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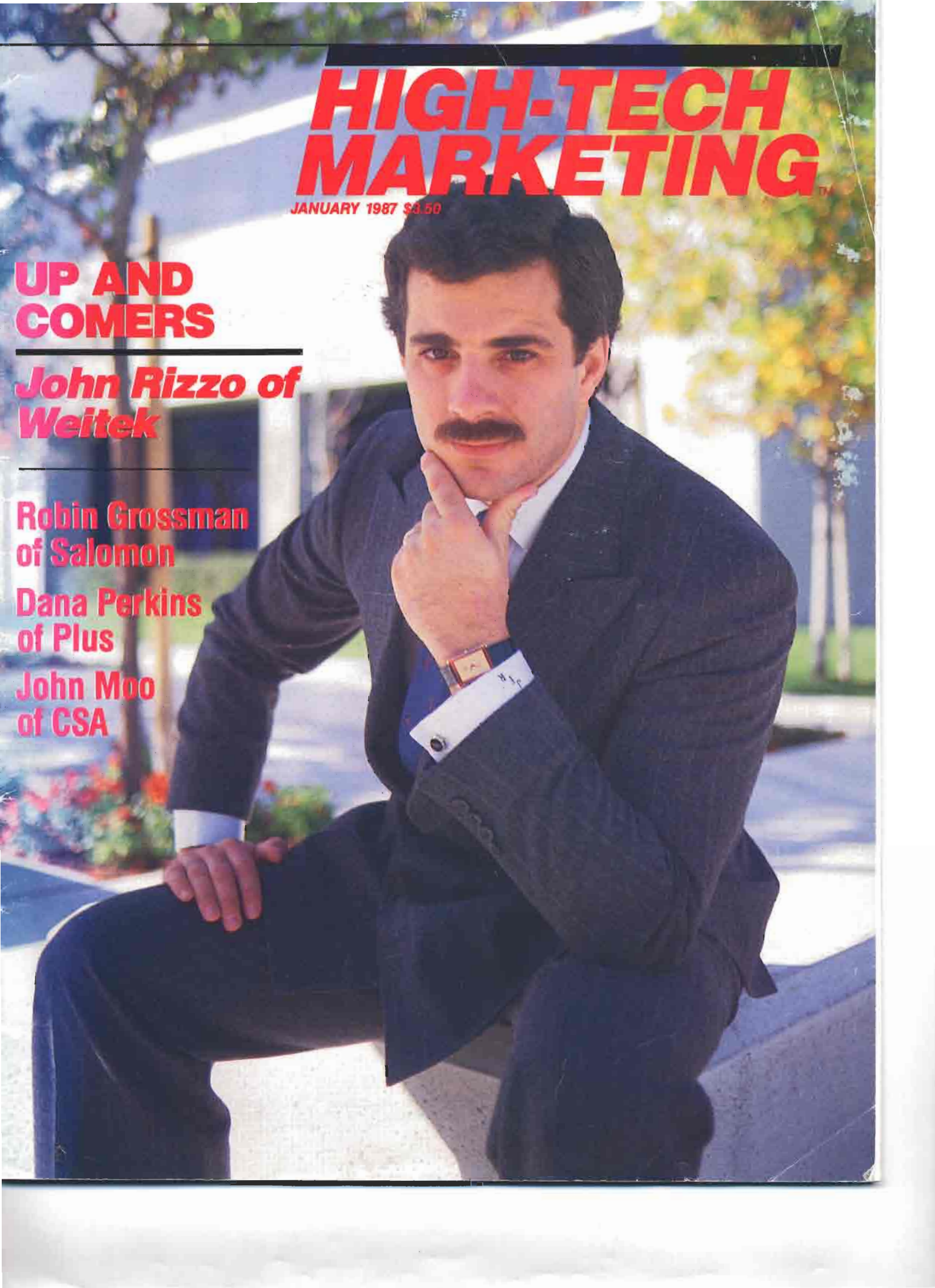
UP AND COMERS

