

Monday, February 22, 2010. John Lasseter. "The Creative Process at Pixar Animation Studios."

MS. DURGIN: Welcome back, everybody, after the break. That was an extraordinary first session. Fred probably is just getting a breath for the first time. He was mobbed afterward.

It is an embarrassment of riches around here, and we are very fortunate to have one of the most brilliant, creative minds of our time, who is our keynote speaker today. And you may know John Lasseter as the genius behind animated features like Toy Story, A Bug's Life, Finding Nemo, The Incredibles, Cars, Ratatouille, WALL-E, and Up, all of which have become film classics overnight, and Up is up for five Academy Awards, including best picture this year. Is that in a week? Two weeks?

MR. LASSETER: Yes, two weeks. Two weeks. The Olympics have to finish.

MS. DURGIN: So you may know him that way, but at Sonoma Academy we are honored to know him as one of our founders and as a parent of three SA students.

MR. LASSETER: And the husband of Nancy.

MS. DURGIN: I'm going to get to Nancy. I wouldn't leave Nancy out.

This past January, John received the Selznick Achievement Award in Motion Pictures from the Producers Guild of America. He's the first producer of animated films to receive this prestigious award. John has won many awards. But you probably don't know that his first one came at the age of five, when he won \$15 from the Model Grocery Market in Whittier, California, for a crayon drawing of the headless horseman. Clearly, the boy had talent. But he also had a great teacher behind him, his mother, Jewel, who taught art for 38 years, in the Bell Gardens school system in southern California. And John has another extraordinary woman behind him now, his wife, Nancy, who did much of the heavy lifting to found Sonoma Academy, and she was also instrumental in naming creativity in the essay mission statement.

John is currently the chief creative officer of Pixar and Walt Disney Animation Studios, and this, by the way, is a great title. I think heads of school should also be called chief creative officers, and, in fact, Fred alluded to that earlier. John is also the principal creative advisor at Walt Disney Imagineering where he helps design attractions for Disney's theme parks. And all of this is so fitting not only because John is, as you can already see, a kid at heart, but because he truly is the Walt Disney of this generation. Please join me in welcoming John Lasseter.

MR. LASSETER: Thank you, Janet. Thank you. I'm so excited to be here. As Janet said, my mother was an art teacher and I grew up surrounded by art supplies. And I looked forward to the end of school year not, of course, to get out of school for summer but we got to go in and take home all the paints and stuff that would dry out over the summer. And so inevitably, every vacation we went on, we just were doing art projects. I didn't think of them as art projects. It was just what we did, you know.

We'd go to Yosemite every summer since I was two years old, and we would paint, get rocks out of the Versed River, and we'd paint them. You know, my mom was so excited when acrylic paint was invented and we were painting rocks like crazy. That summer, I would take bark and carve them up as tikis, and find pop tops and make them into rings, and use sap as glue, and my favorite was, we'd go down to Carlsbad -- we had a little travel trailer, and as you know, you're all schoolteachers, you know this, boy, as soon as the school holiday comes, she was gone. My dad was a parts manager at a Chevy dealership, and he got two weeks off and that was it. So he would drive us with a little travel trailer off to some campground somewhere, leave us, head back to work, work Monday through Friday, come back Friday and spend the weekend and drive us home.

We did that a lot. Her favorite place was the beach, and we'd go to Doheny Beach in San Clemente, and I remember down in Carlsbad once she brought plaster of Paris down to the beach and gave us each spoons, and we dug holes in the sand. I didn't quite understand right at the beginning, but then we were making molds, and she would pour the plaster in the molds right there on the sand. And we spent all day. As soon as she pulled the first one out, showed me, my brother, and my sister what it was, it was like, "Ah," and the next thing you know, we were collecting shells and sticking them down into the holes we were digging out. And the whole notion, as a little kid, of thinking of negative space and filling it with something and pulling out sand stuck to it, was like so incredibly cool.

But this was my life, you know. I grew up going to the Church of Christ all the time and didn't hear one sermon. I just sat and drew all the time. My mother had in her purse three pads and three pencils, one for each of us. I'd sit down, it was handed to me, and I'd just draw like crazy.

I was always drawing. And I always loved cartoons more than anything else. When I was a freshman at Whittier High School, we had a reading assignment. I went to the library to find a book and I found *The Art of Animation* by Bob Thomas, and it told the story of how Walt Disney made animated films.

It was one of those odd things. It wasn't until that moment I realized that people actually make cartoons for a living. They actually get paid good money to sit and draw cartoons all day. And I went to my mom, and I said, "I want to work for Walt Disney one day."

