

Jacob Morgan 00:00

Cut all this stuff out before it goes live. Okay, okay, cool. Well, let's get anything. Last Word. Right in

Jeffrey Katz 00:08

please jump.

Jacob Morgan 00:10

All right. Hello, everyone. My guest today Jeff Jack Jordan era and former CEO Swisher their former president of CBRE Jeff, Jeff, thank you for joining me My pleasure. But before we jump into some of the stuff that you're involved with, I always like to get a little bit of a history lesson where where leaders come from way back, when you were a kid, how you were raised. What was really life like for

Jeffrey Katz 00:43

you? Well, I grew up in a small town, which has become well known. But I grew up in a in town of Napa, California, back then it wasn't a wine community or wine town was just a place where if you worked in San Francisco, you could afford to live sounds funny in this in today, but I grew up, you know, child of Holocaust survivors, to German to German Holocaust survivors. And so it was a it was, it was in one sense, that sort of a nice life. But you know, these were, these were discipline parents, everything was about education, doing what you were told, and taking advantage of the opportunity that this country really uniquely provides from their lens. That was everything. And so that's why I grew up public schools. Nothing special. But it is a land of opportunity. And and you know, where you work hard and your parents discipline you to do so otherwise?

Jacob Morgan 01:48

Yeah.

Jeffrey Katz 01:51

All right. Yeah. That's how I started life.

Jacob Morgan 01:55

Yeah, I have family members who were in, we're in the Holocaust. And my parents are actually from the Republic of Georgia, and my grandmother's from crane. And so so she ended up in the Republic of Georgia then be you know, being Jewish. They were persecuted during the 70s and 80s. Tough, tough times. So they migrated from there to Italy, which is my master Australia, and ultimately, the United States. So I raised my parents, especially my dad. Yeah, you definitely don't get that kind of discipline. A lot. A lot of kids. Some of the things that you hear is just, it's just different

Jeffrey Katz 02:34

times. Yep. Yeah. Totally different. Totally different. Yeah.

Jacob Morgan 02:38

But I'm very much discipline and I was always terrible students, you can imagine my parents growing up, coming coming from the Republic of Georgia, former USSR, Nike not getting good grades was not

happening in that house. At all, yeah. Okay. Okay. So that's how you were, what do you study? How did you forget to get into the business, ultimately, becoming more business, and all these other companies? Well, I

Jeffrey Katz 03:05

trained as an in you know, like, so many kids, you know, I was good at math and science and, and so, I trained as an engineer, and I worked, I practice as an engineer at, uh, in California at a place called the Lawrence Livermore Laboratory. And it was, it was a fantastical environment, and that we had infinite budgets, I actually worked on laser fusion machines. Wow. But that was really fantastic in a way. But if you're in that environment, as an engineer, which, which, which is great, because you're writing your own software, and you're making fancy machines do amazing things. But you are a slave to physicists really run the show. And that guy, yeah. And I decided I didn't want to be a slave. And so I had the opportunity to go to graduate school at MIT. And so I did, and I thought I would pursue business. So I was a student at the Sloan School of Management at MIT, but also was, had the opportunity to study at the aerospace Department of Aerospace Engineering at MIT. And they actually paid for my curriculum. And so I got involved in this combination of management ideas and engineering ideas. And I was really fascinated by the world of transportation, trucking, airplanes, logistics, which is all a very big math problem. And so I was ultimately recruited at that time when I finished to go work in the newly deregulated airline industry. So I went, I went to Dallas, Texas and started working for American Airlines as a as an analyst. And, you know, in the those days, the early 80s, it was about how do you buy what kind of airplanes to buy? How do you set prices? Where should the airplanes fly? All these kinds of things, which sound pretty basic, then nobody knew what they were doing because the airline had been regulated. And so now with infinite degrees of freedoms, you had to decide what, what to do with airplanes and what kind of airplanes to buy. And that's all a big math problem. That's how I began in travel.

Jacob Morgan 05:18

Ah, interesting. Okay, so you started off in there? And then how did you get to some of these companies? what's your what's your first leadership role? Was it Sarah was a saver first, right?

Jeffrey Katz 05:31

Yeah, saver first. I mean, I, you know, I sort of spent nearly 20 years at American Airlines and increasingly responsible roles in, in, in in management, I worked in finance, I worked in marketing, I worked in sales, I worked in customer service. And ultimately I was being didn't know it. But I was being groomed for ever larger management roles at American Airlines. And, you know, by people ask me, how did you keep moving up? And I used to say, and I think it was true, I could use a calculator. And I could talk and, and ultimately, I could do, I could actually use a computer network and a computer system and talk. And so you can be involved in dealing with bigger problems, but ultimately communicating with people who have to deal with them, either the CEO, or other senior executives, or when I worked in when I worked in customer service, I had to deal with flight attendants and, and ground service workers and caterers, and you know, so these are your communication skills. Even if you can think your way through an answer your communication skills become super important to make sure the where you're going is followed by people who really have to make things happen.

Jacob Morgan 06:49

Yep. Yep. And for people who are not familiar, how many employees were there and Sabourin at Orbitz when you were leaving those companies?

