I need a strong personality. I do absolutely miss him, though.

Roel said: “Keith was never formally ‘out’ at Deloitte, and I always encouraged him to do what he felt was right and he was afraid it would hurt his career. Everyone does this at their own pace. I never felt excluded because it was a group of people that I didn’t mind being excluded from. The parties can be tedious. The real problem was that the men would go off and talk about business and the wives would go off and talk about nannies or whatever and I didn’t know where I fit in.” Relative to Ferrazzi being “out” at Deloitte, Badore commented: “My impression was that this was probably one of the few areas in his life in which he wasn’t being explicitly genuine, and it bugged him.”

THE NEXT MOVE?

Ferrazzi was at a crossroads with his career and he had various opportunities to consider. Based on an article in *Inc.* magazine about Ferrazzi and networking, Doubleday publishers signed him up and he has engaged a ghostwriter and was working on a book with a working title of “You Cannot Get There Alone” on how to develop and keep relationships strong through a philosophy of generosity.

Ferrazzi had thought he wanted to be a CEO of a *Fortune* 500 company, but now he was not so sure — either that this was what he wanted or that such a career path was going to be feasible and attainable, given his likes and dislikes. Ferrazzi described the decision that he faced: “Of course I could stay and build YaYa. I could expand its scope organically or look for appropriate acquisitions. Or, do I want to go work at a big corporation and move up in that organization. Or, do I want to take a more purely entrepreneurial route by becoming a business personality with the publishing of my book and the creation of a company around it. Or, run a business such as in the direct response television area¹⁷ by starting a company or by buying a preexisting infomercial company with financial backers from YaYa? I don’t really have any experience with infomercials per se, but I know marketing and I know how to use broadcast advertising to

¹⁶ Roel’s last name has been omitted for privacy reasons.

¹⁷ Infomercial business.

promote sales. I would create a niche in the category focusing on big companies and how they can use infomercials to get free or “self-liquidating” advertising combined with a heavy dose of strategic marketing consulting. I know that this works and I know I can bring prominence and credibility to the concept of infomercials for *Fortune* 500 companies while sharing in the equity of the product brands created. That said, I always have to ask, what makes me feel as if I can do any better than anyone else who’s been doing this for years? I could also just go create a very successful and lucrative marketing consulting firm. Right now, the most pressing question for me (with my book coming out on the subject of business and personal networking) is how much do I want to focus on this. I could help a lot of people and certainly feed my ego by becoming a motivational business personality such as Dale Carnegie. It could satisfy me but could also potentially harm me by closing off professional doors that are still open today.”

Roel thought that Ferrazzi should become a guru: “I’ve always advised two courses of action depending on Keith’s mood. First, I thought he should be a guru or his own man and have a one-man shop or consulting firm. He’s thought about this forever, but hasn’t done anything about it yet. He seems the happiest when he’s doing this. Second, when he’s feeling a little more depressed or more realistic and thinking that he should go back into a large corporation, I’ve thought he should go into something lower than a CEO and work his way up, like his experiences at Starwood.”

Loconto provided his view: “Keith’s getting to the age now where he’s got to start figuring out ultimately what he wants his career to be, whether it’s a start-up or whether he wants to go to an established company and try to get into the local fabric of the company. He’s capable of doing either one. The one thing he doesn’t want to do now is — because it’s getting later in life — he doesn’t have time to fail, because if he fails at this point he’s going to be viewed as a failure, no matter what he did in the past. Whereas, when you’re young, you are forgiven for being young. In fact, if you find people who’ve never failed, you find people who never took a chance.” Loconto continued: “The real question is, what’s going to make him the happiest, given his personal life, etc. Does he want to travel? Does he want to settle down? Does he need more money? If he needs it, does he need it just for ego or does he need it because he needs money? Because that’s the way people measure things nowadays — it’s based on how much money one makes. I think the next move will be the critical one for him — and it may, at least from my viewpoint, being from the old school — hopefully be his last one, but knowing Keith, I doubt it.”

