



Unit

# 1

## Company Stories

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### GUIDE TO READING

#### ABOUT TEXT A

##### Background and Gist

Text A tells about the personal stories of a Chinese entrepreneur Frank Wang Tao and how he has started his own company DJI in 2006, which is now the world's largest consumer drone company. With innovative design and craftsmanship, the company's signature Phantom model, a drone, has made a huge sensation in the market and become the dominant figure for sky enthusiasts. But now DJI is not without challenges. It faces the headwinds of cheaper rivals, divergent public opinions, and so on. But Wang is never pessimistic. He is pushing to perfect his products by solving technical puzzles and broadening the blue sky opportunity.

##### Text Language and Style

Text A is a reportage, which means the text discusses in depth a situation, its development, importance, and issues related to it. To be informative, the authors concentrate not only on the stories of DJI and its master, but also on its rivals in the market and other stakeholders, such as regulators and market. The story starts with an overview of the market to give readers an idea of the situation DJI is in, and the general tone of the text is clear, precise and being matter-of-fact. For those readers who are unfamiliar with the drone industry, the authors also provide necessary information about technical terms and background so that they can enjoy the reading without puzzles and misunderstandings.

#### ABOUT TEXT B

Text B is about the tech entrepreneur Allison McGuire's app SketchFactor which was criticized for stoking racial prejudice. She's now launching a new project, Walc, and hoping to move on. The author of Text B, Andrew Marantz, is on the editorial staff of *The New Yorker*.



## TEXT



### START-UP

#### I. Individual Work: Read and Think

1. Scan the text and try to get some ideas about the following questions.

- 1) What are some of the uses of drones by people of different professions and purposes?
- 2) Who is Frank Wang Tao and what is DJI?
- 3) How did Frank Wang Tao develop his early dream into reality?
- 4) What are the advantages of 3D Robotics in their competition with DJI, according to Chris Anderson?
- 5) Why does 3D Robotics become a challenge to DJI?

2. Scan the text again for the meanings of the following key terms.

- live aerial footage (para. 1)
- Federal Aviation Administration (FAA) (para. 2)
- copycat (para. 2)
- four-propeller quadcopter (para. 11)
- gimbal (para. 12)
- accelerometer (para. 12)

#### II. Team Work: Analyze and Discuss

1. Read the text and pick out some key phrases related to its theme.
2. Write an outline of the text by referring to the key phrases.

# Bow to Your Billionaire Drone Overlord: Frank Wang's Quest to Put DJI Robots into the Sky

*Ryan Mac, Heng Shao, and Frank Bi*

- 1 In the annals of technology it's not often that one company can grab a dominant position in a market as it makes the leap from hobbyist to mainstream. Kodak caught that rogue wave with cameras. Dell and Compaq caught it with PCs and GoPro with action cameras. Drone skeptics may have laughed at Amazon CEO Jeff Bezos' vow to use UAVs (unmanned aerial vehicles) to deliver packages, but drones are becoming a big deal. Widespread commercial use is already well under way: Drones broadcast live aerial footage at this year's Golden Globes; relief workers relied on them to map the destruction left behind by Nepal's 7.8-magnitude earthquake in April; farmers in Iowa are using them to monitor cornfields. Facebook will be using its own UAVs to provide wireless Internet to rural Africa. Drones produced by Dajiang Innovation Technology Co. (DJI) are being used on the sets of *Game of Thrones* and the newest *Star Wars* film. Now DJI needs to keep stoking the consumer market with better and cheaper flying machines, just as it did in January 2013 when its Phantom drone debuted, ready to fly out of the box at a price of \$679. Before then you pretty much had to build your own drone for well north of \$1,000 if you wanted a decent flier.
- 2 DJI faces the headwinds of cheaper rivals and rearguard bureaucrats at the Federal Aviation Administration (FAA), which currently has a blanket ban on the commercial use of small drones without exemptions and has been slow to enact meaningful policy. A formidable challenge is brewing in 3D Robotics, a Berkeley, Calif. company cofounded by former *Wired* magazine editor Chris Anderson and staffed by laid-off DJI employees. There's also French manufacturer Parrot, which sold more than \$90 million worth of drones in 2014, and a plethora of copycats eager to drive margins down for all.
- 3 With his circular glasses, tuft of chin stubble and golf cap that masks a receding hairline, Wang Tao, founder of DJI, cuts an unlikely front man for a new consumer tech powerhouse. Still, he takes his role as seriously as when he launched DJI out of his Hong Kong dorm room in 2006. Wang is on a warpath—discarding former business partners, employees and friends—as he seeks to turn DJI into a top-ranked Chinese brand akin to smartphone maker



