Comment from Michael L. Sena

How Large Companies Can Out-Innovate Start-Ups" by Chunka Mui and Paul B. Carroll

I might add that Dick Mudge's observation of "...universal use of GPS." likely caused a significant loss of jobs at paper map companies such as Rand-McNally (at one time, one of the most-recognized brand name) but the created many better jobs at places such as ALK. :-} Alain

Alain,

Except for AAA, not a single paper map publishing company among the top ten that existed when I was working in that business (1977-1999) remains. I consulted to most of them, including Rand McNally. I delivered the same message to each of them while I helped them convert from hand drawing and scribing their maps to producing them digitally: it's the data that is valuable, not the paper product. Rand McNally got the closest, but pulled back at the end. They could have acquired GeoSystems (later MapQuest) in 1997 for the small sum of $90 million, which was double its sales at the time. It eventually sold to AOL for $1.2 billion.

Etak and Karlin+Collins came to the map companies in the US, just like Philips and Bosch did in Europe, and asked them to supply navigable map data. “We don’t do map data,” they all said. “We make maps.” It wasn’t the navigation systems that killed the map publishers. Their coffins were sealed well before navigation systems appeared in 1996, when companies like GDT, ALK, Etak, Navteq and some land surveys saw the bigger picture, while the map companies continued to believe they were modernizing simply because they could produce a map from start to finish using computer-aided techniques. The systems we used in 1980 were dinosaurs by the end of the decade. The reaction from the map companies was to replace their Scitex and Integraph systems with Macs to ‘draw’ maps will less expensive equipment. It was a dead end because no one could beat a kitchen table cartographer. One by one, they disappeared.

Microsoft had a larger cartographic department back in 1999 than any map producer on the planet. They produced the first digital globe, a model that Rand McNally eventually copied. They produced the first street-level routing, thanks to their acquisition of AutoRoute. Google is probably vacuuming up the best cartographic talent these days—of course, along with ALK. Many of the articles you post in this terrific newsletter of yours say that folks will trust self-driving cars more from technology companies than from car companies. I think you can point to the example of digital map data and say that the same was true about people (navigation system producers and car companies) trusting specialized navigable map data producers more than paper map suppliers.

Kind regards,

Michael

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