Zagorsek provided his perspective: “I think that Keith is better designed for a large company than a small one, and I think he’d be the first one to say it. This way he can have more people around him to do things he doesn’t do well. I think part of the attraction of YaYa to him was the possibility of being bought into a company such as Viacom or Vivendi (which almost happened in 2001), catapulting him into a senior role inside of a large company. I think the next role for him should be at a large company, but not necessarily as the CEO. Going back to a CMO or similar level role might feel like a step back for him, but I think it would be better than a CEO role at a mid-sized company.” Badore provided a different perspective on developing one’s leadership skills: “I think that the notion of being developed by a mentor is clearly positive up to a certain point. However, I’ve seen more leaders actually just take the plunge and take on a CEO role or a leadership role, and surround themselves with counsel as they were doing so, rather than working under a mentor who may have the tendency to say, ‘No, you’re not ready yet.’”

Exhibit 1 Keith Ferrazzi Resume

EDUCATION

HARVARD BUSINESS SCHOOL – MBA (Honors) 1992

YALE UNIVERSITY – BA, Economics and Political Science.

Concentration at Yale School of Organization and Management (Honors) 1988

PROFESSIONAL EXPERIENCE

YAYA MEDIA, INC.

2000-Present

An entertainment marketing company. Through the medium of games and a robust understanding of CRM, YaYa Media provides integrated strategy, content (virtual and physical) and technology solutions to bring Fortune 500 companies (and media companies who service them) closer to customers and employees.

CHIEF EXECUTIVE OFFICER (CEO) AND PRESIDENT

Feeling prepared for first CEO position, joined YaYa (after the internet crash of 2000) because of belief in and commitment to the growth of the games industry beyond a packaged entertainment software business. Saw the potential to develop a “games media” business to help solve many of the challenges facing brands as they transition more of their media buy from broadcast marketing to one-to-one marketing. One of those challenges is creating compelling content in and around which consumers proactively choose to have a dialogue with the brand.

RESULTS:

Shareholder Value: Transitioned a low multiple production/services company into software and media business in the “hot” games category. Built and grew a strong company in what has been considered the worst media market in recent times. Gained liquidity for investors with the sale of company to American Vantage, a NASDAQ traded company, achieving both strategic synergy and growth capital. Created transferable assets and intellectual property contributing to shareholder value. Achieved operational excellence through building reliable processes in all areas of the business.

Market Maker: Established category leadership and mindshare in a totally new segment. Tapped into experience and strength in sales and marketing to generate market excitement and understanding of “advergaming” and games as a communications medium in which YaYa Games Media is the clear innovator.

Revenue Generation: More than doubled revenue each year with significantly constrained capital and human resources. Closed accounts such as Safeway, BMW, Radio Shack, Intel, DuPont, Ford, KMart, GM, AOL, Honda, IBM, Chrysler, Siemens, among many others at the CMO and CEO levels. Transitioned from individual sales in the thousands of dollars to those in the millions. Developed strategic selling relationships with large consulting firms, advertising agencies as well as media companies and portals.

BUSINESSES

Content Development: Ideation, design, development, production and implementation of games (interactive media solutions) for the purpose of bringing brands closer relationships with their customers and prospects and educating employees and key constituents

Software: Consumer Dialog Technologies (CDT) is a proprietary YaYa technology that supports and leverages games as a communications medium. It is a modular, end to end, hosted relationship/loyalty marketing platform designed to integrate with CRM systems and convert interactive online experiences (“games”) into persistent consumer relationships. YaYa provides the integration for CDT to integrate into brands CRM systems.

Event Management: Joint ownership (with WMA) of a physical touring games property that brands use to reach core gamers in their regional markets.

Media Representation: Represent retail game companies to the brand world by bringing product placement and sponsorships into retail games.

Strategic Services: Uses strategic consulting services as paid business development and a strong base from which to stabilize revenues in a capital constrained market.

STARWOOD HOTELS & RESORTS WORLDWIDE, INC.

