



## Stanford eCorner

### The Evolution of Danger's Product Concept

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Video URL: <http://ecorner.stanford.edu/videos/1135/The-Evolution-of-Dangers-Product-Concept>

At the beginning, the product was an 'internet sponge' that could absorb information from a computer and be carried around on a keychain. As time went on, the idea went through lots of changes to become what the Hiptop is today. Hershenson describes the formation of the product as a critical mass process: enough stuff (people, money, time) gets scrunched together until the product comes out like a giant release of energy.



#### Transcript

When Danger began, it was a very different product. It wasn't the Hiptop or Sidekick. It's a small, sort of little nano-PDA, something that had a processor in it from a Tamagotchi. It was designed to be an extremely low-cost thing that you could use to carry information with you. We call were calling it the Internet sponge. The idea was that you would dock this thing with your computer and it would soak up some information from a webpage that was important to you and you can carry it on your keychain. In the beginning of 2000 when we started doing that, the bubble hadn't burst yet. The Internet bubble hadn't burst yet and a lot of the big portal players like Excite and Yahoo and the smaller ones like Win.com were trying to come up with ways to make their users loyal to their brand. And so the original idea was an extremely low-cost product, something in the physical world that they could give away to users to make them stick to their website. But of course, as time went on, that changed.

The idea changed but we were a growing company throughout some of those changes, too. So we had a really exceptional group of people that I'm delighted and humbled by, the quality of people that come to work at Danger. There wasn't just three of us necessarily just sitting in an office going through all this evolution of ideas. Actually we were a growing company and building technology, a lot of which carried through the subsequent evolution of the product. But there was a lot of faith and a lot of faith on being able to do anything that we wanted to and being able to really change, what at the end of it, at the core of it was communication and it evolved into becoming what Hiptop is today. And through the evolution of the product, basically, keeping in mind that we hired a team, we got seed money from our friends and family, and we're spending it as we hired this team, it was kind of I had this feeling that there was no turning back. Yeah, we hadn't really hit on the exact right product or the exact right business model but we hired a team that had the capability to do pretty much do everything at a time when friends, family and investors were still willing to part with investment capital. So it was a very powerful thing. It was kind of being at the right place at the right time because all of these things converged. And spotting these convergences and spotting these different flows of business, product, technology, and the availability of people, all of a sudden kind of, I think, generated the rush that became the initial products of Danger.

It was kind of like a critical mass thing, right, in terms of what a nuclear explosion happens when enough stuff get scrunched together, there's this giant release of energy. And I get confidence like that in a way that when you bring together enough people and you get money in there and just sort of the pressure builds up and the idea the product are going to come out of it. We don't sit around and talk about the old days a lot. We have a lot of other things for you so we don't think about all

these things so much but yes, it's an interesting feeling when people write you these big checks and say, "OK, this is for your company." It's a great feeling but then it's pretty scary when you realize they're kind of giving us this money because they hope to get a lot more back. We work pretty hard at that. So we sort of culled it together and a bunch of people showed faith in us and we had this team, and as Andy said, we just powered on through. As a product, we always felt like it was getting better and better and finally sort of reached a point where we thought, "OK, yeah, that's the thing that we should ship." And then two years after that, we shipped it, whatever that was. It took a while but it's a great feeling that we've done it.