Jeffrey Katz 06:58

Well, Swiss Air was about 10,000 employees and Sabre probably three to 4000, if I remember correctly, and in you know, I think I think when I left orbits, I'm not sure I have the number correct. But roughly 1000 employees, I mean, we grew when I started at orbits, which is the number I do remember where there were 10 of us, and a lot a lot. And I used to say in the early days there, you know, there were there, we had there were 10 people in a bad PowerPoint deck. That's how we began. And so, you know, that was an interesting and really lucky and unique experience. But we we kind of started with nothing. And and it worked. Yeah, a typical startup story.

Jacob Morgan 07:45

Yeah, yeah. What's your time saver, and maybe you can share some leadership lessons learned during your time there, and then we can move on to some of the other companies. Yeah. So were these? There? You're running, I was always there. In what, what was that? Was that like, what was your leadership style and approach to leadership? There? Were you kind of have to learn as you went? No, I

Jeffrey Katz 08:11

mean, I had come up in American Airlines and ever larger roles. So I knew, you know, I knew the discipline of management as American Airlines in that era practiced it. And, but because I had come to Sabre from American Airlines, so Sabre at that time, was wholly owned by American Airlines. It was its own company, but wholly owned. And so while I was there, we actually began to spin it out. We actually took it public. But Americans still had control of it. So back to leadership style, it's fair, it's pretty clear. I was a command and control leader, you know, that's the way we ran things in those days. You know, I tell you what to do you do it and if you don't like it, leave, and it was a very harsh kind of management style. And that's the style I practiced. I was pretty much well known in the industry as an autocrat.

Jacob Morgan 09:10

thing, yes.

Jeffrey Katz 09:12

No, no. Yeah. Totally, totally. But, but that that is the way it was done. And you use the F word a lot, and people were threatened a lot. And I was threatened a lot by both competitors and people who were senior to me at the in the hierarchy of the the corporate holding entity. But that's the way you know, the world was a lot like that then, and it has evolved to today and of course, leadership styles evolve to the what's necessary. And but having said that, you develop a camaraderie with people who want to work there and and can perform very performance centric, sort of We grew, you know, our mission was to grow Sabre around the world, which we did to make it a larger, so about 50%. At that time, about 50% of the world's travel agents use Sabre to make our travel reservations. And it was a big machine. It was real, it was early, a dense kind of large computer network. We didn't use terms like the cloud, but it was a network, big computer network and with lots of users around the world, and we were, at that time very

mainframe centric, although we had made the giant leap to have our users our travel agents, and, and, and travel employees use, move over to personal computers. It sounds funny to say it today. But that was a big leap at the time. And but most of growing it around the world became important. Because travel is global. And that's, and that's what we did. And we ultimately took it partly public. And then I then I was recruited to go to Swiss Air. And since then it's become completely independent of as an entity. It's completely independent of American Airlines, or any airline really.

Jacob Morgan 11:12

So commanding and control. Like, I mean, what was what was it like, being kind of a leader? Yeah. When you were when you were leading in that way? Did you know that that wasn't the kind of where you were you were just kind of faking it? Or were you really kind of racing at command and control and saying like, this is the kind of leader I am, I'm command and control. Yeah, that that,

Jeffrey Katz 11:34

honestly, that's how you had to be there at that time. I mean, that was the chairman of the company, he was like that. And if you wanted to survive, you, you had to you really, there wasn't a lot of latitude to live outside of the culture that was there. And, and I wouldn't say it was mean, but it was authoritative. And it could be, it could be really mean, and it could be really cutthroat. And that's less very much not the mode of management in these days. But in, you know, in those days, that's the way it worked in an airline is a very centralized thing. All decisions are taken at the center. So pricing, for example, you don't let somebody in Bombay make pricing decision, that all happens at the Center for the whole airline. And that's true about customer service and technology and so forth. So there was that, but it was the culture of the time. It was very, it was autocratic, and it seemed, I'd say it's funny, but it was hard. And to your point, it's how it's the performance you did if you wanted to be there and survive.

Jacob Morgan 12:47

But remember, in those in those times, was your computing company, or did you know of any companies that were doing things like employee engagement surveys, was there talk like blogs or were more? Well? Well? Well? Yeah,

Jeffrey Katz 13:02

I mean, that was that was beginning this idea of delegation and letting the power of the organization sort of thrive. That was beginning and actually we were all taking, training and experimenting with his style. But it was just what it was just beginning employee participation, employee, game, flexible work, these ideas were just beginning, but I will tell you, maybe a funny story actually had with the chairman of the company. Where, you know, we had to go through these reviews where all of our people were graded. And, and you had to talk to the chairman about your key leaders. And I remember speaking and this if this is funny, I heard this. Two weeks ago, the same story told to me by the current CEO of American Airlines, she told me the story about me. And, and the story goes like this, that we're doing these reviews of our leadership teams with the it's kind of an upper out sort of performance discussion about our key leaders. And it was talking about a particular individual who was an incredible performer of visa V metrics. But he had he was involved in the community was involved with his family, he, he made a point of being home for his children. And I told this story to the chairman. And the chairman began to become irate at me and his veins were bulging. And finally he screamed at me, he said, the

guy who goes home at five o'clock will be killed by the guy in Japan who goes home at midnight. And of course, I'm surrounded by other senior people at American Airlines and he's screaming at me and when I'm walking and I knew Boy, that I step on something in what a silly thing for a guy to talk about. Work life balance, you know. And I remember walking out and some senior person at the at the company says to me, Hey, Jeff, I really really love that bit about work life balance. So it was it was, you know, it was beginning to happen, but it was, you know, at the senior most levels, you dedicated your life to the company. And that's the way you were successful. So