1999-2000

Westin, Sheraton, St. Regis, The Luxury Collection, Four Points by Sheraton and W Hotels.

Market capitalization of \$15 billion at the time. 700 hotels in 77 countries and 130,000 employees.

CHIEF MARKETING OFFICER (CMO), WORLDWIDE

Managed a \$400 million marketing services P&L with revenues from owned, managed and franchised properties. Chosen as among the top Hotel Executives in 1999.

RESULTS: During tenure as CMO: Increased Starwood’s marketshare during weak summer months with award winning promotions. Sheraton’s unaided brand awareness rose from 30% to 44% in less than a year with new campaign and a 30% reduction in media spending. Westin’s guest satisfaction scores rose by 15 points with the market launch of the “Heavenly Bed.” Increased Four Point’s aided brand awareness from 12% to 29% in one year. Drove 33% of promotional bookings to the less expensive Internet channel from 3%. Starwood’s loyalty program recognized as best loyalty program in the travel and leisure industry. Responsible for new revenue sources of more than \$10 million from partnerships, strategic alliances and new business ventures.

STRATEGIC PLANNING: Defined strategy, brand positioning, customer experience and channel mix for portfolio of brands. Lead market research for corporate strategic and business planning.

BRAND MANAGEMENT: Lead the move from a geography toward a brand-based P&L. Presided over the launch of new brands and repositioning of existing brands while brand president search was underway. Successfully piloted a Sheraton service guarantee. Oversaw the change to a new worldwide agency of record. Centralized creative services, events, advertising execution and PR to ensure the quality of Starwood’s communications, while reducing agency fees. Combined image and promotional advertising to yield a greater return on promotional investment.

DIRECT MARKETING/CRM FOCUS: Began the transformation to build lifetime profitable relationships with guests. Created a customer relationship marketing (CRM) function to transform all guest touchpoints (global call centers, property interaction, direct and Internet channels...) into proactive loyalty and revenue generation opportunities. Developed a common Internet technology architecture and established data integrity as the first order of business. Oversaw the integration of legacy systems across sales, reservations, revenue management, and loyalty programs

LOYALTY MARKETING: Repositioned Starwood Preferred Guest (SPG), to compete in an Internet environment. Focused on recognition and customization throughout the guest experience. Decreased SPG operating expenses through electronic communications.

YIELD AND REVENUE MANAGEMENT: Launched industry-leading, internet-enabled yield management system.

CALL CENTERS: Positioned our \$100 million global reservations and customer service call center business against world class metrics.

MERGER INTEGRATION: Oversaw the marketing integration of timeshare and branded vacation clubs following the acquisition of timeshare leader, Vistana.

DELOITTE & TOUCHE CONSULTING 1992-1999

The world's fastest-growing consulting firm, with a growth rate of 32 percent, \$3 billion in revenues, and 15,000 professionals in more than 30 countries.

CHIEF MARKETING OFFICER (1996-1999)

Created the global marketing and communications organization. Managed a global marketing and communications agency budget of \$50 million. First and only marketing professional voted partner and sit on the executive committee.

RESULTS: Increased unaided brand awareness from one percent (last among major firms) to thirty-three percent, achieving the third position in two years. Moved advertisement recognition from 0 percent to 53 percent in 6 months. Reduced the total marketing budget 35% in the first year while delivering greater brand awareness.

BRAND STRATEGIES: Created and implemented worldwide strategies for thirty-two lines of business, twenty-six industry segments and the global consulting and parent company brands. Managed global market research for strategic and business planning.

ANALYST RELATIONS: Developed and managed analyst relations plan.

NEW PRODUCT DEVELOPMENT: Developed new consulting services, from product development to market strategy.

LAUNCHED ADVERTISING: Initiated and managed firm's first global advertising campaign. Consolidated all communications including: creative services, direct mail, events, conferences, community affairs and PR.

IMPLEMENTED CRM: Launched customer relationship marketing (CRM) with a targeted client relationship strategy.

