

LEADERSHIP LESSONS

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Walter Elias Disney was only sixty-five when he died of lung cancer in 1966. But he played many roles during his relatively short life: artist, animator, entrepreneur, producer, entertainer, icon, family man, and philanthropist. He spurred the imaginations and shaped the childhoods of countless millions of children around the world, and he continues to do so today. He gave us Mickey Mouse (Disney himself provided Mickey's voice in the early days), Donald Duck, Snow White, and many other beloved characters and stories. He was an innovator, embracing technology as a tool to keep on making his products better. He won more Academy Awards than anyone else in history – he was the recipient of four honorary and twenty-two actual Oscars, including a record four in one year. Disney also won seven Emmy Awards, built Disneyland (which boasts more than 16 million visitors a year) and Disney World (which opened after his death and draws more than 47 million visitors a year). The Walt Disney Company, which he founded with his brother Roy, now grosses more than \$55 billion a year.

But all was not happy endings and cartoon bluebirds in the Magic Kingdom. As is so often the case, genius is a complex equation, and there were shadows to Disney's carefully honed, folksy public persona. He was notoriously tough on his employees, anti-union, and often an arbitrary, hot-tempered, micro-managing, and even tyrannical boss.

There are far worse sins than being a tough taskmaster. Chief among them - confirmed by *The New York Times* after examining Disney's Federal Bureau of Investigation file: In 1940, he became an undercover spy for the FBI, charged with ferreting out communists in Hollywood. In the file, the names of those he gave to the House Un-American Activities Committee were blacked out, so we don't know who was harmed. But this was an ugly time - gifted artists saw their careers derailed and even destroyed because of their political beliefs - and Disney was part of it. He was also accused of being anti-Semitic. In 1938, he welcomed German filmmaker and Nazi propagandist Leni Riefenstahl to Hollywood. During that same decade, he went to Europe and met with Nazi and Fascist leaders, including Benito Mussolini, but most observers believe those meetings were an attempt to retain his toehold in the European market.

So this remarkable man, who brought so much joy into the

world, also had an unsavory side. That might shock the children frolicking at one of his theme parks, but it should come as no surprise to adults. When someone is as talented, driven, and successful as Walt Disney, there are usually complications. As he himself put it, "I always like to look on the optimistic side of life, but I am realistic enough to know that life is a complex matter."

And that's just what makes Walt Disney's story so compelling. It also, of course, contains a wealth of business lessons applicable in just about any field. Let's take a look.

Opening Credits

Walt Disney came into the world on December 5, 1901, in Chicago, in the bedroom of a modest house his father had built. He had three older brothers; a sister, Ruth, came along two years later. His parents, Elias and Flora Disney, were of Irish-Canadian and German descent respectively, although the name Disney has French origins - a distant ancestor named Robert d'Isigny came to Ireland from France with William the Conqueror in 1066. Walt's father, who had an erratic employment history, moved the family to a farm in Marceline, Missouri, in 1906. It was there that Disney's artistic talent first asserted itself. A retired doctor who lived nearby spotted Walt's drawing talent and paid him to create a portrait of his horse Rupert. It was also in rural Missouri that he developed a passion for trains, ignited by the Atchison, Topeka and Santa Fe line that ran through town; he would put his ear to the tracks to listen for approaching locomotives.

In 1911, the Disneys moved to Kansas City, where Walt and Ruth attended the Benton Grammar School. A classmate who came from a family of entertainment buffs introduced Walt to the world of vaudeville and motion pictures, which had only recently gone from being viewed on individual Nickelodeon machines to being projected onto screens in theaters. Disney was fascinated by the silent movies and also by the way they enthralled audiences. And he was hooked on the Saturday classes he took at the Kansas City Art Institute. But the greatest influence on young Walt was Electric Park, an early

amusement park only fifteen blocks from his home. In those days, amusement parks had not yet degenerated into the scruffy state most of them reached after World War II, and Walt and Ruth were dazzled and delighted during their frequent visits to Electric Park. It featured a train track that ringed the park, meticulous landscaping that framed the various rides and led visitors unobtrusively through all the attractions, multi-colored lights focused on spouting fountains, and daily fireworks at closing time.

In 1917, the family moved back to Chicago after Elias became part owner of the O-Zell jelly factory. Walt enrolled at McKinley High School - he quickly became cartoonist for the school newspaper - and took night courses at the Chicago Art Institute. World War I was raging, and sixteen-year-old Walt quit school and tried to enlist in the Army, but was rejected as underage. Determined to be part of the war effort, he joined the Red Cross and was sent to France. The Armistice was signed on November 11, 1918, and Disney arrived soon after that and stayed for a year, driving an ambulance, as the shattered country recovered. He decorated his ambulance with cartoons, drew posters for the Red Cross, and sent cartoons to humor magazines back home. They were all rejected.