Jacob Morgan 15:16

how did you respond was for employees in that kind of environment like you tell about how employees were not a fan of command and control or everybody just kind of accepted it like there was was it seems like it was like there wasn't really much of an alternative there was there was a lot of bias

Jeffrey Katz 15:32

in the company. Well, there were, look, if that comes the American Airlines in those days was a very, you know, was was evolving towards the most successful airline in its era. And it's where people who wanted to work and travel worked. What you know, you wanted to work at American you didn't want to work at, you know, you didn't want to work at a hotel company, even though it was easier. I wanted, I wanted to travel by air, you wanted to see the world you and it was an exciting place. We're doing things we invented, the company invented loyalty programs, they invented revenue management and dynamic pricing. And they, you know, at the hub and spoke system evolved a lot from what America you know, that's the whole idea is that we take for granted down alliances, yes. That was all invented there by a bunch of people over 20 or 30 years. So it was exciting in a way. But it was hard. It was harsh. You know, if you were in the management team, it was it was not, you know, come in and work from home. And these things we take for granted today. That was that was unheard of, I'll tell you, I used to have arguments with the same leader about wearing a tie. You know, so So and I tell people who are well known in industry today, some of these work from home not work from home discussions that are going on right now. Do we go back to the office, they remind me a lot of when I used to get yelled at because I didn't want our team to have to wear a tie.

Jacob Morgan 16:57

See what see what's actually getting arguments about wearing a tie to work? Totally. Wow. So what was the rationale for that? Remember an interesting story. I went to a finance firm once in like 667 years ago, they wanted me to talk talk. They're like I can't even remember and I walked in there and I see that everybody's sitting in cubicles. As far as I can see the walls walls are painted gray, everyone. Everyone's nice cubicles messy. Everyone's ring aside. Hi, everyone. Everyone's like professional attire, but they none of them are customer facing roles. So you see, I asked the people who are getting the tour. highlight what's going on here? Are you have you ever tried bringing it up to your CEO to see if you can, you know, maybe Relax? Relax a little bit? Yeah, well, his his response was like this today. Got here. And it'll be like that the day I leave.

Jeffrey Katz 17:50

That's right. It was it was it? That's right. That's right. But there

Jacob Morgan 17:54

was no like, rationale rationale for it. Just it was just, this is how it's all this is how it's always been. Yeah. And I find that and I find that it's kind of like a kind of like a symbol. That tie is a symbol for workplace practices in general, a lot of

Jeffrey Katz 18:10

company correct. In those days, it was you dress professionally in the time that you were a professional. And in an end, if you didn't, you know, or if your tie was askew, you know, then you weren't a professional and you were judged, you know, dress for success was a cliché, but there was a lot of code embedded in, you know, how how you looked. I mean, I grew up I was pretty much renegade because I came more from engineering and had this hybrid background of Yes, business, but more in engineering, and I and I, then I was kind of a renegade, but if you wanted to succeed, you had to put down that renegade aspect. And play by a few rules like wearing a tie. So you had a chance, my my ambition at the time, people used to ask me where I wanted to be five years from now. And I would say I want to be one of the 10 or 12 decision makers who make things happen at this very large company. It wasn't really about being CEO, but 10 or 12, people had the decision authority to really make a difference at the company, and in the industry or with a customer and that's that's really and to do that you had to wear a tie.

Jacob Morgan 19:21

It's interesting to me You mentioned you were judged. So So you were you were judged based on what you wore. So if you said you were I mean I don't happen to happen to you or your coworker somebody somebody showed up maybe nice dress to impress, so to speak, was there people talking about like you could tell that you were sure

Jeffrey Katz 19:42

for sure. Now Now you could get away with a certain you know, log jest if you want or eccentricity maybe is the word you could if you if you had other attributes, you know that really matter to the people in charge. You could get away with it, but it was never forgotten. And I when I first started being on boards of directors, that pretty much stopped wearing a tie, you know, because I didn't care. And I knew it didn't matter. But But I often was, you know, called out chastise or looked askew askance at you know, because I, I would, I would wear a jacket and I open collared shirt, or God forbid, you know, a jacket and a T shirt.

Jacob Morgan 20:25

If you were jeans, you were fired, right?

Jeffrey Katz 20:28

Yeah, yeah. Now, it's evolved along ways. And it's certainly in the tech world. Yeah. And some other worlds, it's really evolved. But in the early days, you know, you wore a tie. And that was part of a permission you received to do other things that you could bring to the, to the conversation.