*John Rizzo of
Weitek*

*Robin Grossman
of Salomon*

*Dana Perkins
of Plus*

*John Moo
of CSA*



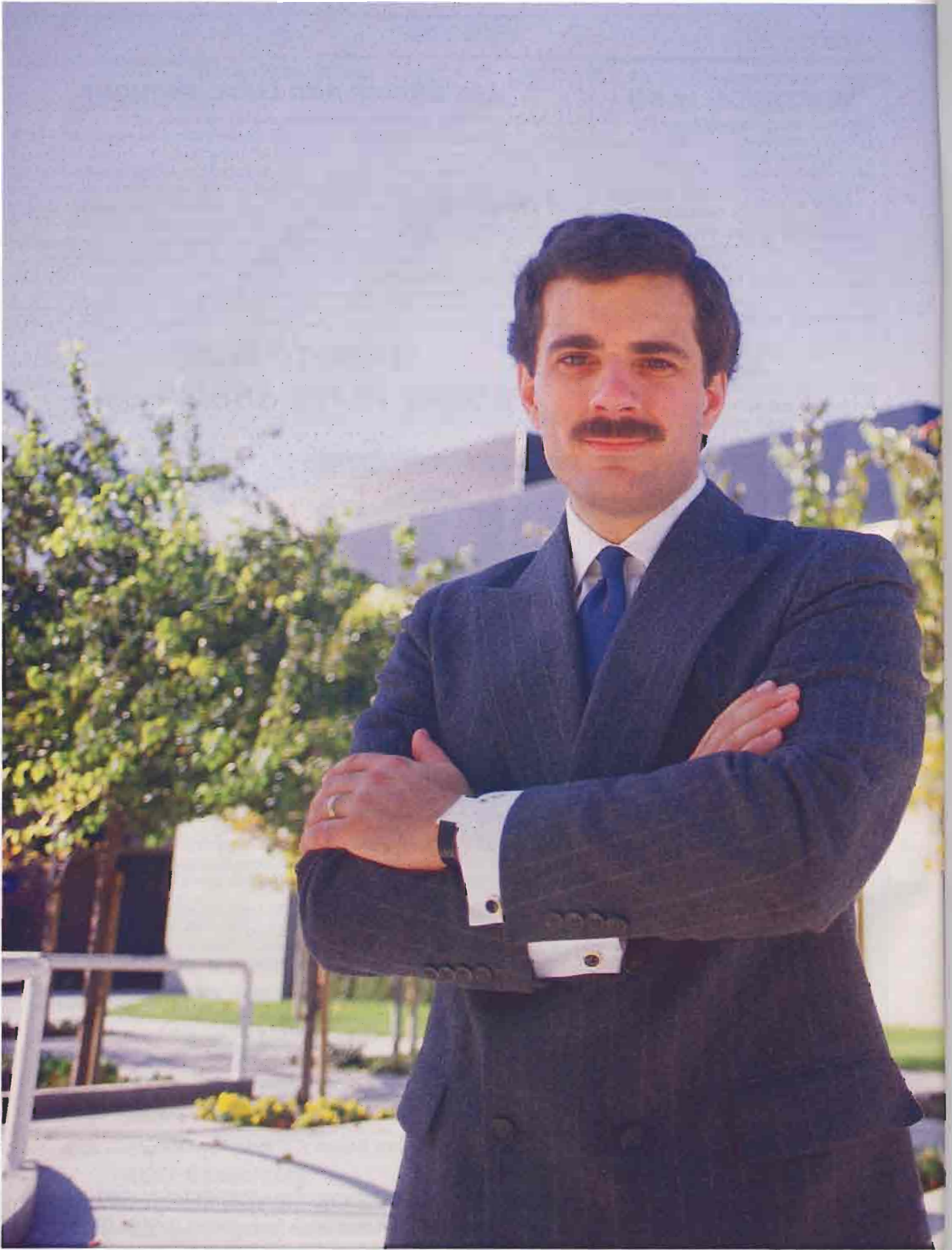


PHOTO BY WILLIAM BEATTIE

UPANDCOMERS

JOHN RIZZO: BURSTING THE WALLS OF TRADITION

...OR HOW A YOUNG
CHIP MARKETER IS
BRINGING CREATIVITY
AND COLOR TO
A STODGY MARKET.

When John Rizzo enters a meeting at Weitek Corp., everybody in the room knows they soon will be listening to a presentation. Rizzo enjoys giving presentations.