Xiaomi and e-commerce powerhouse Alibaba. Unlike those two, however, DJI may become the first Chinese company to lead its industry.

- 4 Dashing into his office, he passes a Chinese-language sign on his door that reads “Those with brains only” and “Do not bring in emotions.” The DJI CEO abides by those rules and is a sharp-tongued, head-over-heart leader who works more than 80 hours a week and keeps a twin-size wooden bed near his desk.
- 5 “I appreciate Steve Jobs’ ideas, but there is no one I truly admire,” he says in his native Mandarin. “All you need to do is to be smarter than others—there needs to be a distance from the masses. If you can create that distance, you will be successful.”
- 6 Frank Wang’s infatuation with the sky began in elementary school after he started devouring a comic book about the adventures of a red helicopter. Born in 1980, Wang grew up in Hangzhou, Alibaba’s home city on China’s eastern coast. The son of a teacher turned small-business owner and an engineer father, Wang spent most of his time reading about model airplanes, a pastime that offered more comfort than his middling grades. He dreamed of having his own “fairy,” a device that could fly and follow him with a camera. When he was 16, Wang received high marks on an exam and was rewarded with a long-coveted remote-controlled helicopter. He promptly crashed the complicated device and waited for months for replacement parts to arrive from Hong Kong.
- 7 Wang’s less-than-stellar academic performance thwarted his dream of landing at an elite American university. Rejected by his top choices, MIT and Stanford, he ended up at the Hong Kong University of Science and Technology, where he studied electronic engineering. He didn’t find his sense of purpose until his senior year, when he built a helicopter flight-control system. Wang devoted everything to his final group project, skipping classes and staying up until 5 a.m. While the hovering function for the onboard computer he built failed the night before the class presentation, his effort did not go to waste. Robotics professor Li Zexiang noticed Wang’s group leadership and technical understanding and brought the headstrong student into the school’s graduate program. “I couldn’t tell that [Frank] was smarter than others,” says Li, who served as an early advisor and investor to DJI and now owns about 10% as its chairman. But “good performance [at work] was not necessarily comparable with good grades.”
- 8 Wang built prototypes of flight controllers out of his dorm room until 2006, when he and two classmates moved to the manufacturing hub of Shenzhen. They worked out of a three-bedroom apartment with Wang funding the venture using what was left of his university

scholarship. DJI sold his \$6,000 component to clients such as Chinese universities and state-owned power companies. Those sales allowed Wang to pay for a small staff, while he and the other former HKUST students lived off what was left of their university scholarships. “I didn’t know how big the market could be,” Wang remembers. “Our idea was to just make the product, feed 10 to 20 people and have a team.”