Jacob Morgan 20:50

Yeah, that was a very interesting time to to be to be leading. Wearing tie dye works kind of like a typical thing that most people think of when we think of like outdated workplace practices. Correct. But it's done. I mean, it wasn't Did

Jeffrey Katz 21:05

you know, at the end of the day, there was a lot of really good people. And we enjoyed one another, you know, we could see beyond the tie and, and beyond the rules, and we really enjoyed what we were trying to make happen. And, you know, travel travel was then is now a super exciting domain. Now. That's, you know, moving the world around is is is not easy. It's dynamic. And it can be super fun.

Jacob Morgan 21:31

Yep, yep. Yeah. Yeah. So your time it was Sarah, and then, is there anything else you want to share about your time at Sabre that you found really interesting, when

Jeffrey Katz 21:43

we were going global, it was very tech centric life. People in travel, you know, respected what we were doing. And and and, you know, it was, it was, it was an early stage, you know, tech travel entity, that really, it really set the stage for a lot of things that happened later, better. But a lot of stuff started with Sabre and with the airline industry that you see in other places today. Yep. Yep.

Jacob Morgan 22:13

So how did you end up their their overhead Swissair?

Jeffrey Katz 22:17

Well, you know, as I said, I grew up for nearly 20 years at American in this deregulating airline industry. And in 1997, the European marketplace. They called it liberalized, but largely deregulated, and boards of European airlines started recruiting people like me to come help them adjust to this deregulated environment that I'd spent, you know, almost two decades living in. And so I went to Swiss Air recruited to be the CEO because they were looking for somebody who knew the game plan. And the same thing happened at a few other airlines in Europe. By the way, I wasn't the only one. But I went, I went to Switzerland, and and began executing the game plan that seemed appropriate for the same process. Different time.

Jacob Morgan 23:07

Yep. And so was the close closer, there was still, I was still command and control or was it.

Jeffrey Katz 23:15

So it was very much suit and tie. The Swiss then were extremely formal in the workplace. It was a very political wallet company was not controlled by the government. If you if you were a management person in Switzerland, you you had served time in the Swiss military. So it was a very higher, very hierarchical, you know, somebody who'd be a manager of XYZ probably was a colonel in the Swiss Air Force. Pilot, if you're a pilot in Swiss Air, you almost certainly were a pilot in the Swiss Air Force, and so forth. So there was a lot of military aspects. In German, there's a word that used a lot in German, at that time in German companies. And that was German speaking part of Switzerland is a German word called out

trog. And that literally means instruction. In in those days, the ALF drug came in writing, it was an instruction like a military order would be an elf drug, you would be instructed to do this, and people would go about and do that. So it was very hierarchical. Now, having said that, the Swiss are super clever. It was the most popular place in the whole country to work. So imagine you go to work in the United States that a company that is the single most desired place to work in the entire country. So you get a wonderful set of people working there. Yeah, the best people in this country of Switzerland working there. And they're inherently fun and funny and creative and and meticulous. But it was very hierarchical. And the thing about a deregulated airline is hierarchy works less well than in are regulated. So you begin to have to be Agile. We didn't use that term then. But so that we were evolving into this world where the Swiss have to learn how to be a little more agile, in a little less formal. And that was all part of the game plan and a lot more. A lot more technology embedded in how the airline ran.

Jacob Morgan 25:18

Yeah, and I know Yeah, and I know, you usually leave the company in tough times, I think it was, like 111 was a tragedy there. We talk a little bit about a lot of a lot of people might not be familiar with what happened happened or what that is, but share the story and what it was like. I would imagine that's probably one of my biggest tragedies.

Jeffrey Katz 25:38

Yeah, you know, yeah, no, I think you know, it was a unique and harsh experience, personal experience. I mean, an airplane departed John F. Kennedy airport for Geneva. Some 240 souls on board and, and and what happened is an electrical fire fire happened in the middle of the night off Halifax, Canada. And so what happens in an airplane when you when it's you're flying in the dark, you lose all power, the cockpit is dark, that the out environment is dark, and you essentially have no way to fly the airplane, the airplane crashed in the ocean, and everybody died. That's a really harsh. It's, it's unusual to be in a position where you have a responsibility formally. For customers, and they die. Yeah, yeah, very brutal.

Jacob Morgan 26:33

I have one. One random side note. And I don't know if this is like how this how this works. But if you're on a plane, and let's say the power goes out, the plane can glide for a while right before that true. Okay, so situation like sounding like a glider kind of just went down. I

Jeffrey Katz 26:52

mean, the plane glides, but it can glide. But then you have to, you have to be able to know where, where you have to be able to control it. So in this situation, all the instrumentation is gone. All the controls, you're like in a dark closet, you don't even know up and down anymore. So the airplane glide. But at a certain point, it's glide becomes like this, you you essentially it'll be gliding, but you can't control anymore, because you're in a dark closet, you can't see out you don't know what's happening to the airplane. And the airplane will certainly glide, but it doesn't, you know, it ultimately goes into a turn the turn is a spiral nazwa and then it ultimately crashes into the ocean at a pretty high rate of speed. But it's actually turning. But yes, so when airplane, but you have to be able to control it is sort of the point. Yes, it will glide, but you then have to control and this is a very unusual circumstance where the fire in the cockpit destroyed everything about the controls.

