

Take A Risk!

Steve Poizner

Thank you very much, President Shirvani, for your warm welcome to CSU Stanislaus today and for that very kind introduction.

In my current job as California's insurance commissioner, I give lots of speeches up and down the state, and sometimes the introductions don't go nearly as well. I recently spoke at a high school near my home in San Jose, and the student who introduced me had an incredibly bored look on her face. Her introduction of me was short and sweet, "This is Mr. Poizner. He's been an engineering geek in Silicon Valley for twenty years, and now he's into insurance", and she sat down.

When I got home that evening, I couldn't help but ask my seventeen-year-old daughter, Rebecca, "Why'd you introduce me that way?"

That's a true story I'm sorry to report, and I'm sure a bunch of you here were just as excited as Rebecca was when you heard that the insurance commissioner was speaking today. But to put you at ease, I promise not to talk about actuarial science or earthquake-risk models. Yet I do want to say a few words about the reason insurance exists—and that's because life is inherently risky. And I'd like to suggest to you that risk is a very good thing.

Those of you who graduate today richly deserve the accolades you'll receive. Let me be among the first to heartily congratulate you on your very significant achievement. Your professors, colleagues, friends, and parents will also offer you lots of advice, and much of that advice will no doubt suggest great caution as you step into the wider world.

Because these are especially challenging times, people who care greatly about your future will likely urge you stay close to home, to work in the family business or to take a job with a proven and stable company. Friends will advise you to put off a graduate degree until your student loans are paid, or maybe to choose your accounting skills over your talent for photography. These kinds of admonitions are universally heartfelt, and they're meant to keep you safe from calamity, failure, and heartache.

But if you'll hear me out for just a few moments before you head out into the world, I'd like to suggest something starkly different. My message to each of you today is TAKE A RISK!

Do the very thing you're most PASSIONATE about at this moment in your life. Seize the opportunity that your accomplishment here offers you, and make your life a reflection of the very best you have to give.

Perhaps no one on this stage knows better than your distinguished president—an immigrant to this country who's achieved great things in architecture and education—that people around the world long have looked to the United States as a nation where individuals are free to listen to their souls and take risks that enlarge their lives.

It's true, too, that Americans have always looked to OUR state where risk-taking and its rewards are most highly honored. I could share the stories of thousands of immigrants and native Californians who have taken great risks when others counseled caution, but I'll only highlight a couple of Stanislaus County fellows you may have heard of.

By the time Prohibition was finally repealed in 1933, the state's wine-making industry was all but destroyed. Yet two Modesto brothers, just 23- and 24-years old, decided to take a risk. They had learned grape-growing from their immigrant Italian father; they pooled a bit of cash with a \$5,000 loan, rented a \$60 a month warehouse, and studied wine-making pamphlets that they'd found buried in the basement of the Modesto Public Library. In only a few years, the two brothers were selling wine to Central Valley bottlers, and in 1940, they introduced their first wines with their own names on the bottles. Today, the Ernest and Julio Gallo Winery is the largest winemaker in the world, and the company produces one of every three bottles of wine sold in America.

Stories like theirs of risk-taking endeavors that became tremendously successful have been retold constantly across this broad and bountiful valley—and throughout our state—and I can confess that I'm here today solely because I was drawn here, too. I wasn't lured by California's great agricultural or mining heritages, or the aviation industry, or Hollywood, but to a new kind of business that got underway in the early 1970s in a part of central California that used to be known as the Valley of Heart's Delight. Nowadays, we call it Silicon Valley.

I grew up in Houston, and graduated from the University of Texas with a degree in electrical engineering. The safe thing would have been to go back to Houston, but I knew I wanted to MAKE THINGS—innovative things that improved people's lives—and in 1978, Silicon Valley was a place where cutting-edge new companies were sprouting virtually every day. So I took the risky path, and set out for California.

I had this idea. I wanted to invent life saving technology that would put GPS receivers into cell phones, so that when people dial 911 in an emergency, the police will know exactly where you are calling from. But the development would be expensive—and very uncertain—and the first venture capitalists I approached could hardly contain their laughter.

One fellow wouldn't even hear me out because what I proposed was "LITERALLY IMPOSSIBLE," he claimed. Another swore I was trying to sell him "WITCHCRAFT."

The technology had obvious benefits for the military, too, but no one at the Department of Defense was willing to take me seriously either, until I challenged a Marine colonel working at the Pentagon to test my new technology against the military's current soldier-tracking capabilities. It was a "bet the company" risk—and the colonel wanted to prove that he did NOT need the help of a bunch of engineers from Silicon Valley. So we met near Pier 39 in San Francisco for a showdown. The colonel outfitted a strapping, twenty-year-old Marine with existing equipment used by the military to track their soldiers. It literally filled a huge backpack. Representing my company was an out-of-shape, forty-year old engineer named Howie. He simply stuck the small cell-phone equipped with my company's location chip in his shirt pocket. And off they went.