"He gets his Macintosh [computer] all cranked up, and for any meeting we have he always comes in with a big presentation," says Leonard Baker, a general partner in Sutter Hill Ventures in Palo Alto, CA, an investor in Weitek. "Everybody always says, 'Oh my god, here comes Rizzo.' He has been accused at Weitek of being single-handedly responsible for the deforestation of the Amazon."

Rizzo *has* to be good at giving presentations. He's vice president of marketing for a company that is, in his words, "on the lunatic fringe of technology." Founded in 1981 by three Chinese-American engineers, Weitek (*wei* means micro in Mandarin) designs and sells high-speed arithmetic chips used in supercomputers and high-end workstations.

It was the challenge of marketing in this niche that spurred Rizzo to join the Sunnyvale, CA, firm in early 1985 as director of marketing. Indeed, at that time he faced the quintessential marketing challenge: directing the marketing of an esoteric product line at a firm that, up until then, did not even have a marketing department.

"Because there was no marketing at Weitek," says Rizzo, "there was no excess baggage hanging around that said, 'Gee, marketing is *this* type of group,' or 'Marketing is *that* type of group.' I was able to do what I wanted to do. There wasn't any predisposition in the company. People didn't say marketing is a bunch of bozos whose main job in life it is to distort reality—the typical philosophy or mentality that a lot of companies have about what marketing people do."

Rizzo *has* done his own thing, and today—at the age of 30 (or so)—he has an 11-person staff and a marketing budget that topped \$1.7 million in 1985. Associates and friends describe him as a marketing dynamo—a hard-working, extremely intelligent and creative person

by Jon Goodspeed

who is heading for the top. "I think that he is definitely presidential material," says Steve Scheier, a former peer of Rizzo's at Apple Computer and now manager of creative services at Apple. "And I think he is also—if he chooses to be—definitely presidential material in the Fortune 500 world."

Weitek itself is also successful, and, like Rizzo, is expected to become more so—despite the two-year slump that has decimated many semiconductor companies. Today the company is a leader in its market (Rizzo estimates the potential market to be worth \$20 million-\$25 million, and growing rapidly) with customers such as IBM, Sun Microsystems, Apollo Computer, Computervision, Data General and Intergraph. Revenues in 1986 are expected to reach \$16 million-\$17 million, up from \$15 million last year. And although the privately held company won't divulge its earnings, Rizzo says it has been profitable since the third quarter of 1983.

Weitek's success is due in part to its unique manufacturing strategy. While many large semiconductor companies build costly wafer fabrication plants, Weitek has not. Instead, it has forged strategic partnerships with other manufacturers who make its chips, thus avoiding early, costly investments in facilities. Howard Bogert, director of the Semiconductor Group at the San Jose, CA-based market research firm Dataquest, says Weitek was one of the first companies in the industry to use that strategy. It's a "terrific outfit," Bogert says.

Uniqueness is also one of Rizzo's strong points. In an industry notorious for poor advertising and marketing communications—most companies blandly promote only their product's technical capabilities—Rizzo has, with the help of PR and advertising firms, created technical documentation, brochures and newsletters that are colorful, humorous, and human.

Rizzo—brawny, mustachioed and always well dressed—stresses the importance of reaching the non-technical side of the engineer who is the target of Weitek's marketing. "Engineers who buy technical products are human beings too," he says. "They have kids, they sleep at night, they go to the movies and stuff. And they [many semiconductor companies] lose sight of the fact that you need to build an

affinity to an engineer as a person, and not necessarily as an engineer."

"John has been pushing us to say that Weitek is not just a technology leader," says Richard Manley, head of West Coast operations for Altman & Manley, Weitek's Boston-based ad agency. "It's a group of people that are exciting and creative, and that work together well, and that understand your problems as a client."

In the process, Rizzo and Altman & Manley have created a completely new look for Weitek—everything from a new logo to new packaging and technical documentation. Rizzo also uses an interesting sequence of photographs, taken from Eadweard Muybridge's late 19th century studies of human motion, on wrappers for technical documentation and newsletters.