THOUGHT LEADERSHIP DEVELOPMENT: Created an industry-focused think tank (Deloitte Research), staffed with 12 full-time economists (Ph.D.s), with formal relationships with more than 30 academics around the world guided by a series of industry-specific CEO councils. Oversaw firm's authorship strategy.

DELOITTE CONSULTING MARKETING/SALES CONSULTANT (1992-1996)

Specialized in marketing and sales strategy, reengineering and technology projects mostly in the retail and services segments. Focused on strategic re-positioning of brands.

- Led the reengineering of a leading American retail credit card.
- Reengineered the movie production process using emerging technologies such as digital editing and cellular communications.
- Managed the marketing and sales reengineering of the world's largest HMO.
- Oversaw the customer service reengineering of one of the world's largest airlines.
- Led the turnaround of a consumer plastics manufacturer facing liquidity crisis.

INDEPENDENT CONSULTING IN RETAIL AND LEISURE

1990-1992

Founded a consulting firm at Harvard Business School with the help of academic advisors that specialized in improving the quality of service in retail, airline and manufacturing companies.

IMPERIAL CHEMICAL INDUSTRIES (ICI)

1988-1990

CORPORATE MANAGER

- Created the first total quality management program for ICI in North America.
- First non-engineer hired into ICI's management program rotating through finance, manufacturing, and sales
- Developed a direct marketing organization for consumer biocide product
- Responsible for process improvement at a specialty chemicals manufacturing facility.

RECOGNITION & SERVICE

Significant Sig: Chosen in 2003 as among the most significant alumni of the Sigma Chi international fraternity. Among others such as Bill Marriott and David Letterman...

Global Leader for Tomorrow: Chosen as one of 100 "Global Leaders of Tomorrow" by the World Economic Forum at Davos, named Chairman in 1999. Tripled active membership. Workgroups focus on global social issues such as environment; human rights; spirituality; the digital divide; healthcare... (1998-present)

40 Under 40:

Chosen by Crains Publishing as among the top executives under 40 in 1997 "Crains 40 under 40"

Most Creative:

Chosen as among the top 1,000 most creative people in America 2001.

Malcolm Baldrige National Quality Award: Youngest examiner for the President's Award for Business Excellence (1995 – 1997).

Innovative Leaders in Globalization: Led the partnership between the World Economic Forum and Deloitte & Touche to allow the world's leading executives to share their approaches to successful globalization (1997-1999).

Lincoln Foundation for Business Excellence: Founded a Baldrige-like process for Governor of Illinois with chairmen from Amoco, First Chicago, Baxter, Caterpillar... Recruited hundreds of volunteers.

Yale University:

Yale University alumni board of Governors (2000 – present)

Yale University Sigma Chi House Corporation and local Chapter Founder.

Kiski School:

Member of board of Trustees (2003 – present)

PUBLISHED

Bylined articles for: *Newsweek*, *Wall Street Journal*, *Harvard Business Review*, *CEO Magazine*, in-flight magazines and multiple professional and technical journals.

Topics include: The future of marketing and sales, networking, managing radical change, and globalization.

SPEAKING VENUES

Frequent television and radio commentator, appearing on CNN & CNBC. Keynote speaker at corporate executive meetings and the United Nations. Lecturer at several U.S. universities.

Exhibit 2

Keith Ferrazzi's Vipassana Experience

“So, what’s the word for someone who is behaving in a neurotic and paranoid fashion? Whatever it is, that was me after committing to meditate for ten days (10 hours a day) in silence.

I wouldn’t say that I’m a total novice at this new age stuff. I’ve done yoga, but a real workout is still a good run and a set of weights. I attend some spiritual service or meeting every week and have visited almost every denomination of service I can imagine. In fact, to the point, I once visited a Buddhist temple and sat for a half hour of meditation. I can sum up that experience in one word, claustrophobic. Ten days? After about ten minutes, I thought I couldn’t breath.