Jacob Morgan 27:58

She's She's, it's crazy to get a freak accident. So do you remember where you were when you got the news? It went down? Yeah,

Jeffrey Katz 28:07

it was. Yeah, I was I was at home. It was very early in the morning, three or four in the morning, I got a very encoded telephone call to come to the office, that they had lost track of Switzer 111, which was sort of code for we think it's crashed, but they're not going to communicate that on a telephone line. And so I went to the office knowing what had probably happened, but it wasn't confirmed until a few hours later. And it's a very somber it's a very somber experience, you know, grave responsibility, you know, and and, and it lasts the process lasts a long time. I mean, the between the initial crash process and investigate, lasted well over a year absorbs, you know, people's time, including mine for well over a year. That's a really harsh experience. But, but you also learn about the magic of a great team. This is a case where the Swiss Air team was there extremely well trained, they're extremely focused on customers. That compassion they showed to customers and to relatives. was remarkable was a remarkable and changed my life. Actually, it changed me from this person who has command and control than essentially an autocrat to a completely different person.

Jacob Morgan 29:35

And why why why did why did that like? Well,

Jeffrey Katz 29:40

you know, in this circumstance, there's no room for and forever no purpose in what I'd call the bullshit of leadership.

Jacob Morgan 29:51

Yeah, yeah. So So you see how people are responding to each other, not emotionally, people You're like, I gotta be, I gotta be more human centric.

Jeffrey Katz 30:02

Yeah, yeah. Yeah. And I really and I really was, and I, you know, I stayed in a few more years that it's was there but ultimately was asked to come start the thing that came orbits in her orbits, I was a completely different person.

Jacob Morgan 30:15

Hmm. All right. All right, let's jump in orbits. Maybe a couple of a couple more things on there. Do you like when you first heard what happened? How did what do you? What did you tell your employees? Because I know a lot of leaders. You know, they're always trying to figure out during crisis, tragedy, tragedy, during during times of times of crisis crisis, or tragedy, letters, they're, um, they're always, you're always trying to figure out what do we tell our people? How do we communicate in a way that, you know, you know, is passionate, like, what do you even say, do you remember, remember what your message was to your people? Well,

Jeffrey Katz 30:51

first of all, the the tone was, or the tone was one of compassion, and empathy, not sympathy. And the approach was, to say what, you know, do not say what you don't know. And it was, be generous, be generous. And, and that it, it, it just, it essentially is a little bit the way I am, frankly. But it was the tone for the whole of the company. And then we you know, as an in, it was a national tragedy in Switzerland, because a little little remark that in those days in Switzerland, the three icons they would say, of Switzerland were the Swiss flag, the Swiss Franc and Swiss Air. So this was a national tragedy. And and but it was, it was global news, as accidents are but because it's Swissair, you know, it's this meticulously maintained, operated like a watch. airline. It was just a shock. Yeah. And, but the but the communication, the style, and the approach was, was that it was compassion. It was honesty, but only on what you know, not what you don't know. Because there's a lot that you can know. And so don't say, Don't speculate, don't conjecture, it became a model for how these things are Man, these accents are managed, since then. And to show generosity, which which we did, particularly to the relatives of the of the PEEP downs.

Jacob Morgan 32:40

You change the leader during the rest of your time at Sarah, Sarah, after this happened, like your notice. How you came in human and as

Jeffrey Katz 32:50

a leader? Yeah. Yeah, I think I think I think I don't want to say I gave up the command and control because I think it was more evolving than that. But I certainly was, I certainly was more compassionate, and I was more emotionally engaged with with people. And I was less command and control because in this situation, instantly, you need the team to do their what they're great at, you know, people and now effects people in New York, people in Geneva, people in the engineering departments, dealing with, you know, Boeing, which had manufactured this airplane and the Canadian authorities. And I mean, I met I met I met so many famous people. At the time, I remember meeting the head of the United Nations who they because there was a lot of United Nations employees, and so on, head the heads of Canadian government, American government. Of course, it was I knew it was real, but it but I, it changed me to be I'd say more emotionally engaged, more honest, less autocratic. And principally, extremely no bullshit. Yeah. You know,

Jacob Morgan 34:01

would you say you were ever vulnerable, honorable leader during your career?

Jeffrey Katz 34:08

Yeah, I was. Beginning with this incident, I think my vulnerability began to show itself and, and, and my openness completely changed. Because before then, that was not the that was not the way I was taught in the hierarchical world of airlines that I grew up in. And I and I've become a lot more open and emotionally and vulnerably. So since this, that, and it's, you know, it's a human evolution, but it's certainly been an evolution for me. Yeah, yeah.

Jacob Morgan 34:45

Orbits anything else that you want to share about your time at? CES, there are lessons learned there?