- 9 The lack of an early vision and Wang’s personality would eventually cause strife within DJI’s ranks. There was constant churn among employees, with some feeling spurned by a demanding boss they felt was stingy with equity. By the end of two years almost all of the founding team had departed. Wang admits he can be an “abrasive perfectionist” and at the time managed to “piss [employees] off.”
- 10 Yet DJI chugged along, selling about 20 controllers a month. It survived off capital from Wang’s family friend Lu Di. In late 2006 Lu had put in about \$90,000—the only money DJI has ever needed, says Wang. Endearingly called a “penny-pincher” by DJI’s CEO, Lu managed the finances and today remains one of the largest shareholders, with 16% that will soon be worth \$1.6 billion, based on *Forbes* estimates. Also key to DJI’s development was Wang’s best friend from high school, Swift Xie Jia, who, in 2010, came in to run marketing and act as confidant. The man nicknamed “fat-headed fish” by Wang sold his apartment to invest in DJI and today holds a 14% stake that’s expected to be worth an estimated \$1.4 billion.
- 11 With his inner circle in place, Wang continued to build on product offerings and began selling to hobbyists abroad, who were e-mailing him from places such as Germany and New Zealand. In the US *Wired* editor Chris Anderson had started DIY Drones, a UAV-enthusiast message board, where users advocated for the move from single-rotor designs toward four-propeller quadcopters, which were cheaper and easier to program. DJI’s started making more advanced flight controllers with autopilot functions, which Wang then marketed at niche trade shows like a radio-controlled helicopter gathering in the 70,000-pop. town of Muncie, Ind. in 2011.
- 12 It was in Muncie that Wang first met Colin Guinn, a well-built Texan, whose angular good looks once graced reality TV show *The Amazing Race*. Guinn, who ran an aerial cinematography start-up, was looking for a way to shoot stabilized video from a UAV and had reached out to Wang by e-mail to see if the young Chinese company had a solution. Wang was working on exactly what Guinn needed, a new kind of gimbal that used onboard accelerometers to adjust its orientation on the fly so the video frame remained still despite a drone’s shaky flying. Wang had gone through at least three gimbal prototypes—and one incapable intern—before he had a decent one. Wang figured out how to connect the drone’s



motor to the gimbal so it wouldn't need its own motor, cutting down on parts and weight. By 2011 the cost to make a flight controller had dropped to less than \$400 from \$2,000 in 2006.

- 13** After initially meeting DJI executives in Muncie in August 2011, Guinn flew out to Shenzhen and eventually formed DJI North America, an Austin, Tex. subsidiary aimed at delivering drones to the mass market, with Wang's blessing. Guinn was given 48% ownership of the entity, with DJI retaining the remaining 52%. Guinn was put in charge of North American sales and much of its English-language marketing, quickly developing a new motto for the company: "The Future of Possible." The relationship initially went well. Wang remembers Guinn as a "great salesman" whose "ideas sometimes inspired me."
- 14** By late 2012, DJI had put all the pieces together for a complete drone package: software, propellers, frame, gimbal and remote control. The company unveiled the Phantom in January 2013, the first ready-to-fly, preassembled quadcopter that could be up in the air within an hour of its unboxing and wouldn't break apart with its first crash. Its simplicity and ease-of-use unlocked the market beyond obsessed enthusiasts.
- 15** Yet things had already started falling apart between Wang and Guinn. DJI's founder didn't like that Guinn was taking credit for the development of the Phantom and was calling himself CEO of DJI Innovations, a title that still stands on his LinkedIn page. Sources also say that Guinn would often rush into setting up partnership agreements, particularly one with action-camera maker GoPro, which would have been an exclusive camera provider for DJI's drones. Wang got cold feet in that deal and went against Guinn's advice, subsequently angering GoPro, which is now rumored to be developing its own drone.
- 16** Initially DJI was planning to only break even on the Phantom's \$679 retail price. "We made an entry-level product to prevent competitors from entering a price war," says Wang. The Phantom, however, quickly became the company's best-selling product, increasing revenue fivefold with little marketing. More importantly, it sold around the world, a trend that holds today as the company derives about 30% of revenue from the US, 30% from Europe and 30% from Asia, with the remainder from Latin America and Africa. That's a source of pride for Wang. "Chinese people think imported products are good and made-in-China products are inferior," he says. "I'm unsatisfied with the overall environment, and I want to do something to change it," he adds.
- 17** By May 2013, DJI attempted to buy out Guinn's stake in DJI North America, offering DJI Global shares that would have given the American a paltry 0.3% stake, according to court

documents. Guinn demurred, pointing out that it was his office's work that led to 30% of Phantoms being sold in the US. DJI did not leave room for negotiation and by December had locked all of DJI North America's employees out of their e-mails and redirected all customer payments to China headquarters. By New Year's Eve the employees had been fired and arrangements were being made to liquidate the Austin office's equipment. DJI ended that year with \$130 million in revenue.