Yet, even with my one less than fulfilling meditation experience, here I was packing off to a Vipassana meditation retreat. It all started out when I decided to leave my job in March. Everyone told me, “Keith, take a few months off to clear your mind.” So, in typical type A form, I tried to find a way to cram three months of mind clearing time into the fewest days. Then I remembered a talk I heard at The World Economic Forum meeting in Davos—an oversubscribed panel session entitled “Happiness.” I guess great power and money do not necessarily guarantee you happiness. So we were there to hear S. N. Goenka promise happiness if we followed this ancient tradition of meditation that can only be taught in a concentrated ten day course. Now, with some time on my hands and the desire to find happiness and clarity in fewer than three months, I focused on giving Vipassana a try. The other thing that made this interesting was my belief that anything that terrified me this much had to yield some powerful results.

The first day, more became clear. First, Vipassana is not a religion in any way. It is merely a form of meditation that is practiced by Catholic priests and Buddhist monks alike, intended to bring the scattered mind into greater equilibrium and, simply put by S. N. Goenka, “to bring people from misery to happiness.” There are ten days for a reason. The process is tough, very tough, but adequately paced for the beginner.

The technique starts with observing the breath. And, for the first day, that’s all we did, “Obserb (observe) the bret (breath).” To imagine Goenka, picture a shortish, slightly stout happy looking man who sounds like the narrator of “The Grinch who stole Christmas” with an Indian accent. The idea is that the breath is the portal between the conscious and unconscious mind. It is one of the few bodily functions that both operates under your direction (as your hand does) and independently (as your heart does). By observing your breath you begin to get closer to your unconscious mind.

On our path to samadhi (concentration of the mind) the first lesson you learn on your way to panna, or wisdom, is how scattered your mind really is. “You have monkey mind,” says Goenka. If I thought I was neurotic going into the retreat, now my mind was racing through hundreds of unrelated topics. The noise was amazing. Just about then my teeth also began to chatter and did so, rather violently, every time I got into a tough space throughout the course.

We had also agreed to adhere to the five precepts of sila (Vipassana moral conduct) during our ten days. These are practiced full time by all real followers of Vipassana. One was our

commitment to abstain from telling lies. We are told that the reason for our ten days of silence is to help us maintain the precept of truthfulness. We also agreed not to kill anything, not to steal (the “borrowed” hotel towel that I had intended to use was put away to return after the retreat), to abstain from any intoxicants, and abstain from all sexual misconduct. To make this last one easy we were to abstain from absolutely all sexual activity (personal or interpersonal) during the course. The men and women were sent to separate quarters, and really didn’t see each other much at all.

Once we got the breathing down, we then were asked to begin to take a small area around the nose and see what “sensations” we felt in that area... another two days of breathing and sensation feeling. In fact, sensations form the basis of the fundamental Vipassana theory. It all starts with the fact that misery exists in a big way and that misery is really self-induced. Vipassana teaches that misery is caused by our cravings which, by our very nature, are never met and our aversions which are always present. Some time is spent on this point, but it seemed to resonate with all of us who in some form or another are all on the never-ending treadmill toward greater and greater success, wealth, love, stuff...that never seems enough. Or, we are identified with creating aversions, frustrations, resentments, judgments, anger that just grows on itself and eats at us in our workplace and homes. So, we all agreed that anything that could bring our aversion and craving soaked minds greater equanimity would be a good thing.

The physical observation of Vipassana notices that with feelings of craving and aversion come real bodily sensations like heat and cold, tingling, itching, changes in breath and heart rate, and sometimes real pain of all sorts. And, after a very short period, we found that we could indeed feel these sensations. The fact that they were associated with particular feelings also became obvious on a very experiential level when my mind would conjure up a painful past event or a future longing and I’d feel the sensations of these on my body during meditation. What was also interesting was that these sensations were very impermanent. They came and they passed on the body. Sometimes quickly and other times not, but they did pass sooner or later. By the way, and this was another big lesson, so do our feelings. While we may get worked up into a real tizzy with great drama around our feelings at any point in time, the one thing we can count on is that those feelings will change. No matter how frustrated you get with your significant other, or sad over the death of a loved one or happy over the winning of the lottery, we can all count on those feelings passing and new ones coming up soon enough. However, so much of our misery is our holding onto those feelings too long.