He currently is investing a lot of money in PR (Weitek's agency is Regis

McKenna Inc.), direct mail and technical documentation aimed at the 40 customers "that we believe are the ones we want to spend 80 percent of our energy on," he says. Although he may use magazine ads sometime in the future, he's waiting for the right time—he says he doesn't want to use print ads just for the sake of using print ads.

"I believe that running an ad would be an easy thing to do," Rizzo says. "Everybody runs ads. They all have two-page spreads, they've got a lot of colors in them, and they say funny things. But I am always searching for ways that are different...I would rather adjust my mix to the problem at hand rather than do things the way they have been done before."

Meanwhile, Rizzo is analyzing the company's strong and weak points and developing a strategy for the next five years. His recent "strategic review" show-



Weitek's posters reflect Rizzo's witty approach.

**The Rizzo touch:
documentation that is
distinctive, exciting
and accessible.**

ed that Weitek's performance was good, but that particular aspects of the company needed to be improved.

The review showed that customers viewed Weitek as the market leader, but also that the firm, as Rizzo puts it, "in some ways exploited that leadership position, and that we were deluded by our own grandeur, if you will..." The company needed to make a "much more dramatic orientation toward the customer," which it has done in a number of ways, Rizzo says—through closer sales force-client relationships and better execution of its manufacturing strategy, to cite a few.

According to Rizzo, Weitek's success depends solely on implementing this new strategy. "It has gotten down to the fact that the market is there, the products are there, the customers are there, and it's simply a matter of executing the commitments we made," he says.

Those two sides of Rizzo—one side analytically developing a five-year plan; the other looking for creative, colorful, *different* ways to promote the company—reflect the two companies he worked at before joining Weitek: Intel and Apple.

"When I was at Intel," Rizzo says, "people thought I was crazy going to Apple, because Intel was extremely disciplined, very rigorous, strategy oriented, very well managed. Apple, at the time I joined them, was almost the opposite of that. Way out of control, creatively oriented..."

Apple co-founder Steve Jobs was an important role model for Rizzo. Jobs "tended to be a source of extreme inspiration and a source of extreme frustration," Rizzo says. While Rizzo learned discipline and management at Intel, Jobs and Apple taught him how to burst beyond the walls of tradition—something that is making his marketing efforts at Weitek successful.

Rizzo joined Intel in 1979 as an applications engineer, shortly after graduating from Stanford University with a bachelor's degree in electrical engineer-



PHOTO BY HANK SHULL

ing. "I was an EE nerd," he says.

His interest in engineering stems in part from his father, a scientist and engineer involved in Air Force weapons development. Rizzo still likes to tinker with electronics; his office is filled with Sharper Image-like gadgets, and he even has a remote control device that allows him to open the doors of his BMW from a distance.

But when the opportunity arose at Intel, Rizzo moved away from engineering and into marketing-oriented positions. He eventually became E² PROM product marketing manager, sales development manager and, in his last position before leaving Intel in November 1982, United States customer marketing manager.

He switched to marketing because "in many ways it allows you to broaden your contribution to an organization or to a company," he says. "It allows you to get involved in products, in technology, and it provides an avenue to think creatively and strategically. It provides a vehicle to learn about running your own business, providing a set of knowledge and a set of experiences that I don't necessarily think you can get in a more narrow discipline."

According to Robert Derby, Intel's worldwide director of distribution, sales and marketing and one of Rizzo's man-

agers in 1981-82, "He is absolutely one of the potential marketing superstars. I would say of all the young marketing managers I have worked with...he is in the top two."

After four years with Intel, Rizzo left to become the peripherals product manager for the Macintosh computer at Apple—more than a year and a half before the product was announced. After three or four months in that position, he moved on to be the Mac hardware product manager: "It was my job to make sure the Macintosh computer itself was ready to be put into the market," he says.

Finally, in March 1984, he was appointed Macintosh product marketing manager, with responsibilities ranging from product line strategy, to pricing, to advertising.

Apple proved to be a successful testing ground for his love of giving presentations. In fact, at a Macintosh rollout, where teams of Apple employees toured the country to introduce the product to dealers, Rizzo had an audience of well over 100 people "rolling in the aisles"—sheerly by accident.

In this particular city Rizzo was responsible for giving the introductory talk. At the conclusion of his speech—and before the audience broke up into groups to actually use the new com-

"With marketing communications and the marketing mix, the most troublesome thing for me is a constant tendency to do things the traditional way."

puter—Rizzo went to the men's room.