- 18 Guinn subsequently sued in early 2014, though the parties eventually settled out of court in August for an undisclosed amount under \$10 million, according to sources. "To say I had nothing to do with the Phantom would be hilarious, just as it would be to say I was the inventor of the Phantom would be hilarious," says Guinn, who with many of his former colleagues joined 3D Robotics to take on their past employer.
- 19 The greatest threat to Wang's dominance of the consumer drone market emanates from a sun-drenched fourth-story office patio across the bay from Silicon Valley in Berkeley, where the engineers for 3D Robotics spent dozens of hours testing the latest code tweaks in their Phantom-killer, the Solo. Unveiled in April, the black drone whirs and buzzes around the roof with the sound of a thousand angry bees as 3D Robotics CEO Chris Anderson explains how his company is the Android to DJI's Apple.
- 20 In admiring his quadcopter's elegance and simplicity—which took cues from the Phantom—the affable Anderson explains that it is the software, not hardware, that is the key. Unlike DJI's operating system, which is closed to developers, 3D Robotics made its OS open source to attract the interest of programmers and other companies such as the dozens of copycats undercutting DJI's margins with even cheaper drones. If everyone is using our software, says 3D Robotics' CEO, then we, not DJI, will control the market. "DJI started as a company back in the days when it was just a hobby for me, and to their credit they accelerated brilliantly," he says. "Right now we're playing on their home field, so we're playing catch-up."
- 21 3D Robotics, which has funding from the likes of Qualcomm and SanDisk, is well into its game of catch-up and has moved most of its manufacturing capacity from Tijuana, Mexico to Shenzhen. Guinn, who is the company's chief revenue officer, is also exploring the same retail channels he built up with DJI and developed a partnership to put GoPros on 3D Robotics' drones.
- 22 Wang dismisses their chances, sounding something like the big kid on the kindergarten playground. "It's easier for them to fail," he says. "They have money, but I have even more



money and am bigger and have more people. When the market was small, they were small and I was small, too, and I beat them.”

**23** For all the drama between 3D Robotics and DJI, they face a common challenge in shaping public opinion and softening regulators. For every breathtaking video of a humpback whale migration or collapsing glacier taken from a drone, there’s a headline of a UAV being used by ISIS or spying on a neighbor’s hot tub. Legitimate privacy and safety concerns have limited society from welcoming flying robots with open arms, and regulators, particularly the United States’ FAA, have been slow to enact meaningful regulations as a result. “There are no drones in the sky right now, and that is so weird,” says Anderson. “When you talk about a blue sky opportunity, we really are looking at one.”

**24** Back in his office in Shenzhen, Wang is foretelling the future of the consumer drone industry. In his words, DJI is a long way from reaching the level of perfection. The CEO openly acknowledges that his Phantom is “not a perfect product” and that some models have been known to fly away from users because of software malfunctions. “We do have room for improvement,” concedes Wang, who says that he’s adding to DJI’s 200-plus support staff.

(Adapted from *Forbes*, May 2015)

## GLOSSARY

drone (title)	<i>n.</i>	an aircraft without a pilot, controlled from the ground 无人机, 遥控无人驾驶飞机
aerial (para. 1)	<i>adj.</i>	in or moving through the air 空中的
rearguard (para. 2)	<i>adj.</i>	of or relating to resistance especially to sweeping social forces 抵抗的, 阻止的
blanket ban (para. 2)		comprehensive prohibition 完全禁止
robotics (para. 2)	<i>n.</i>	the study of how robots are made and used 机器人(制造与应用)学
plethora (para. 2)	<i>n.</i>	a very large number of something, usually more than you need 严重过剩
infatuation (para. 6)	<i>n.</i>	a strong feeling of love for someone or interest in something 醉心, 迷恋
covet (para. 6)	<i>v.</i>	have a very strong desire to have something 渴望, 垂涎