And I was so incredibly lucky, because my mother always believed that the arts was a noble profession, and she supported me and she said, "That is a great goal to have, Johnny." She called me Johnny.

Just this past weekend, we were down in Florida, visiting my son P.J., who's a freshman at Eckerd College in St. Petersburg. Our son Sam is a junior at Sonoma Academy, and is just incredibly passionate about art and wants to go to an art school. So we went to visit Ringling College, and I found myself in Sarasota, Florida, this great school. We were visiting there, and we were talking to all the teachers and people. I found it interesting hearing the stories that most parents have tremendous difficulty with having their kids go to an art school, and you know we were the opposite. I had five sons, and one is going to a film school, our oldest son did creative writing, and I do anything that I can to encourage my boys to be going to the creative arts somehow. And this weekend I realized we were absolute rarities to the people running this art school.

It kind of broke my heart, to be honest. Creativity is, to me, one of the most important things there is. I grew up in southern California. I went to the public schools before Prop 13 happened. We had a phenomenal art department there, a ceramics department, and I just lived in this art department. The support that I got from those teachers, and the challenging! And I realized that all these things helped me with my creative thinking.

I went to California Institute of the Arts, and there I had this amazing teacher who was one of the great Disney artists. His name was Theodore Hee. Everybody called him T. Hee. And honest to God, he was one of the great Disney artists. He directed "The Dance of the Hours" sequence in *Fantasia*, the one with the dancing hippos and alligators. He was so fun. But he was the one that introduced me to the right brain/left brain theory. We read the book and did a lot of the work that Dr. Betty Edwards had discovered about drawing in the right side of the brain.

And finally, it's like a light went off in my head and I went, "Of course. That's why." The right brain, left brain. For true creativity, you get caught up in things and you lose track of time, don't know what's going on, and I realized that I was daydreaming through most classes because my creative brain was just taking over and constantly I was drawing and thinking and stuff.

It was very exciting for me to think about this, how strong the creative brain is. I kept talking and checking with my mom and she kept talking about how her funding was getting cut. You know, as schools started having

to deal with less and less money, the first thing that went was the arts, because most people feel like, "Oh, it's not that important."

And I'm up here in front of you right now, and I'm sure everyone in this room recognizes in your schools how important the arts and creativity are, but you know, I would stand and argue to anybody. I had a dinner once with President Clinton when he was in office, and I talked to him about this exact thing. I said, "You know, to me, creativity is the most important thing you can teach children these days, because I would argue that anybody who is successful in any industry, really successful, breaking new ground, changing the world, it is because of their creative thinking. That's the reason why they're doing it."

And it's just a foundation of myself, a foundation of my education, you know, through all my teachers and my family, and it is the foundation at Pixar. Pixar has had a run of success. I don't know why it took ten movies in a row to be successful, when people started noticing it. But eight in a row? Not a peep. Nine in a row? "Hello?" Ten in a row? "Wow, look at their track record." It was funny. But we've had ten. The movie Up is our tenth movie. A show of hands. How many people have seen Up? How many people have not seen Up? Okay. Good. Because I have got a little section I want to show you from Up. To everybody who's seen Up, get your hankies out. It's the beginning of the movie.

Pete Docter, who is one of my right-hand men at Pixar, the third animator hired after myself and Andrew Stanton, directed Monsters, Inc., a magnificent film. We're very proud. It's only the second animated film in history to be nominated for best picture, which is this year, and it's a really special film.

But it is one of the most unusual subject matters for a family animated film that you'll ever see. This is typical of Pixar. It is the story of a 72-year-old man named Carl Frederickson, and it is kind of his story. It's an adventure that he goes on. There was even an article written in *The New York Times* prior to it coming out, but the idiot journalist hadn't seen the movie and was saying, "Oh, what's happening? You know, this is ridiculous, doing a movie like this, there are no toys to be made from it," and all this stuff, on and on. And the movie made nearly \$300 million in this country and it's done \$700-something million worldwide. So I just want to have this guy eat his words so badly.

But it's typical of Pixar, where we like to do things. Pixar is a studio of pioneers. We like to do things that no one else has ever done before, and we like to explore subject matters that touch the heart of the filmmaker, and it does that.

So before we get on any further, I want to show the very beginning of the film. It's about eight minutes long, but it's worth it. So if someone can get the lights.

(Film clip played.)