But I'd forgotten one small detail—San Francisco has LOTS of very steep hills. Inside an RV command post, the colonel and I watched two dots on a computer monitor loaded with Yahoo maps—the green dot that represented the Marine and a red dot that tracked Howie. Everything was fine for a while and the two dots slowly

moved across the screen together. But then the red dot suddenly stopped as the green dot continued on, and I could see a grin begin to curl onto the colonel's face. "Looks like you've got a problem there," he said, but I couldn't imagine what it could be till Howie called me. He hadn't been able to keep up with the Marine, he confessed, so he'd stopped at a Starbuck's for a cup of coffee. I couldn't believe it. Thank goodness a little caffeine was all Howie needed to get back on his feet and complete the trek through San Francisco.

It was that Marine colonel's glowing final report about my technology that made all the difference in the end. I found financial backers after that, and after only five years in business, I sold my company to Qualcomm. And today, that laughable, impossible, so-called "witchcraft" technology is the industry standard, can be found in more than SEVEN HUNDRED MILLION mobile phones around the world, and has saved hundreds, if not thousands of lives.

My next challenge was to apply what I learned in business, to public service.

So I left the private sector behind, and went to work in the White House as part of the counter-terrorism team in the National Security Council. Hard to believe, but my start date was September 4, 2001—just one week before the September 11 attacks.

Shortly after the attacks, and with a presumption that more attacks on Washington DC could be coming, my boss, Richard Clarke, the chief counter-terrorism czar for three presidents, told me that because I hadn't originally signed up for physically dangerous work, he would understand if I chose to be reassigned. But I assured him that the White House was where I wanted to remain.

In that case, he explained, I'd have to learn how to put on a bio-hazard body suit and gas-mask in under thirty seconds. The secret-service agent who trained me warned that I needed to keep the suit in a gym bag and carry it everywhere I went. So, I took the body suit and gas mask home that night, and my wife and daughter were pretty horrified to see what my new work entailed.

I ultimately became responsible for planning emergency communications for the Salt Lake City Olympics and protecting the Internet and power grids from potential terrorist attacks. And during that time, I was constantly aware that millions of lives depended on the quality of the work we did. We faced huge risks, but those responsibilities entrusted to me were a kind of fuel that inspired me to do my best. Indeed, facing risk brings out the best in all of us.

When I returned home to the state I'd come to love, I was confronted again by California's many pressing challenges, and by how many new competitors we faced—not just from other states, but around the world. Because of the Internet, there are now THREE HUNDRED MILLION highly educated, aggressive, businesspeople, scientists, engineers, and entrepreneurs in India, China, and Russia ALONE who, for the first time in the history of our planet, can compete head-to-head with us by simply plugging in—a reality that unleashes incredibly rapid innovation into the marketplace.

Just look at Facebook for example. Facebook has over two-hundred million active users—if Facebook were a country, it would be the FIFTH LARGEST in the world. In China today, there are more people studying English than there are people who SPEAK English here in the United States. And yesterday, more text messages

were sent than there are people on the planet. It's a thrilling time to be alive, and these innovations impact people everywhere.

Yet California is rapidly falling behind, and our public education system—once the bedrock reason for our state's great accomplishments—faces serious challenges. I am a proud product of public education and looking at the current state of things, I decided that I wanted to help turn things around. So in 2003, 35 years removed from my last being in a high school classroom and armed only with a sincere desire to help, I took the plunge.

Despite the fact that the personnel director at the Eastside Union High School District in urban east San Jose stiffly informed me that nothing I'd done in my entire life qualified me to work in a high-school classroom, I finally convinced the principal of Mount Pleasant High School to let me teach for a year.

Since I would be teaching for the first time in my life, I really wanted to get off to a great start, but my first day in the classroom didn't go exactly as I had planned; I got lots of advice from friends who were teachers, and at their strong suggestion, I marched into the classroom that first day ready to take charge and be as tough as I could be. I introduced myself to a roomful of bright faces, and explained that we were going to form a team and work very hard as we studied twelfth-grade American Government. Anyone who wasn't ready to join us, I proclaimed, should get up and leave.

EVERYONE in the room got up and left. I was in the wrong classroom. I've never worked harder in my life than I did at Mount Pleasant High School, but I have also never felt as accomplished. That year in the classroom gave me a profound

new respect for the many roles teachers play in the lives of their students. It's the setting where the brightest young minds in our state are nurtured, and where more than a few lives are literally saved. I recommend teaching to anyone who truly longs to make a difference.

This is the essence of my message to you today. Look to the life experiences of others only to stimulate your own imagination. Use their experiences not as a template, but rather as an inspiration to help you find your own unique contributions. Look solely into your own heart for the answer to what paths you should follow in the years ahead.

Be it in the Silicon Valley, the White House, in the classroom or in public service, I've discovered that I really love trying to accomplish the so-called impossible, and I think you'll find exactly the same thing. Nothing makes you feel more alive than setting out to do something that is difficult to achieve.

Class of 2009, I heartily congratulate you today on your great achievement, and I hope you're already planning your next great risk. Go out on a limb—that's where the fruit is. Climb all the mountains that call you, no matter what the reason. TAKE A RISK! Then, whether you fail or succeed, take another. We're Californians, and the joy of risk-taking runs through our veins.

I wish you great risks. And I wish us all their great rewards. Thank you very much.