less-than-stellar (para. 7)	<i>adj.</i> not very satisfactory 不令人满意的
strife (para. 9)	<i>n.</i> angry or violent disagreement between two people or groups of people 冲突, 吵架, 不和
churn (para. 9)	<i>n.</i> upset or uneasy feelings, anger 愤怒, 剧烈不满
spurn (para. 9)	<i>v.</i> refuse to accept something or someone 摒弃, 唾弃
abrasive (para. 9)	<i>adj.</i> rude and unkind; acting in a way that may hurt other people's feelings 伤人感情的, 恼人的
chug (para. 10)	<i>v.</i> make slow but steady progress 缓慢而稳步地前进
penny-pincher (para. 10)	<i>n.</i> someone who is excessively careful with money 守财奴, 非常吝啬的人
confidant (para. 10)	<i>n.</i> a friend who you are able to discuss private problems with 密友, 知己
cinematography (para. 12)	<i>n.</i> the art or process of making movies 电影摄影术
paltry (para. 17)	<i>adj.</i> too small to be considered as important or useful 不足取的, 琐碎的
demur (para. 17)	<i>v.</i> say that you do not agree with something or that you refuse to do something 提出异议, 抗辩
emanate (para. 19)	<i>v.</i> come from or out of something 产生, 来自
affable (para. 20)	<i>adj.</i> pleasant, friendly and easy to talk to 和蔼可亲的, 友善的
humpback whale (para. 23)	a very large whale with a back shaped like a hump 座头鲸

## NOTES

1. Kodak (para. 1) 柯达公司 (全称为伊士曼柯达公司, 1888 年为消费者开发出了第一部简易相机)
2. Compaq (para. 1) 康柏公司 (电脑公司, 2002 年被惠普公司收购)
3. GoPro (para. 1) GoPro 相机 (一款小型可携带固定式防水防震相机)
4. *Game of Thrones* (para. 1) 《权力的游戏》(HBO 电视网制作推出的一部中世纪史诗奇幻题材的电视剧)
5. Silicon Valley (para. 19) 硅谷 (世界著名高科技产业区)



## EXERCISES

### I. Discuss with your partner and answer the following questions.

1. What are the two major challenges that DJI is facing?
2. Was Wang an excellent student at school?
3. What was Wang like in his senior year at the Hong Kong University of Science and Technology?
4. How did Wang fund his venture in his early years?
5. Who is Colin Guinn and what was his role in DJI?
6. What qualities do you think made Wang the DJI CEO?
7. What improvement do you think DJI has to make?
8. What do you think of the future of drones?

### II. Paraphrase the following sentences.

1. DJI faces the headwinds of cheaper rivals and rearguard bureaucrats at the Federal Aviation Administration (FAA)... (para. 2)
2. Wang's less-than-stellar academic performance thwarted his dream of landing at an elite American university. (para. 7)
3. Wang admits he can be an "abrasive perfectionist" and at the time managed to "piss [employees] off." (para. 9)
4. By May 2013, DJI attempted to buy out Guinn's stake in DJI North America, offering DJI Global shares that would have given the American a paltry 0.3% stake, according to court documents. (para. 17)
5. ...3D Robotics CEO Chris Anderson explains how his company is the Android to DJI's Apple. (para. 19)

### III. Translate the following sentences into Chinese.

1. With his circular glasses, tuft of chin stubble and golf cap that masks a receding hairline, Wang Tao, founder of DJI, cuts an unlikely front man for a new consumer tech powerhouse. (para. 3)
2. ...*Wired* editor Chris Anderson had started DIY Drones, a UAV-enthusiast message board, where users advocated for the move from single-rotor designs toward four-propeller quadcopters, which were cheaper and easier to program. (para. 11)
3. The company unveiled the Phantom in January 2013, the first ready-to-fly, preassembled quadcopter that could be up in the air within an hour of its unboxing and wouldn't break apart with its first crash. (para. 14)

4. Right now we're playing on their home field, so we're playing catch-up. (para. 20)
5. For all the drama between 3D Robotics and DJI, they face a common challenge in shaping public opinion and softening regulators. (para. 23)