MR. LASSETER: Sorry to start on such a downer. I wanted to show that because I'm probably more proud of that section of filmmaking than almost anything we've created, because one of the nominations we got this year was for best original screenplay, and if you notice, that section had virtually no dialogue in it. It's an amazing tour de force filmmaking that Pete Docter and his team did to try to encapsulate an entire loving life together in that short amount of time. It's an amazing piece of filmmaking that I can guarantee you would not have happened at any other studio in the world.

Pixar is a very special place. It has grown organically. My partner is Ed Catmull. He is president of Pixar. With him and Steve Jobs, we ran Pixar until about four years ago, when Disney bought Pixar. Steve is still on the board at Disney and is intimately involved with Pixar.

As we were creating Pixar, it happened very organically. Ed Catmull had a dream. He was one of the guys that really kind of helped invent computer animation, the idea of computers making pictures. And his dream

was to be an animator, but he couldn't draw and he went into math, thank God. His dream was always to do an animated feature film.

I started working with the group in 1983. As a young animator at Disney, I just started seeing the beginnings of computers making pictures, and got very excited about what the possibilities would be for our media. At the time, Disney was not a very creative place, and I ended up moving up to the Bay Area to work with Ed's group, which was originally part of Lucasfilm, George Lucas' company, and in 1986, Steve Jobs bought us from Lucasfilm and we formed a company, Pixar.

We did hardware and software development, but we followed Ed's dream, and it became my dream, to do a computer-animated feature film with this medium, and that was our sole focus, developing new tools, figuring out the technology, and getting the artists into the studio to be able to do this.

The very first kind of unique thing that set us apart back then was that I was a traditionally trained artist with no computer knowledge or background at all when I started working with this group. And at the beginning I thought I'd need to know how to program and do stuff. I came in and started working with this, the finest group in the world, that Ed had collected, and I realized these guys all have Ph.Ds. These guys are inventing. I can't know what they know. And it dawned on me, they don't know what I know, and that is to bring an object to life and give it personality and emotion and life through just pure movement, like you saw here. Pure movement. I brought those characters to life. And I said, "They don't know what I know. So I'm not going to try to learn what they know. I'm just going to sit next to them and we're going to collaborate." Because before that, all the computer graphics and computer animation being done in the world was being done by the people who wrote the software, and it was this wonderful time of invention. But when we take a step back and look at the artistry that they were doing, it's like, imagine a world where all the paintings are created by the chemists who mix up the paints. It's like that.

So Ed saw the value of getting someone who was classically trained, and I was the first traditionally trained animator to work with computer animation in the world, and we started working in collaboration. That's when things started really blossoming, because I started teaching these guys, who just are very analytical and technically minded, to see what an artist sees out in the world. Leaves on a tree. Yeah, well, technically you could bring one in and look at it under a color scope and say, "It's green," but you get out there in the world, from the eyes of a painter, and they're never green on the canvas, with the light and the shadows and the shading. And I had this long argument with this guy about "Leaves on a tree are not green." He goes, "What are you talking about?"

So I took him to an exhibit of Maxfield Parrish, one of my favorite painters/illustrators, these rich, rich purple shadows and the warm afternoon sunlight illuminating all the subjects. And he stood there in front of it and goes, "Oh, I got it." It was just like the picture said a thousand words. It's that collaboration.

And out of this grew a little saying I came up with, which is the foundation of Pixar: Art challenges technology and technology inspires the art. It's this wonderful yin-yang. I'll come up with an idea, you know, that we don't know how to do. So they set about creating the tools to be able to create an imagery or something on the screen. And then through this process I, as an artist, start seeing stuff being developed and it's things I would have never seen before, ever, and those images give me ideas that I would have never thought of before. And so then I say, "Well, if you can do that, can you do this?"

And out of this comes this wonderful kind of yin-yang of Pixar collaboration, creative collaboration, from the technical to the artistry. And so out of that grew the belief at Pixar of developing tools for artists to use, and that was really the foundation of what we were doing, but also getting the technical artists and the creative artists kind of working together in groups and teams, and going back and forth.

And this is how we grew. And this is how our very first film, Toy Story, was created. It reminded me a little bit of the Mickey Rooney/Judy Garland movies. "Hey, my dad's got a barn. Let's put on a show." We were in Point Richmond, here in the Bay Area, and no one knew who we were. We had a deal with Disney to do this film. Disney kind of kept it quiet because if it went down in flames, which I think they were expecting it to do, it would be like, "No harm done." So it was really this quiet thing.

