

New Introduction to *The Big Store: Inside the Crisis and Revolution at Sears*

[Audible Edition \(Free\)](#)

I'm Don Katz, founder and CEO here at Audible.

I want to offer this updated introduction to my book, *The Big Store*, before putting you in the hands of the very talented actor Brian Sutherland, who performs this new Audible edition of the story.

In light of recent news of Sears' continued fall from grace, described from origin in *The Big Store*, into the ignominy of bankruptcy – and considering how I have spent my time since 1994 helping Audible evolve from an idea to the big company it is today – I wanted to share some thoughts about the many things I learned from my deep study of Sears, which have so often inspired, informed and also cautioned me as a business-builder.

Themes that have drawn students of corporate culture and leadership to *The Big Store* regularly since it was published in 1987 – including those seeking to avoid the pridefulness and myopia that can come with institutional success, which in turn diminishes a positively disruptive capacity to change and can kill the formative spirit that calls for invention before anyone asks for it – are very much alive in current popular discourse.

The company I started in 1995 and still serve as CEO has become large and successful, and we have earned the loyalty of a vast population of listeners around the world who consider Audible's audio service an important part of their daily lives. After close to a decade as a public company, Audible's independent culture and brand became part of the Amazon family in 2008.

For me the historical symmetry between Amazon and Sears is profound. As a professional writer during my first career, I spent six years of my life with near-*carte blanche* access to what was arguably the 20th century's great American corporation, delivering people the wants and needs that defined the look and feel of their daily lives, and now I am working daily with the key leaders at Amazon and bearing close witness to the corporation of the 21st century that almost instantly delivers people's stuff and does so in a way that has created customer loyalty and measurable success on a level rarely achieved.

If Sears at its apogee accounted for 1% of the American GDP – its sale volume even topped that of the entire tobacco industry – Amazon in 2017 accounted for nearly the same. When I was



working on *The Big Store*, one Sears executive estimated that 20 million people worked directly for Sears or for a company that depended on the Sears supply line for its livelihood. In hundreds of manufacturing communities around the country, especially the South, it was acknowledged the Sears buyer visiting the local factory was far more important than the region's local government as Sears could breathe life into backwater factory towns with a single order. Into the 1960s, Sears buyers made programmatic efforts to direct orders to depressed regions. One early program was called "Dixie Progress."

As Audible caught fire over the years and created customer demand that far outstripped the capacities of the audio sources of supply, as we worked tirelessly to push the spoken word into the media mainstream where it clearly belonged, we tore pages out of my book to design strategies both to shore up our suppliers and to take on the creation of the audio our customers wanted and deserved at a level that made us the largest creator of audio programming, as well as the largest seller.

I spend much of my time these days studying the best thinking about the pitfalls and arrogances and blind spots that almost invariably take down companies like Sears, from the rare vantage point of historic growth at significant scale. I look to deep thinkers like James Allen of Bain & Company, whose seminal *Founder's Mentality* study is rife with admonitions and truths about how scale draws companies away from their warrior-like founding spirit, flattens growth and complicates innovation.

I also look back at my own book and years as a corporate anthropologist living inside Sears Roebuck.

Last year, I was inspired to write Audible's People Principles as part of a focused effort to keep the fires of invention burning and to memorialize my firm belief, from the experience of two careers, that a company, as a human enclosure, can aspire to achieve meaning that can transcend what it does. The internal rollout of the People Principles included a global road show very much reminiscent of the 1981 Challenge Year revival meetings chronicled in *The Big Store* that called for a restatement of what Sears had been and what it could be.

I designed the arc of the Sears tale around Crane Brinton's classic 1938 study of the revolutionary process, *Anatomy of a Revolution*, as I tracked the rise of Edward Telling, who believed that he and his allies needed to crack the old and calcified order at Sears to engender change. The act of destroying the dense internal culture and power centers so as to try to create this change provided the narrative drive. When I wrote *The Big Store* three decades ago from the perspective of one of the key protagonists looking at the epic challenge of breaking out of its moribund status quo and introverted culture, an outsider hadn't even been hired into the senior ranks of the seventeen thousand executives working at the time. Sears leaders would say, "all we need is to do what we do a little better," and there was a conviction within the company that Sears could never be stopped.

In its heyday, Sears was the most trusted economic institution in the country, and it commanded a level of loyalty from employees that was the envy of other corporations. “It’s good business to treat people right,” Julius Rosenwald, who led Sears after Richard Sears himself, would say. Two decades before Social Security became law, Rosenwald instituted a profit-sharing plan that allowed even elevator operators and secretaries to retire comfortably. As you will hear, I observe in *The Big Store*: “Sears was less a place to work for the people inside its great heart than a place to live. The residents had been taught to love and protect a corporation in the way people used to be taught to love and protect the land.”

When I reflect on our decision to move Audible’s headquarters in 2007 to downtown Newark, New Jersey, to avoid related status quo thinking that leads successful companies to arm’s-length philanthropy and instead integrate urban transformation and the redress of urban inequality as a defining element of our corporate purpose – and as I speak to Audible employees around the world or to external audiences positing that companies can indeed have hearts and souls – I think of all I learned from my years studying Sears.

I also think daily that the Sears story indicates that founders – and Sears had three founding geniuses in Richard Sears, Julius Rosenwald, and General Robert Wood – can, however subconsciously, sow the seeds of decline and even destruction before they leave. One of my main focuses these days is to avoid this happening to Audible as the company continues to move fast into a bright future serving many more millions of people.

I’m lucky – or as some of my friends would say, I’m blessed – because beyond having one of the most loving and supportive families anyone can have, I’ve had the great gift of two careers turning ideas into reality.

Before starting Audible in November 1995, I was a writer for 20 years. At first I wrote long articles from my base in London for *Rolling Stone* and shorter ones for *The New Republic* that included close interactions with prime ministers, soldiers and revolutionaries. I pursued the ambition of the narrative non-fiction writer of the time to transcend pyramidal newspaper reportage to discern what it’s like to be willing to kill or to die for a cause. I then turned to books, including *Home Fires*, the story of one post-World War II family as reflective of the post-war experience of family in America, and I also wrote a book about Nike and this book about Sears in order to explore the sociological, psychological, organizational and human complexities of the most successful corporations of the 20th century – focusing on what Walter Bagehot calls the “mind and character” of economic life.

When I became an active angel investor in tiny tech start-ups and then went on to found Newark Venture Partners to nurture high-growth start-ups, I began to tell people that there are few better backgrounds for someone who wants to start a company from scratch than that of an inquisitive non-fiction story-teller. The journalist’s truth-seeking methodologies and fast-learning

requirements; the need to be fearlessly honest about what you do and do not know; and the capacity to engender trust are all powerful tools for any founder.

Ultimately, *The Big Store* was from conception intended to be more than a corporate history.

It is also about the end of an era for the WWII generation's transfer of battlefield loyalty to the heartland corporations of the time. The book's dedication reads, "To my father's generation, but mostly in loving memory of him" – a reference to my brilliant, scholar, entrepreneur, and World War II hero father, who died suddenly when I was nineteen.

With that, here is Brian Sutherland and *The Big Store: Inside the Crisis and Revolution at Sears*.