

Book Review: 'Creativity, Inc.' by Ed Catmull

Research for 'Ratatouille' meant two weeks eating Paris and traipsing through the sewer system.

By

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Need some advice on how to run your company? Punch "management and leadership" into Amazon's book search and more than 70,000 results pop up. This vast smorgasbord includes many duds but also a few titles worth keeping on hand. Clayton Christensen's "Seeing What's Next" (2004), for example, explains the "jobs-to-be-done" theory, which urges companies to come up with products that make it easier for consumers to do something they were already trying to accomplish—like the low-cost, one-step home pregnancy test. Older chestnuts include Robert Townsend's classic "Up the Organization" (1970), which encourages CEOs to fire their public-relations departments, avoid hiring Harvard MBAs and talk freely to the press—advice that today's heavily lawyered, risk-averse moguls would welcome as much as an SEC probe.

Creativity, Inc.

By Ed Catmull

Random House, 340 pages, \$28



Pixar

Of late, the wisdom of many management books boils down to grasp-of-the-obvious concepts: communicate better, foster trust, build a Kumbaya culture that will give rise to game-changing ideas. Of course, publishers can't help serving up ever more management fare—as long as they can find fresh meat to dangle in front of the reader.

In the case of "Creativity, Inc.," by Ed Catmull, one of the founders of Pixar Animation, readers will want to take a big bite. Yes, there are clichés here—always "pay attention" and look for signs of "confusion and delusion" that might derail your business. But the book also offers up a fascinating story about how some very smart people built something that profoundly changed the animation business and, along the way, popular culture. Think "Toy Story," "A Bug's Life," "Ratatouille" and "Finding Nemo." Mr. Catmull's narrative is seasoned with lessons he learned in the course of building an American icon.

Recruited in 1979 by [George Lucas](#) to help work special-effects images into live-action footage, Mr. Catmull, who had studied computer graphics in graduate school, soon found himself up against a problem that would yield one of his early lessons. The film editors at Lucasfilm resisted working with a computer. They didn't think it would do much more than what could already be done by snipping filmstrips with razor blades and gluing them together. The editors didn't realize that, for a new level of creativity to happen, they would have to embrace change. Relatedly, Mr. Catmull realized that a transformative idea, no matter how good, was useless unless the people who had to implement it fully embraced the concept.



It took the hiring of a talented young [Disney DIS -0.83 %](#) animator named John Lasseter to start the buy-in mind-set at Lucasfilm. Mr. Lasseter, an energetic type, was skilled at emphasizing the importance of storytelling. While others were obsessed with showing the "wow" factor of computer animation, Mr. Lasseter knew that visual polish didn't matter much if you don't get the story right. With one simple idea—adding a second character to interact with the main one—he introduced the emotional tension that made the 1984 short film "The Adventures of André and Wally B." work brilliantly: André the android wakes up to find a bee hovering over him and runs away as the bee gives chase. Much better than André simply waking up, yawning and looking out at a fancy computer-rendered world. It might look impressive, but so what?

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But the magic wouldn't be fully unleashed until several years later, when Steve Jobs, between stints at Apple, agreed to finance the purchase of the Pixar unit from Lucasfilm. The new association, though empowering for Pixar because of the infusion of fresh capital, came with problems. What would happen if Mr. Catmull, now the president of Pixar, disagreed with something the intense, intimidating Jobs wanted to do? "When I don't see eye to eye with somebody," Jobs had told him, "I just take the time to explain it better, so they understand the way it should be."

The marriage had its ups and downs, as did Pixar in those early days. Jobs could be maddeningly intrusive—like insulting potential customers if he thought they weren't prepared ("this deal is crap!"). To keep the creative staff busy until a big deal came along, the company made animated commercials for Trident gum and Tropicana orange juice, efforts that won awards for their creative content. Ultimately Jobs backed away from his stated intention of being deeply involved; his biggest asset turned out to be his brilliance as a negotiator.

Staring down Disney's Jeffrey Katzenberg on a film-financing deal, Jobs refused to bend to Mr. Katzenberg's insistence that Disney own Pixar's technology as part of the agreement. The status of that ownership was a potential deal breaker—or at least Jobs so postured. "You're giving us money to make the film," Jobs said, "not to buy our trade secrets." Mr. Katzenberg finally relented, and Disney and Pixar agreed to a three-picture deal in which Disney would provide most of the financing, then distribute and own the films.