The movie came out November of 1995, became the number one movie of the year, it won a special Academy Award that year, and it really changed the industry, changed the world of animation. And this is the thing that I find really fascinating. A lot of people in the film industry, the movie industry, in Hollywood started jumping on the bandwagon of, "Wow, Pixar's been doing these great movies. Let's get computer animation and we can make hit movies." You know? And I found that it's interesting, for some reason, in animation that everyone was crediting the technology with our success. I thought, this is crazy, because there are all these animation studios that just closed up their hand-drawn animation operations and converted over to computer animation, thinking that's what the world wants to see. And I was mystified by this. You don't ever hear of two live action studios, one making hit after hit, and the other one making bomb after bomb, and the live action film studio making bombs looks over at the other studio and says, "Oh, I know why we're not making movies that people like. We're using the wrong camera. They use a different camera. We're going to use their camera and we're going to make hit after hit." You know, that's ridiculous. We know that. But that's what it was like.

And so they started making computer-animated films and they were no better than the other movies they were making with any other technique, you know. And the reality of it is, it's not the technique. It is never the technique. It's what you do with it, what you do with the tools.

This is what we have always believed. We love the technology. We keep developing new technology, but it goes hand in hand with the tools. This is part of the culture of Pixar. Pixar is the most creative place in the world, but it takes work to make it that way.

How have we been successful? What is the creativity of Pixar about? It is about risk-taking and it is about open communication at all times from top to bottom. And it's also about management, the leaders of the company doing kind of the opposite of what every other company does. And that is, you know, with this risk-taking. Most studios around the world, it's like they want to do the safe thing, right? They want to kind of guarantee success out there where there's a product, a movie, or something like that and they want to do what they know will be a success. And that's why Hollywood makes how many movies a year, and how many are actually good? Right?

And most of them, you feel like you have seen it before. Well, that's because the leaders of those companies and those studios don't want to go out on a limb. They don't want to take the risks that you need to take. This is just who we are, just naturally, because we want to create something that no one has ever seen before. We have faith in each other, in the ability that we can make a good movie, but we want it to be something that you haven't seen before.

And we will go and get these ideas, but the ideas don't come from the outside. We don't like take from books or things like that. 100 percent of Pixar's movies, the ideas have come from inside. And the reason is that we have a fundamental belief that we bet on people, not the idea.

Ed Catmull had lunch once with the head of a studio, and he was talking and he's saying, "You know what our problem is? Our problem is not about the people. You know, we can get good people. It's that we don't have enough good ideas."

Ed was taken aback by this statement. The guy was absolutely adamant about this. And as he went around and gave talks and met with people, large and small, he always asked people before he starts talking, you know,

"A show of hands. How many people believe that the most important thing in a movie is a great idea? And how many people think it's great people?" And the show of hands is really about 50/50. But in our belief, we'll always bet money that it's 100 percent about good people. We always bet on the people. We bring them in. Pixar is not an executive-driven studio like most other studios where the ideas are developed by the executives. They are developed by the filmmakers. It's a filmmaker-led studio. The filmmaker is the director, working hand in hand with the producer and the key people under him.

We always ask them to develop not just one idea but develop three ideas. This is very important, so that they don't put all their emotional and creative eggs in one basket when it may not be the right movie to do. And they all talk afterwards about how freeing that is for them creatively, that they can focus on other things. So we have them do three ideas. We look at it. Sometimes we send it back for more ideas. And I'm the chief creative officer, so it's kind of up to me to see, what is it in one of these ideas that I have that I feel like I can make a good movie?

First and foremost, what I look for is: Where is the emotion in the movie going to come from? That is the foundation you build a building on. That is so important. You can't add that later. That typically comes from: What does a main character learn through his or her journey? The protagonist, as they say. So we look for that, first and foremost.

And a lot of times, you kind of know the genre of the story. Is it a fish-out-of-water story? Or is it a buddy picture? These kind of things. Toy Story is a classic buddy picture.

And then I also look for the setting. Where is the setting going to be? Where is it going to take me? And it's at a place that I want to sit and enjoy myself, and would love to travel there. You know, the story, the plot, the character development, all that, and the humor -- that will come. I'm not worried about that.

Once we select something, we then get together and start working with them. We always start with the story. The story is king at Pixar. One of the things that we do is, from the very top to the very bottom, we focus on open communication. This is the most important thing. Oftentimes, people think, well, when they hear a filmmaker-led studio, they think, okay, this guy is like a dictator who does everything, and you know, Hollywood is full of those guys that just direct everybody and they believe they can do anybody's job better than them, and so on. At Pixar, it takes four years to make one of our films. There are hundreds of thousands of creative decisions in making these films. To me, the most important thing is to let every single -- there's roughly 200 to 250 people working on a film. You want every single person to be creatively invested in this story.