#### IV. Translate the following paragraph into English.

无人机已经开始广泛应用于商业领域，如现场直播、受灾绘图以及农田监测。虽然大疆创新科技有限公司面临诸多困难和挑战，但其创始人汪滔对自己的无人机仍持乐观态度。截至2012年底，大疆已将软件、螺旋桨、机架、平衡环和远程控制等各部分整合为一个完整的无人机套装。不过，据汪滔讲，大疆要达到完美水平还有很长的路要走。这位首席执行官公开承认，他的精灵（Phantom）无人机“不是一件完美的产品”，有些型号会因为软件失灵飞离用户。无人机依然有改进的空间。



#### Questions for Discussion

1. Who or what is Frank Wang Tao currently fighting against? Do you think he stands a chance of winning the wars? Discuss the questions in groups.
2. Interview some of your classmates on whether they have dreamed of establishing their own business. If yes, ask them what business they are going to do and whether they are prepared for the fierce competitions they are about to face. If not, ask for reasons. Share your findings with your group or the entire class.

#### Case Study

Do you know any entrepreneurs who start their own business or have innovations that revive a dying company? Make a study of the case on their personal features, their academic backgrounds, career development and stories of their success and failures. You might also do some research on their chief competitors and their strategies against those competitors.



# TEXT B

## When an App Is Called Racist

*Andrew Marantz*

- 1 On August 7th of last year, *Crain's* ran an article about SketchFactor, an app that was set to launch the next day. It would allow users to report having seen or experienced something “sketchy” in a particular location; these reports would then be geotagged and overlaid on a Google map, creating a sketchiness heat map of a neighborhood or city. The idea was to help urban walkers be more street-smart, but the implications seemed insensitive at best, racist at worst. Allison McGuire, the app’s co-creator, had recently moved from Washington, D.C., to the West Village. Both she and her co-founder, Daniel Herrington, were white and in their twenties. At one point, the *Crain's* reporter asked McGuire whether her company “could be vulnerable to criticisms regarding the degree to which race is used to profile a neighborhood.”
- 2 “We understand that people will see this issue,” she said. Still, she argued, “sketchy” can mean many things. “As far as we’re concerned, racial profiling is ‘sketchy.’” She was confident that the app would reflect her good intentions.
- 3 A few hours later, *Gothamist* published a more pointed piece, under the headline “Tone-Deaf App Helps Naive Travelers Avoid ‘Sketchy’ Neighborhoods.” McGuire didn’t mind. “We were just excited to be mentioned somewhere else,” she told me recently. “Then I started getting texts and e-mails saying, ‘Have you seen the front page of Gawker?’” The headline there was more blunt: “Smiling Young White People Make App for Avoiding Black Neighborhoods.” There was a photograph of McGuire and Herrington, back to back, grinning. It probably didn’t help that the app’s icon was a black bubble with googly eyes.
- 4 The writer Jamelle Bouie tweeted, “Are you afraid of black people? Latinos? The poor? Then this app is just for you!” Maxwell Strachan, writing for the *Huffington Post*, pointed out some of the problems with establishing a “rating system based on the personal views of Americans, a people historically known to mask the occasional racist view behind words like

‘dangerous’—or, for that matter, ‘sketchy.’ Many people pointed out that the app, which was ostensibly designed to “empower everyone,” would, in practice, empower only people who owned smartphones. SketchFactor’s Twitter feed was inundated with such hashtags as #racist, #classist, and #gentrification. The next day, the same journalist at *Crain’s* wrote an article about the Internet’s “full-throated condemnation” of the company. “I was in shock,” McGuire said. “And the app wasn’t even live yet.”