So there I am breathing and feeling sensations on my upper lip, learning how to observe bodily sensations and yet not react while all the time writing new business plans in my head, hearing verses of really bad songs that I never thought I knew, being judgmental and irritable toward the guy next to me who is breathing too loud, thinking about innumerable things to do and how angry I was not to be allowed to write them into my palm pilot.

Then, on day four we learned that what we had done to date was all just practice. Real Vipassana sitting was to begin that afternoon. We were not only to sit and feel the sensations throughout our body (we also graduated from our nose to the entire body), but do so without moving at all. No adjusting our mats, stretching our backs, moving our hands, or opening our eyes to even see how much longer we had in that session. Day five wasn’t that bad, the novelty

and the challenge alone kept me alive. After the first disciplined sitting, I couldn't move. I really mean I physically and mentally couldn't move. The time was up, people were moving around me quietly on their way out of the hall, but I sat there. It felt like a shell had been poured over and hardened around me while I sat. There was folklore about a woman who went into a coma-like state after a sitting and they weren't able to get her out. Maybe I wasn't ever going to move. But then my eyes opened. The hall was mostly empty. The light was dim and I could hear rain falling on the ground outside. Piles of different colored blankets and pillows were placed in lines in the meditation hall. I could smell cedar. It was one of the more beautiful moments of my life.

There were breaks for meals and personal matters and even a little down time where we could sit in our rooms or walk around the paths in the woods worried about stepping on ants. It was on the afternoon break of the fourth, though, that I just lay in my bed. That, in and of itself, was powerful. I didn't feel compelled to stretch, think about a particular thing or try to sneak in some sit-ups. I was just content to lie there. I felt the strain on my back and said to myself as I had learned that this pain was impermanent and it would pass. For some reason, I then pictured my dad and the impermanence of his body, the decay of his health that we all saw in the years leading up to his death...that he undoubtedly saw too. He became a changed man in the last 5 years of his life. While his body decayed, his compassion grew. My sister and I both saw it so clearly. What if we all saw the impermanence of life earlier? Wouldn't the decisions and actions of our younger years be so different? Wouldn't we all make decisions that ultimately make us happier? Somehow that afternoon I started to realize and really believe, I mean really believe, that the path can be as important as the destination.

As one who has been in the middle of a career search, so much of my energy had been put into finding the next move that "made sense." Sense is defined as the next obvious step up the career ladder. As the youngest Chief Marketing Officer in the Fortune 500, I couldn't take a job that wasn't higher up the corporate food chain in either position or company. If I did, I'd look like a loser, wouldn't I? It became clear to me that I had created a gallery of phantom spectators who I looked to for approval of my career moves. What would make me happy? What kind of question is that?

I guess that's the point of this entire exercise. We were practicing the same thing that we live every day. In meditation we were experiencing the very physical sensations that we would have in real life when someone insulted us or frustrated us. In meditation we were learning to watch those impermanent sensations and let them pass. Not dwelling on them and making them worse. Of course, we also learned what would happen when we did dwell on them. When I concentrated on the pain in my knee and got angry at the pain, it only multiplied the pain. Sounds like my compounded frustration I feel when I think about how angry my boss has made me. However, when I would "calmly, quietly, patiently, persistently, conscientiously, repeatedly just observe," the pain would pass. There was a real lesson here for my daily life.

So, where do I go from here since I've been home? I'm giving a maintenance level of meditation a try and at least I now know that there is a quiet place I can go within myself if I need to get away. I'm not sure if I'm going to give up my Bordeaux collection just yet or stop participating in the industry of killing animals for food, but I would say that I got enough not to

turn my back on the opportunity for greater happiness. So, I'll keep being aware, observing and not reacting. "May all beings be happy," S. N. Goenka."

Source: Keith Ferrazzi.