Big or small, whatever they do, I make sure that they have creative ownership of even the smallest task. The way I do that is, I give them all the information that is needed for this task, whether it's story-boarding a sequence, or it's animating a scene or lighting a scene or creating a model. But I don't tell them how to do it. That's up to them. Because I get so much inspiration from when we have reviews and they come back, and they will have done something I would never have thought of. I get excited. I'm such a collaborator, I get excited. So that gives me an idea that I would never have thought of.

And so to me, when people walk in the door, the first thing I tell them is, "It doesn't matter whose idea it is. There's no hierarchy of ideas. The best idea is used, always. I don't care where it comes from."

And this forms sort of an egalitarian environment. Everybody feels like they contribute to the movies. A lot of people say managing creative people is the hardest task in the world. It's actually very easy when you understand that everybody that has chosen the creative field looks for just one simple thing: To be deeply creatively satisfied with the work they have done, satisfied for the rest of their lives with something, and that, to me, is what we strive for.

Of course, number one, we make a movie that will entertain our audiences, young and old, male, female, American, foreign, doesn't matter. Everybody, if you're breathing, you're a Pixar audience. So that's number one.

But we also want to make these movies really great, so that everyone can be proud of it for the rest of their lives, because honestly, in the film industry, 98 percent of the people working on a movie will work just as hard on a bad movie as they will a good movie. There's a very small percentage at the top that leads a movie, that really makes the movie, whether it's good or bad, and I know I'm one of those people and I take tremendous responsibility for wanting to make this movie good. Of course, for our audience; but also for the people working on it and also their families.

I had a really great opportunity to meet this family. The kids were very excited to meet me because their grandmother was a cel painter on Snow White. See? Even just that reaction. It's like something special. Now, a cel painter was just long hours, painting cels. By the way, there's a great article in this month's *Vanity Fair* on the cel painters at the Disney Studio during that time. It's really insightful, very interesting.

But I was so touched by the pride which this family had. I knew that this pride was going to last generation after generation; long after the grandmother had passed away. And I thought to myself, I want the kids and the families of the people working for me to say, "My daddy worked on Toy Story." "My mommy worked on Finding Nemo."

You know, that, to me, is so incredibly important because we spend a lot of hours working on these films. So in this process, one of the things that we do to keep communication lines open is that we have screenings internally of our movie in the story bills. We create a version of the movie using the storyboard drawings where we put temporary scratch dialogue and temporary music together and sound effects, and so on. You can sit back in a theater and watch the movie. And so we screen a version of the movie every three to four months during the production of the four years of making of the film. And we'll invite people within the studio to come see it. We kind of space them out. We don't want the same people seeing it again and again, because you get used to it. We want fresh eyes all the time. It's very important.

And we tell everybody -- and everybody believes in this, and everybody takes great responsibility in this -- "We want your notes. We want everybody's notes. You send them." And for us as filmmakers, it's very important because there are very insightful notes there, but also it's a sense where a lot of people are saying, "This didn't work for me, or I didn't understand this," or something like that. If a lot of people are saying that, well, you know your audience is going to feel the same way. There will always be someone who says it should be blue and someone who says it should be red. So we kind of understand that. But it's very important, that constant line of communication.

It's very important for me that no one takes my notes as the chief creative officers and makes a list. We used to have to do this with one Disney executive who would give notes. Generally the notes were to make the movie more like the movie he just saw on the weekend that was popular. And yet he had these development executives with a clipboard with his notes, and how are you going to address this note? And I have told everybody at Pixar, "I don't want to see any clipboards with my notes on them. It doesn't matter. My notes are no more important than everybody else's. There's no mandatory notes for the filmmakers."

We get together at each of these screenings afterwards. There's something that we have kind of coined our creative brain trust. It is all the directors and the key story people, and we bring them together. Every director whose movie was just shown knows that everybody around this is their friend, and everybody here is giving them notes to help them make their movie the best it could be. And also, they know that there's not one mandatory note at this table. There's not one thing they have to do.

In the last four years I have also been overseeing the Walt Disney animation studios. We're transforming that studio to a filmmaker-led studio with the same philosophy. And when I got down there, I was talking to a lot of the directors, and they had layer upon layer upon layer of development executives. There was the head of development, and there was the head of the animation studio, and the head of studio, and everybody gave them notes, and everybody's notes had to be mandatory. And so the director found himself, more often than not -- there was a great term they used -- lost his compass of what will make this movie a great movie. It was more: How am I going to address these notes?