- 5 SketchFactor never fully recovered. Businesses are path-dependent—what happens early has a disproportionately strong effect on what comes later—and this is especially true of businesses that rely on user-generated content. Unlike, say, a Web publication, whose tone can be set by its writers and commenters, the tenor of a social platform is largely determined by who is doing the socializing. SketchFactor was unexpectedly popular—it was, for a time, the third-most downloaded navigation app, behind Google Maps and Waze—but many of its first users were drawn in by the controversy. Some early “sketch reports” were actually pleas for the app to be taken down. Others were jokes (116th and Broadway: “pretentious undergrads”) or incomprehensible clutter (Atlanta: “This’s guy just kicked his dog ahhhhhhhhhhh”); still others were puerile outbursts or racist screeds. McGuire and her team encouraged users to downvote or report offensive posts, but they couldn’t remove them fast enough. Whether the idea was inherently racist or not, the app began to seem irredeemably toxic. The company released an update the following week and another one in October, but by winter they had stopped working on the app. In February of this year, they acknowledged that SketchFactor was not going to succeed. They decided to pivot.
- 6 Most companies pivot when they receive too little attention; SketchFactor’s pivot came after receiving too much negative attention. In February, McGuire changed her company’s name. (Had SketchFactor been named more innocuously in the first place, it might have attracted a different kind of audience; then again, it might have attracted no audience at all.) She and Herrington hired new staff and rebuilt around what she claimed was always her core proposition: making city streets more walkable.
- 7 As of today, SketchFactor is gone. The new app will be called Walc. It recently closed a half-million-dollar round of seed funding, and it will launch in the fall. In the new app, users will not be asked to submit reports, and sketchiness will not be mentioned.
- 8 Tech entrepreneurs like to talk about failure, but they usually do so in the gauzy, uplifting tone of teleological hubris. Successful entrepreneurs fail up. They fail better. They move fast and break things. Starting a company is difficult, but the travails that befall a founder—the “trough of sorrow,” for example—are mere way stations on the path to glory.



- 9 McGuire bristled at the suggestion that her company's pivot was a concession to public criticism. "We realized that we had built a social platform, and what we wanted to build was more of a utility," she told me. "So we corrected. It's that simple." She did not express any self-doubt, and she gave little credence to the notion that SketchFactor was racist. "I've only ever been about helping people," she said. "The fact that we were misconstrued was really painful for me." I asked whether she had ever considered moving out of the West Village—say, to Brooklyn, where "sketch reports" were more plentiful—to field-test the app, or to see how locals responded to it. She said that she hadn't.
- 10 When we spoke, in June, she referred to SketchFactor in the past tense; but it was still live in the Apple, Google, and Amazon app stores. Hundreds of people had downloaded it since February, and sketch reports continued to trickle in, like graffiti in a ghost town. I asked her why she hadn't removed the app. After all, it was not generating income—it cost nothing to download and contained no ads—and she did not plan to transfer SketchFactor's user data to Walc. Ed Smith, an entrepreneur who has launched a handful of major apps including the ride-sharing service Sidecar, told me that, if he were in a similar situation, he would take down any dormant app that had the potential to "hurt my brand." This is a "very simple" process, he said. "It can take just a few moments."
- 11 McGuire's explanation, essentially, was carelessness. "As soon as we decided we were pivoting, we just didn't touch SketchFactor at all. It takes time and energy and resources to do anything—editing it, pulling it, whatever. Our focus was on Walc." In general, entrepreneurs who are moving fast and breaking things are not always equally concerned about cleaning up after themselves.
- 12 As I talked to McGuire, I tried to gauge how chastened she felt. Was her pivot only an economic decision, or was it also an ethical one? Did she think of herself solely as a victim of cyberbullying, or could she understand why her critics saw her as a perpetrator of it? Those questions seemed to rest on another: Was SketchFactor just a failed business, or had it caused enduring harm?
- 13 One Friday a few weeks before my interview with McGuire, I walked through Bedford-Stuyvesant, a traditionally African-American neighborhood in Brooklyn that is undergoing rapid and contentious gentrification. I had SketchFactor open on my phone. On the map, my route was riddled with red bubbles, indicating a five on the app's one-to-five "sketchiness" scale. When I found myself at a location corresponding to one of the bubbles, I approached the people near me, showed them the map on my screen, and asked for their thoughts.