Jeffrey Katz 34:52

Well, you know, mostly it was a privilege. It was a privilege to run a company in a foreign nation. That was so admired by, you know, its employees and its customers around the world. And it was, it was really a privilege for me. I used to say, you know, you know, the wash, he drove me, the helicopter me around the country and they wash my car twice a week. I mean, it was it was a ideal experience. But really it was, it was a privilege to work for a company, that is the most popular place to work in the whole country. You have to you can't really imagine what a pride filled experience it is to work with people who have that passion.

Jacob Morgan 35:37

Yeah, yeah. All right. All right. So then you get to orbit shortly thereafter. And then you get to get the orbits you get there. And my understanding is you're there for three months, and another tragedy strikes in the form of 911. So I mean, how are we think at that point, this is going through so many just massive, massive obstacles, costing your way? Yeah. I mean, how did you even you with what was going on with 911? And how long was that was that after you became

Jeffrey Katz 36:11

so? So I actually joined the so we started building the software for orbits in July of 2000. So 911, September 2001. So this is about a year later that 911 happened. So we actually had launched about three months before 911, ah, two and a half months, ah, two and a half months that we actually launched, the operation of the business, we built it about a year took us about a year to build. And then we launched in two and a half months later 911 happened. And

Jacob Morgan 36:46

I mean, so that you guys know what I mean, please, you guys have at that time. Yeah,

Jeffrey Katz 36:49

she's at that time. I don't know. 100 200? Not many, okay, you know, because you don't need a lot to build you need, you need a lot to sell and to go global, and to operate and to operate at scale. In those days you needed. You know, you the cloud didn't exist. Actually Marc Andreessen, who's, who is on our board at orbits had just started the first cloud business called loud cloud. And with Ben Horowitz actually. Yeah. So, you know, but in to build you to need a lot of people you needed 100 or 200, to build and sort of begin to operate and we didn't know that it would grow. And I will tell you one other story when we were just starting to build the our competitors who were Microsoft, which owned Expedia and Sabre, who own Travelocity at that time, they sued us. They, they lobbied for the Department of Justice to sue us as a cartel. So I actually had to testify in the United States Senate. This a company with with like, at that time, maybe 20 employees and no operating website, which is being investigated as a cartel. That's a whole nother story. But when 911 happened to answer your question, yeah, it was a shock. We we thought the world was over, I would get calls from senior airline executives who, who would say, Jeff, it was nice working with you. They thought were dead. In fact, they thought they were dead. Now, because it was such a fundamental shock to the global travel industry, this threat of terrorism at that level. But what happened is, a few days later, we could see in the numbers, that

people didn't stop traveling, they just all became budget travelers. And guess what the best site for budget travel was orbits.

Jacob Morgan 38:47

Interesting, that kind of cosmic spike

Jeffrey Katz 38:49

caused a huge spike. It's pretty much what happened in the pandemic to a lot of the, you know, the home delivery and, you know, the door dashes and grub hubs of the world they spiked, you know, resumes by now, because these became good tools for the moment and at that time, when everybody becomes a budget traveler. Orbitz was the tool of the moment.

Jacob Morgan 39:10

So why why was everybody coming up budget traveler?

Jeffrey Katz 39:14

Well, they they there, there's certainly a bunch of travelers who are afraid of terrorism, but most people were willing to go out and see relatives or they, they, they somehow you know, compartmentalize the threat of terrorism, but they were worried about the economy they were worried about, you know, their livelihoods is my job okay, so they would just want to travel as cheaply as they wanted to as they could but they were ready to go out and travel and they did

Jacob Morgan 39:48

so, I mean, you lived through seems like seems like quite a quite a few tough times, times in turbulent times. I mean, what what did you learn when it comes to leading through tough times, tough times. leanings for man's formation. So what were some of your greatest lessons? Yeah, other leaders need to implement implement in their lives? Well,

Jeffrey Katz 40:06

I generally, I generally will say two things really matter is, it is important to have a strategy that makes sense, you know, that, that that, that all of the teams and the individual employees get the strategy you're working against, so you don't have to give them an alpha drug, they don't need instructions, they get the strategy. And the most important thing is the caliber of the team. You know, you've got to have a great team. And, and, and, and you work at that really every day having a great team. And but once you start with a great team, and we've seen this at other companies who know and love like Apple, once you start with a great team, the great team keeps building a great team, they don't build a crappy team. Now start with 10. Really good people, which is sort of how we began at orbits are, then those 10 really go after the next three or 410 or 20, they really set a high bar, because that's who they want to work with.

Jacob Morgan 41:09

Now. Yeah. And what Green Team II mean, I couldn't see no green team. Everybody couldn't say green. Your eyes? Yeah. What's the what's the great team mean?