So like the movies would come out and the term we heard a lot was, "Well, the movie's not really good, but I'm really proud of this little section"; right? And we told everybody; we can't do that anymore, because it doesn't make a good movie that way. You have got to take ownership and be proud of the whole.

So after each one of these screenings, we have a creative brain trust meeting, and it's fascinating to watch how this group has come together. Everyone around the table knows the simple fact that we are all better together than we are individually. Because one of the key things about creativity is collaboration. And it's keeping the communication lines open and focused.

A key aspect of creativity is trust. Trust in your collaborators. You trust them that they are helping you. There's no motive. There's no political motive or "I'm giving you this note because I'm the bigger executive" or anything like that. That's gone. You have faith and trust in them that they're giving you notes to make your movie the best it could be.

Everybody has total trust that they're helping their friend make this film. I use the word "friend" because at Pixar, we've been together a long time, and we are best friends. In fact, when Nancy and I make a list on vacations that we want to invite people on, or parties, or things like that, really kind of the top 10 are people I have worked with for 20-something years. And it's this longevity, this friendship that is so important.

There's a key thing that Catmull has brought to Pixar. We were so worried that with success and with the longevity of being together we will become complacent, that we will feel like we know how to make movies, we know what to do.

Now, that's different than confidence. Tom Schumacher, who heads up the Disney theatrical group, is a really creative, talented guy. We got into a very interesting discussion once about ego. A lot of people think, oh, ego, big egos and all that, is a negative thing. Well, no, there's a difference, he said. Arrogance is the thing that's a negative thing. Ego is actually confidence in one's own ability. And that is what is so good at Pixar, is that we're so confident. But the important thing is that we try to bring in new people all the time.

One of the things that we find is that because of the success of Pixar, there is such nervousness about these new people coming in, and they are so worried about speaking up. So one of the challenges that we have is trying to make people feel comfortable.

Brad Bird did The Incredibles and Ratatouille. I went to college with him. I know he's a brilliant filmmaker, and he came in and he absolutely changed the way we do certain things. We asked him, "First and foremost, shake this place up." You know, even though we've been tremendously successful, and it's a beautiful place to work down there, we constantly want to reinvent. One of the things that Ed Catmull has done -- and I really encourage with you with all your staff that works with you, all the teachers and everybody -- we encourage everybody to constantly rethink the way we do things, to suggest new ways of doing things. Every single movie, we challenge them. Even though we have been successful, we've done it this way in the past, suggest new ways of doing things.

At the end of every production, we have postmortems. These are very important for us to look and talk honestly about what worked and what didn't work. There's no pointing fingers at Pixar. We have a simple

philosophy: Everybody sets out to do a good job. No one sets out thinking: You know what I'm going to do this time? I'm going to really screw up. Of course not. So there's no finger-pointing. Hollywood is full of that. I mean, people work in fear of losing their jobs.

I always explain that it's like a trapeze artist where you go up and you sit there and you're looking across at the guy who's going to catch you, and you're trying to do a quintuple somersault, break a world record. In Hollywood, of course, there's not a net, but there's spikes with poison tips down there. So that's why no one's ever going to try to do something that no one's ever done before.

But at Pixar, what we've done, what Ed Catmull has done, not only is there a net, but it's full of down comforters and air bags and fluffy pillows. So you get everybody who's trying to do something new, because we have in our management encouraged risk-taking, trying things differently, and one of the key things that management does is to make it so it is safe to fail. It's safe to fail. It's okay to try something and not let it work. No one is going to lose their jobs if something doesn't work.

In fact, we kind of applaud trying things. Because Pixar is a real merger between Silicon Valley and Hollywood, from the scientists and the arts, put together, unlike any other place in the world. Ed Catmull came from the sciences and as you know in the sciences, the scientists are about experimentation. You have a theory, you think about something, you try experiments, right? You don't ever expect your experiments to be 100 percent successful. Right? They're pretty much 100 percent failures, but you learn from those, you analyze it, you go on, and you will find that unique success. Right? That's what science is about. You talk about that.

So that's what one of the foundations of Pixar is: This ability to try things. And it's encouraged by everybody at Pixar. So when you couple this culture of risk-taking and looking at every single thing that we do where nothing is taken for granted. Nothing is complacent, like we know what we're doing. Because every movie is different, every group of creative people put together is different, and every story is different.