Laughing All the Way to Bankruptcy

After returning from France, Disney had no interest in going back to high school and his formal education ended. He knew what he wanted to do with his life, and it didn't include sitting in a classroom or working at his father's jelly factory. He moved back to Kansas City and, through his older brother Roy, found temporary work at the Pesmen-Rubin Art Studio, where he created ads for newspapers, magazines, and movie theaters. It was here that he befriended fellow cartoonist Ubbe Iwerks, the son of a Frisian immigrant who would come to play an oversized role in Disney's success. The two decided to start their own business.

And so in January 1920, at the tender age of eighteen, Walt and Ubbe founded Iwerks-Disney Commercial Artists. The orders didn't surge in, and Disney was forced to take a job at the

Kansas City Film Ad Company, where he was soon joined by Iwerks. Their own company limped to its demise, which was a blessing for Disney and the world because it was at the Kansas City Film Ad Company that - while making crude, animated commercials using cutouts - he fell in love with the process and potential of animation: creating the illusion of motion by shooting a film one frame at a time, with images varying just enough to make the viewer see smooth action at several frames per second.

Disney resolved to become an animator, and the owner of the company lent him a camera to experiment with at home. An obsession took hold - Disney read everything he could find on the subject and became convinced that drawings on celluloid would produce far better results than cutouts.

In those days, going to the movies was a distinctly different experience than it is today. The phenomenal success of the young medium had led to the construction of ornate movie palaces designed to lure people in with a taste of elegance and the exotic, and most of these theaters showed double and even triple features. Between films were cartoons and newsreels. Times were flush for the film business: It had few competitors and millions of customers who couldn't get enough of smoldering stars and funny cartoons.

In May 1922, Disney raised \$15,000 from local investors and opened his own animation studio, called Laugh-O-Gram Films, staffed with Iwerks and other gifted pioneers of the animation arts. The company quickly signed a contract with a local theater owner to produce six cartoons based on popular fairy tales, including *Little Red Riding Hood*, *Jack and the Beanstalk*, and *Goldilocks and the Three Bears*.

Disney's Laugh-O-Grams proved to be popular, and the studio has earned a place in animation history. It provided Disney, just twenty-one years old, with the inspiration for his most enduring creation. Here's how he told it: "They [mice] used to fight for crumbs in my wastebasket when I worked alone late at night. I lifted them out and kept them in wire cages on my desk. I grew particularly fond of one brown house mouse. He was a timid little guy. By tapping him on the nose with my pencil, I trained him to run inside a black circle I drew on my

drawing board. When I left Kansas to try my luck at Hollywood, I hated to leave him behind. So I carefully carried him to a backyard, making sure it was a nice neighborhood, and the tame little fellow scampered to freedom.”

Disney’s departure was also forced. Even with the orders for the fairy tales, expenses were high, and Laugh-O-Gram Films had trouble breaking even. By the end of 1922, Disney was living in the office and taking his weekly bath at Union Station. In July 1923, after making one last picture - a live-action/animation hybrid titled *Alice’s Wonderland* - Laugh-O-Gram was forced to file for bankruptcy. Undaunted, Disney sold his camera and bought a one-way ticket to Hollywood, the new home of the burgeoning film industry. As he later said, “You may not realize it when it happens, but a kick in the teeth may be the best thing in the world for you.”

Next Stop: Hollywood

Soon after arriving in Los Angeles, Walt Disney and his brother Roy pooled their resources and opened Disney Brothers’ Studio. They formalized an arrangement that was the foundation of all that was to come and that remained in place until Walt’s death: Roy took care of business, leaving Walt free to dream and create. To help make his vision a reality, Walt brought out many of the animators who had worked with him in Kansas City, including Iwerks. The studio was on Hyperion Avenue in the hilly Silver Lake district of Los Angeles, where it remained until 1939. Historian Neal Gabler, in his biography of Disney, described the studio as “not a particularly prepossessing place, situated among wild oats and abutting a pipe organ factory and a gas station.” The location may have been unexceptional, but the work that was done there made movie history. Today, a Gelson’s supermarket sits on the site, graced with a Disney historical marker on the sidewalk in front of its parking lot.

Using *Alice’s Wonderland* as their calling card, Walt and Roy Disney looked for a distributor; they hoped that the film would become the basis for a series of shorts called *Alice Comedies*. They soon heard from New York distributor Margaret Winkler, who ordered a number of *Alice Comedies*.