Jeffrey Katz 41:20

Well, I would say there's a few fundamentals in that one is people who you can judge to be and you continue to assess their honesty and their integrity. Number one, okay, number one and two, if you will, honesty and integrity always, you know, say what you mean, do what you say? And if you don't, you're fucking gone. Yeah, yeah. And that's how harsh back to autocracy, but that's how harsh you have to be sometimes at a startup that may not survive. So honesty and integrity is, is part of a great team. And, and, and where you work at communication and communication skills. Every day, however, good communicator, you think you are, you're never good enough in the eyes of your comrades and your team. Yeah, and then, and then it's about skill in that in the domain, which you're coming to work, you know, if you're a developer, or if you're an architect, or if you're a marketer, you're really going after a skill set. That is that comes with the highest benchmark that you can secure. And then you have to measure that based not on what they say, or what they pitch or the resume, it's based on what they've achieved. And in orbits, we really, I mean, we went after CFOs, who had achieved financial notoriety in a positive way, or developers who were working on some of the first web based applications and there were very few at that time. Be like working in crypto today or in web three today, there's, there's very few places you can look for people who actually have skills. Yeah. People who have achieved something and that was true in finance. That was true in customer service. It was true in technology, it was true in product management. And, and mostly we we didn't recruit from travel for that, because of that we had about a third of our noise actually came from the travel industry. Wow. Wow.

Jacob Morgan 43:24

You mentioned that you mentioned that your leadership style changed after Vince was saying you were passionate and more vulnerable, more human. Can you talk about talk about what did that? What did that look like in orbit? So so well? Because your share sharing, high command role?

Jeffrey Katz 43:42

There were no ties at orbits believe me? Well, it was it was a way more open communication environment. Okay, I use I would write in which I still do today. By the way, I would write a weekly email to all the employees, it was called Good morning orbits. And I would write a and I was I wrote it religiously every week, nobody edited it was just me. And it was a very honest voice about what I thought what was going on. So we could we could communicate broadly, the stuff that I could see going on and some stuff that was on my mind, you know, it was very, it was more personal. Having said that, I do this, I still do this today at Janiero. Yeah. Oh, interesting. Okay. Yeah. So and the other thing, but but it was also we were also honest, in the details we had, we would have what's sometimes called a stand up or an ops meeting. We did it twice a day, twice a day. Wow. used to drive people nuts. But and that was not you know, it was not warm and friendly. It was you had to show up. And we were into the details, you know about code builds and customer service problems and people had you know, we'd sit in this room as many as we could squeeze in and people had to talk you had to be honest about what was going on good better and different. And so there There's that, that, that felt very high pressure to people. But it was also very honest, everybody knew what was going on. And we did it twice a day. And it was like sacrilege when when I was convinced we could go to once a day, and then ultimately, you know, this evolved, get rid of this cats meeting, we can't stand it. But, so but we were honest about the details, which is different than being autocratic, you know, but there were some there were, you know, there were some command and control moments, because you're trying to get a

company off the ground, of course, and, and ultimately, ultimately, it worked. And people loved working there. I will say, it was a fraternity of a kind, and people love despite the rigor people loved working there. They were proud.

Jacob Morgan 45:51

Were you. Were you. At Orbitz? It sounds like it sounds like a previous thing. Your other jobs weren't very vulnerable or open or an authentic leader because command and control you sharing more, sharing more of yourself into orbit? People know you do they know about your family, your personal challenges or struggles? That was that? Was that kind of see yourself?

Jeffrey Katz 46:12

That was that was that would call that evolving? Yeah, they knew they knew about my personal side, but they didn't know as much as like today at Janeiro. You know, they know a lot more about my personal side. And we know a lot more about the personal sides of one another. I mean, we had, which is not unusual, but we had we just had an online cocktail hour today to celebrate some people's, you know, one year anniversaries of Janeiro. And yeah, people are sharing pet stories. And you know, and I'm, and I'm, you know, taught we're talking about the homeless in LA and that's me one on one with some software developer who's who's online. Yeah, so that's, to me, that's certainly been a personal evolution. But I also think it's a management style evolution that, that, that has, you know, come into place and as in can be very effective. In fact, you know, being saying the obvious I don't think the manager I was it at American Airlines or Sabre, could work today

Jacob Morgan 47:15

to ask you that

Jeffrey Katz 47:16

couldn't couldn't work at your narrow, but I don't think it could work anywhere. Now, the board, I think would throw me out.

Jacob Morgan 47:23

Yeah. Let's a little bit about your company. You guys have there now.

Jeffrey Katz 47:29

So 30 employees, very small. I love it.

Jacob Morgan 47:33

And it sounds it sounds like you've been here now people know more about you. So that, you know that, you know, we come to a company, there was kind of a back end. And now you're just kind of you know, your own authentic self. So now you're even more open and more vulnerable and more connected with your employees?

Jeffrey Katz 47:50

Yeah. Yeah, I think that's true. And the tools are better for that. And the time is better for that. And and, and so for me now, it's 100% about the strategy. Are we communicating effectively? Are we on

strategy, and back to this caliber of the team is the team of the caliber who can get us to success? I wonder wonder, me, including me, by the way, and I'm a shareholder. So it's easy for me to say, but it, you know, we really want to cross this bridge to success. And to sort of achieve our vision.

Jacob Morgan 48:28

I wonder if I wonder if Jeff Cafe would have they would have been able to lead? You know, the orbit? Was there a saber from years ago? And I wonder how you would have done?

Jeffrey Katz 48:39

Yeah, well, people who worked with me then and there are a few at janeiro who, who worked at Orbitz, for example, they think I'm like some weirdly transformed person and they're all They're never really sure if the if the scary version of me is going to come back out.