But we always have one big goal and we want the movie to be great. We want it to be something that's really going to entertain people deeply. One of the things that we do is always try to hire the best people we can. Everybody says that. But you probably have experienced this yourselves in what you have done, and how a lot of people are maybe insecure with their own abilities or they've gotten up to the level -- and this happens a lot in Hollywood -- where they're way beyond -- you know, it's the famous Peter Principle. You rise to your own level of incompetence. And they're so scared to be found out. So what they do, they hire people who are not as good, so they're always in control. That is a recipe for absolute disaster.

In fact, what you want to be doing is what Ed Catmull does. He told me this when I walked in to Lucasfilm the first time. I'd noticed he'd gotten all the top computer graphics researchers in the world that had been doing all the great stuff that's being done. And I asked him, "How did you get all those people?"

"Oh, easy. I just try to hire people who are smarter than myself."

And I laughed and walked away, but I realized how special that was, because I'd just come from a place, Walt Disney Animation Studios at the time, was being run by the second-rate, sort of second-tier animators of Walt's time that really came into control through attrition, not through talent, and they were squishing all the young talent that was coming in.

In my class, the first two years of the character animation program at Cal Arts, was Tim Burton, myself, Brad Bird, John Musker. It kind of goes on and on, the level of talent that was coming into Disney Studios at that time, but they were not letting us do anything. You know, they were keeping us squished.

And so by walking into Ed Catmull's Lucasfilm computer division, it was pretty remarkable to hear him say, "Oh, I just try to hire people that are smarter than myself," because not only to be smarter than Ed Catmull has

to be something, but also that the leader of this place is so secure in his own ability that he gets great people and he lets them shine.

And that is the foundation of everybody that's been hired after that. At the 20th anniversary of Pixar, I was telling that story, and Ed came up, and he said, "Well, I guess that makes me the dumbest person at Pixar," because everybody's been hired after him. But it is his cultural foundation, and what you find when you get this going is that everybody at Pixar values this community, which is Pixar, higher than anything else. And we hear about it. Ed and I, the leaders of the company, get notes. Like we get notes on the making of the movie, we get notes when they feel like something is happening at the company that they don't feel is right. And we listen, you know, because they care so deeply.

There's a passion for Pixar that is unlike any other company. I mean, it's hardly fair to call it a company, but it is. Because there's a culture there that is so passionate, and people work so hard. But then when a movie comes out and you see Up, and everybody is so proud of this, and their families and everybody around is so incredibly proud that they sit there and you think, "Oh, Freddie wants to take a vacation." No. It's like, "What's next? Give me the next thing to do."

I actually had a problem. No one at Pixar was taking vacations. And our CFO said, "We have a big problem here. No one's taking vacations." So he had to start, like, "Guys, take vacations." You know, we encouraged them. But it was an interesting thing that people were so passionate and wanted to do this so badly, you know.

In your schools, number one, teach creativity into every student that you have, because this is going to make them successful, that creative thinking, that problem-solving. And also the excitement to look out in the world and know not everything has been discovered yet. There's such a great optimism at graduations, you know. There's the scare, but you know, people wanting to go out, college graduations or high school graduations, they can conquer the world. That's the thing to me that is so exciting, to take that and put it into an organization, to keep that going.

And I really encourage you also to take a look at your own staffs, and keep this creative thinking within your group. The communication, the constant, constant communication. One of the things that's important, what we do at Pixar, is to let people just communicate with each other all the time, to problem-solve and solve things. We try to encourage our kind of middle managers, "Don't be upset when you come into a meeting and you're the last person around the table to find out something's going on." Right? So often it's like, "Why am I the last to know?" And it's frustrating.

Well, guess what? It's healthy. Everybody's communicating. I think that it's really been exciting to get a creative organization these people are so passionate about, and great things will happen. And that's why I think Pixar's had the success we've had, and it's not going to stop yet.

One of the big challenges for Ed and me that we're passionate about is also mentorship, training young people. Through the history of business you can look at organizations that have had this golden age, where the name comes from, and the golden age ends typically when the founders leave, die, whatever. For us, our challenge is to keep this going at Pixar long after we're gone. And so we're constantly trying to bring in new people.

Questions and answers? I also have something to just finish this off, to show you one little thing. Do you want to see that first? Okay, hit the lights. This is Toy Story 3. We're in production of Toy Story 3 right now. It's about to be finished, and a new character that we're bringing to the big screen debut is Ken. We had Barbie in Toy Story 2, and Michael Keaton does the voice of Ken. We created this little piece. We like to say we discovered this rare piece of footage that's a little interview with Ken.

(Viewing of Groovin' with Ken.)