The alliance's first effort, "Toy Story" (1995), was a phenomenal success, helping launch a \$140 million initial public offering for Pixar just after the film opened and prompting a renegotiation of the deal with Disney that now called for a 50/50 split of revenues and production budgets. Pixar had finally arrived.

But the staff euphoria over the success of "Toy Story" masked a serious problem that Mr. Catmull hadn't foreseen. The production managers, the people who monitor budgets and keep track of the smallest of details in a film, had been unhappy working on "Toy Story" and were reluctant to sign up for the next film, "A Bug's Life." The reason: They felt they were being treated like second-class citizens by the artists and technicians, who readily agreed, saying that the bean counters impeded good filmmaking by being "just sand in the gears." Mr. Catmull had announced an "open door" policy and thus was surprised by this revelation: None of the production managers had come in to gripe while the film was being made.

Why? Because they didn't want to be labeled complainers who had gone over the heads of their co-workers.

So Mr. Catmull got everyone together and decreed that, henceforth, anyone should be able to talk to anyone else, at any time, without fear of reprimand. "People talking directly to one another, then letting the manager find out later, was more efficient than trying to make sure that everything happened in the 'right' order and through the 'proper' channels," Mr. Catmull writes. He claims that after completing "A Bug's Life" (1998), things had improved markedly thanks to the new policy of unregulated, direct dialogue. Production managers were now seen more as peers by the creative staff.

To prevent the risk-averse repackaging of what has worked well before—a common temptation that Mr. Catmull calls "craft without art"—he insisted that his team do field research on each new film to bring authenticity to the scenes that it would later create. So for "Ratatouille" (2007), the film about the Parisian rat who wants to be a chef, he dispatched a group to Paris—not only to eat well but also to visit the kitchens, talk to the chefs and, yes, muck through the Paris sewer system, home to many rats.

For "Monsters University" (2013), a dozen Pixar people visited campuses like Princeton, Harvard and [MIT MITD 0.00 %](#) to check out the dorms, lecture halls, student hangouts and classrooms. They photographed and took notes on just about everything they saw—old graffiti scratched on wooden desks, fliers with rip-off tags. Including such granular stuff helped to make the film seem real to audiences. "You'll never stumble upon the unexpected if you stick only to the familiar," Mr. Catmull says.

Even after its integration into Disney, which bought Pixar for more than \$7 billion in 2006, the firm retained one of its key management tools, something Mr. Catmull calls the "Braintrust." A group of creative types would meet every few months to exchange views on how to solve problems in a film under way after viewing a very rough early version of it.

It sounds simple, but it's not an easy concept to implement. Nobody wants to look like an idiot in front of his peers, and there's a natural reluctance to tell the director that you think the second act sucks or the main character is unlikable. But no-holds-barred candor is exactly what Mr. Catmull demands of his team in these meetings. An important difference from other kinds of feedback sessions: The Braintrust has no authority—the director doesn't have to follow any part of what's suggested.

But sometimes a suggestion works beautifully. From its earliest storyboard days, for example, the movie "WALL-E" ended with the hero, a trash-compactor robot, saving his beloved droid EVE from being destroyed in a dumpster. It seemed logical because WALL-E had fallen in love with EVE at first sight. But somehow the ending didn't feel right, even to the director. Nobody could articulate why. Then a Braintrust participant piped up: "You've denied your audience the moment they've been waiting for, the moment where EVE throws away all her programming. . . . Give it to them." The director flip-flopped the ending, making EVE save WALL-E. At the next screening, Mr. Catmull writes, "there wasn't a dry eye in the house."

It is easy to see how candor and transparency might help all sorts of businesses, though not all of what Mr. Catmull suggests will apply broadly. It is not clear, for instance, how creating a fearless culture would be of much value to the investment-banking business. And some of the advice teeters into retreat territory ("To be wrong as fast as you can is to sign up for aggressive, rapid learning"). But this is a well-told tale, full of detail about an interesting, intricate business. For fans of Pixar films, it's a must-read. For fans of management books, it belongs on the "value added" shelf.

Mr. Pinkerton is a former managing editor of Forbes and former deputy managing editor of The Wall Street Journal.