Unfortunately, he forgot two things: first, that he was wearing a cordless microphone, and second, that the microphone was still turned on. Much to his embarrassment, when he returned to the audience he discovered that everyone had heard his men's room exploits—down to the finest detail. Says one enthusiastic source, who prefers to remain anonymous, the uproarious experience “got mileage for about two years” at Apple.

Rizzo left Apple late in 1984 for a brief stint as consultant for several semiconductor companies and a venture capital outfit—and to take a vacation. After five months of consulting, he joined Weitek in May 1985.

At the age of 30 or 31 (he won't reveal his exact age), Rizzo is in an executive position that takes many others a lifetime to reach. How has he done it? Former associates and friends cite a number of reasons: his high energy level, intelligence, maturity, good business sense, strong drive and ambition. In a larger sense, they say, Rizzo has the ability to see the forest for the trees.

Says Scheier of Apple: “I think the reason he has risen so quickly is that he is willing to take a chance....I also think John has the ability to watch the details but also be cognizant of where the heck he is going.”

Guy Kawasaki, manager of software products at Apple and another former peer of Rizzo's, is a little more blunt: “You don't get that far that fast by being a yo-yo.”

Rizzo attributes his success to plain old hard work. “I have been reasonably successful because I tend to apply a lot of energy, a lot of intensity, to the work that I do. Because I don't have a lot of experience and I don't have a lot of formal training, if you will, in marketing and business management, I make up for that with a relatively aggressive approach to doing lots of things and working hard.”

At Weitek, his energy is now devoted to creating new markets for his company's chips. For the first several years of Weitek's existence, the company did well without a marketing department, because its products were targeted at companies that needed the solutions Weitek's chips provided.

But now that Weitek's niche is getting crowded—with some particularly heavy

hitters like Advanced Micro Devices, Analog Devices Inc. and Texas Instruments—marketing is a necessity. Not only must Weitek cement loyalty with current customers; it also must go about the business of *creating* new markets.

“There is a natural market [for Weitek products], but it's one of these markets where it's very early in its formation,” Rizzo says. “And so there is a very significant pent-up demand out there.... And the number of suppliers in the market is small but growing rapidly. So it's almost like the birth of the microprocessor 10 or 15 years ago, when people were saying, ‘Well, gee, I really think I could use that, and I know I could use it in these applications.’ But the real challenge is how to use it in *everything*. And that's where we are in the market that Weitek serves.”

Rizzo works hard, and a lot. He wakes up at 5:30 a.m. and swims for an hour before getting to work at 7 a.m. A couple of nights a week he may leave for home at 8 p.m., but most of the time it's 9 p.m. or 10 p.m. His work hours currently don't infringe on home life—primarily because his wife, Lani, works long hours at Adaptec, another high-tech firm.

But Rizzo doesn't plan to work that hard for the rest of his life. His goal is to acquire enough wealth so he can retire in five to 10 years. “I am putting in a huge amount of energy now, with the hope that I'll be able to put less in as time goes on,” he says.

He wants to be “completely financially independent,” in order to spend

most of his time with his family and pursue other more personal dreams, such as writing a book or learning to play musical instruments and speak foreign languages. His ultimate goal, he says, is to use that free time to help solve some of the world's problems.

“It's my goal to accumulate both power and wealth in the early phase of my life, so that when I am older and have raised a family I can start focusing on some of those problems....And that's what business is to me. Business to me is just a means to that end. That's why I spend a lot of time here now....That sounds pretty corny, but....”

In the meantime, his long hours at Weitek are providing a platform for him—and his company—to make a mark on the semiconductor industry. A mark that reflects Rizzo's history—the discipline of Intel, but more importantly, the daring of Apple.

“With marketing communications and the marketing mix, the most troublesome thing for someone like me to deal with is a constant tendency to always do things in the traditional way,” Rizzo says. “I am a human being like everyone else, and I always tend to migrate to things that are comfortable. If you always migrate to comfort, you never do anything that's great. And so the constant challenge is how to force yourself to think in a different way. To reach some new level of contribution to the market and to your customers.” **HTM**