We put that together for a big comic book convention in San Diego. We wanted to show off a little bit of Toy Story, but I think it's a great example of the research that we do in developing our characters and thinking about wanting to bring Ken in. We were actually in a meeting with the people from Mattel who do all the Barbie stuff, and they made the comment, "Well, you know, Ken is just basically a glorified Barbie accessory," and we thought, Perfect. Imagine a guy who's a guy's guy, you know, who thinks he's a guy's guy, who absolutely loves clothes, trying on clothes, and doesn't realize that he's actually a girl's toy, and he's just a glorified Barbie accessory.

So that's the essence of the drama of the character. So we put this together, and I found it so funny, because typically we introduce this as, "We found this rare piece of footage and we can show it," and there's kind of a pretty high-up business executive saying, "Where did you guys find that?"

All right. We'll do a few questions.

MR. GALBRAITH: John Lasseter. We almost didn't get him here, because he came to the front door and asked for the Sonoma Academy gathering. Janet, thank you for all your work on the program committee.

MR. LASSETER: I brought a document. Ed Catmull wrote in the Harvard Business Review Journal how Pixar processes creativity, and it's a fantastic document, and a lot of the things I have talked about today he talks about, as well. So I'm going to leave this with Janet and put it on the web page. It's on *Harvard Business Review* on line, as well, but here's a copy you guys can Xerox and give out.

MR. GALBRAITH: Time for a few questions.

MS. HUNTER: Cathy Hunter. I wonder if you could speak to women in your business. At Pixar, how many and how's it going for women?

MR. LASSETER: You know, a good number of our producers are women. We have a lot of very strong women at Pixar. It is, by nature, a computer graphics development and animation. It's always been kind of more of a male-dominated industry, but we really are trying to change that. We have a lot of very strong women there. Brenda Chapman is our first woman director/filmmaker at Pixar. She's doing a film called Brave, which will be out in the holidays of 2011, and it's kind of a fairytale. It's a historical story, takes place in medieval Scotland with a female protagonist to it. So we're real excited about that.

You know, it's funny. I surround myself with strong women, because my mom was really strong and my wife is definitely strong, and my producer, Darla, is really strong, and Robin is really strong, and Janet's really strong. And so it's like we really strive for this. So when I talk to young people, especially women, we're constantly encouraging them to get into animation, to get into computer sciences. So it's very, very diverse. We try to be as diverse as we can at the studio.

SR. WACHTER: John, my name is Anne Wachter, and I visited Pixar about seven years ago. You were wonderful to our group from Convent of the Sacred Heart. At the time I was impressed with Pixar University that was on the campus. Do you still have that? And if you do, is there any way that that might be able to interface with some of the creative people in our schools, faculty, or maybe students, some way of growing and bringing your special gift to this audience?

MR. LASSETER: What she's talking about is that at Pixar, we believe very strongly in continuing education of all of our employees. We have Pixar University, and I think we named it that just to get the school initials PU. Down deep, everything at Pixar is there for a joke. But we actually studied Walt Disney. When you look at the history of animation from 1928 until 1938, 1928 is when Steamboat Willie, the first sound cartoon, came out. December 21, 1938, was the world premier of Snow White and the Seven Dwarfs.

When you look at the advancement of the art form during that period of time, it's remarkable. It was lucky, you know. For one reason, when the depression was going on, Walt Disney gave great jobs to artists. A lot of artists, brilliant artists, who would not normally have gone into animation did. But secondly, he worked with the Chouinard Art Institute in Los Angeles, and especially with this artist director named Don Graham. And Don created a curriculum, and Walt saw that in order to do what he wanted to do, his artists had to get better. So he brought it upon himself to help train the artists and created this teaching curriculum through Chouinard Art Institute.

Ed Catmull felt very strongly we should be doing this ourselves, as well, so years ago we started Pixar University. It's a place where we train new people coming in to use the tools, and so on, but we also have continuing education and we have classes that relate directly to our movies, drawing classes, computer classes, so on. And they're open to everybody at the studio. We also have sculpture, acting, improv, filmmaking classes, and every year we make a live action short film. Someone writes it, someone directs it, and someone produces it that doesn't normally do those things, to learn.

So this is also the contact with the outside community. Elyse Klaidman is the head of Pixar University. I will talk with her. You look on the Pixar website, as well, because there's a Pixar University aspect of it. Typically, we don't have classes or anything for outside students. Frankly, it would be overwhelming, the demand for that. But they have lots of information and things that we can get you for any kids who are interested in this kind of thing, what we look for and things like that. We also have a very active internship program for college juniors. It's one of the best in the country. We really believe in bringing in young people within the studio itself.

MR. GALBRAITH: John, thank you. We are equally impressed and grateful.