Jacob Morgan 48:55

I'm gonna go to YouTube video of you when you were a shaver, like an interview or

Jeffrey Katz 49:03

there might. There might be there might be but there's, there's a lot of stories out there that are that are told in this circle of people who've worked in these various travel companies.

Jacob Morgan 49:14

Yeah, sure. I'm sure. When you're filling out our form, I'm like, you know, stories, stories, a lot to talk about. Sure. Sure. To quote and it was a couple perience and from experience comes wisdom. Yeah. Is that Is that something they want to read them on a regular basis? Yeah, it seems like you've had a lot a lot of

Jeffrey Katz 49:35

yeah, a lot of trouble. A lot of trouble in Ivor I you know, as we've just sort of taken a bit of a tour, and I don't you know, I think there's certainly some naturally gifted people in the universe. But it's very hard for a typical person to, to opine and be wise without experiencing either really good mentorship, which is one of the things I've benefited from over the years as well.

Jacob Morgan 50:06

Your mentors? Well, it's

Jeffrey Katz 50:08

very harsh. That's very harsh. A Chairman I mentioned, he was a, he was a superb mentor. But I had a number of American Airlines who in technology in marketing, they were, they were really kind to me, when I, when I went to, when I went to orbits, one of the investors was was an owner, actually an owner of an airline hit, he was, he had been, he was CFO and vice chairman of Disney, and he actually owned this airline that subsequently merged with delta. And he was, he was super kind to me, I never really understood, but he's very experienced guy at big industry, Marriott, Disney and so forth. And he was always, I always learned a lot from from him. And I think through, you know, just tragedy like Swiss Air 111 or chaos, like 911 happening after the launch of Orbitz, you you learn some lessons, which are

fundamental. And if you haven't had any of those really opportunities to either be mentored like that, and or to experience a life, you know, in super high fidelity like that, then I don't know, you know, what your judgment is, can be based on you know, Now not everybody is, you know, as wise from birth. Yeah.

Jacob Morgan 51:33

That's true. That's true. I think those writing those were all the questions I had for you. I mean, I always, always really interesting to hear from people who lead through the lead through these tough times, times and hear your, your your transformation from going from one type of leader command and control into somebody who's now more open and vulnerable. And communicating indicative and building relationships with people is fascinating. So you see, you can command command side, and you've been on kind of the, you know, the new the new side, we'll just call it that. Yeah,

Jeffrey Katz 52:03

for sure. For sure. And, and, you know, but at the end of the day, you know, it is about humanity, you know, it you know, and it's we don't talk a lot about this in the workplace, but, you know, you all, there's a great Tracy Chapman song, which I love called all that you have is your soul. And, and at the end of the day, it's, it's, it's really true. So what are we working for, you know, what, well, you know, working to do something good for somebody else. And if you're not making a mistake, and and in doing that, you're, you know, you're doing something, you're doing something, you know, that's, that's good for humanity, and that that's ultimately the reward. And, you know, you might be in one stratosphere of, of wealth achievement and or in a different but it doesn't, it doesn't really matter, you know, and this you learn from tragedy. Yeah, no, this this, you this, you learn when you've when you've lived the tragedy of Switzer 111. You cannot walk from that and say, Well, I wish I had more money, you know, because, you know, yeah, it's ridiculous. It's a ridiculous statement.

Jacob Morgan 53:23

Yeah, no, no, no, I couldn't agree more. I was talking to bully holding Fogle. And I was talking about that. And I said, Yeah, how do you deal with when you get to be you have to go through tough times in business, and you have to let go go or the company's doing well. And that's not a tough time. Time Time is if family members hospital sick or I get told I'm terminally ill like, it helps things into perspective. Like, you know, there are tough times in business. But ultimately, we took away from Jeff from Glenn's compensation is that you know, he learned learned over the years what what really matters and the family's health is the people who cares about the circle that's that's number one. Number one it helps put things into context when you're having a bad day or you don't get a project or something something happens so we're so we're going to learn more about you your company anything that you want to mention for people to check out

Jeffrey Katz 54:26

well about me I mean, yeah, we can janeiro calm is a good way to learn about what we're trying to do there. And really, I did this not I did this to try to make the travel industry better. Now whether will part partly succeed? I don't know. But it's really all about taking this industry, which is wonderful in some ways, but it's it's kind of tough to be a traveler out there. Now often, too often. It's our vision is really to make that way better for all customers and come in brands who make who make it happen. For

customers, you can go there and you and in doing that, you can learn a little bit about me and, and there's some there's crazy ass speeches I've given over the years and that are out there as well where I talk about some of my experiences in travel and in leadership and but I think the vision of generic to make an industry better is it's a big stretch. And in doing that you can learn a bit about me too.

Jacob Morgan 55:27

Well, I wish you nothing but success within your company. And thank you for taking time out of your day to join us share your insights and experiences over the years.

Jeffrey Katz 55:35

Thank you very much for having me.

Jacob Morgan 55:36

Of course. My pleasure. Thanks, everyone for tuning in my guest again, kept checking checkout company or Jordan Mira and I'll see you next time