- 14 A young woman named Lupe Chino walked by, popped out her earbuds, and wrinkled her brow. Her companion Terrence Harper, a young man wearing a Billionaire Boys Club T-shirt, said, of the app, “Theoretically, it sounds good. If my friend tells me someplace is sketchy, I might listen. But a stranger?”
- 15 A man in his fifties, wearing a chocolate-colored chef’s apron, walked outside and introduced himself as Chef Jay, the proprietor of Brooklyn Stoops. “I know these people,” he said, gesturing toward Chino and Harper. “They come in all the time. I know they’re good people. But if you just look at an app and it says ‘sketchy,’ you’d just avoid a place without going to see it for yourself.”
- 16 Chino and Harper headed inside the restaurant. Chef Jay continued: “I’m from Harlem. I have four restaurants. I targeted this location a few years ago because I know this neighborhood is coming up. To me, an app talking about sketchy places? That’s basically judging people before you know them, which is pretty much the worst thing you can do, in my opinion. People can go on Yelp and find out whether I make the best chicken in this neighborhood. Which I do, by the way.”
- 17 In our interview, I asked McGuire where SketchFactor had gone wrong. “Was there anything you could have done differently?” I said. “Was there anything that I could have done differently?” she said. “To make Gawker not write what they wrote about me? No. I have no control over Gawker.”
- 18 I pointed out that the headline had referred to “Smiling Young White People”; if her co-founder had not been white, people might have seen her company differently. She changed the subject. Later, she said that, before she met Herrington, she had planned to found SketchFactor with two female friends. “One of them is gay and one of them is black,” she said. “We all had our own experiences, our own ideas about what we wanted to help people avoid in the streets.” I was surprised. I had read everything I could find about SketchFactor; if the company’s origin story included two other co-founders, this was the first I was hearing about it. I asked McGuire several times to share their names, or to make them available for comment, but she refused.
- 19 Some of the people I met in Bed-Stuy, and others on Twitter, had suggested that SketchFactor was a cynical attempt to profit from bigotry. It seemed to me that McGuire’s motives were innocent, or that she thought they were. Still, inadvertently or not, the app had played on racist stereotypes; and it might have reduced local businesses’ profits or poured fuel on the fire of gentrification. The concept of sketchiness is inseparable from prejudice: If American cities



were not riven by inequality and fear, there would have been no market for SketchFactor. In light of all this, it seemed that the best way for McGuire to fail up would be to acknowledge some culpability, and to promise that Walc would do better.

- 20** McGuire, who received unwelcome attention from Internet trolls, has reasons to feel aggrieved. Still, I was surprised at how she was choosing to frame her story. In the recent book *So You've Been Publicly Shamed*, the journalist Jon Ronson meets several people who have been brought low by online hordes. Some of them are indignant; others are self-lacerating. All of them, with one exception, offer some sort of apology. Not all of the apologies are good ones. The one offered by the monologist Mike Daisey, whose work conflated truth and fiction, is particularly evasive. But even Daisey, at one point, manages to spit out the words “I’m sorry.”
- 21** This was the first interview McGuire had granted in months. Setting it up had required weeks of negotiation. She had clearly spent time and money crafting a media plan; yet that plan did not seem to include a one-sentence apology, even a qualified one of the “I’m sorry you got upset” variety. Perhaps she had been advised to project unalloyed confidence. This seemed, at the very least, like a bad tactical decision.
- 22** Many tech founders appear to inhabit a world without accountability—if not above the law, then above the social convention. For all their talk of failed elevator pitches and failed redesigns and failed companies, they are loath to talk about interpersonal or moral failures, which are both more embarrassing and more important. As one entrepreneur, explicitly channelling the spirit of Steve Jobs, wrote on Medium, “Dive in. Do. Stop over-thinking it.” In this world, there are no bad ideas, only bad market fits.
- 23** In life, if not in business, not all ideas are good. Some cause real harm. Talking about race can be uncomfortable, and white people, who have the luxury to opt out of such conversations, often do so. It’s unpleasant to admit that you’ve made a mistake, and it takes work to do better in the future. It would be dangerous if the tech élite got into the habit of dismissing such work as weakness, or as a waste of time.

(Adapted from *The New Yorker*, July 2015)

## GLOSSARY

sketchy (para. 1)	<i>adj.</i> questionable, strange, uncomfortable, shady, weird 令人不舒服的
ostensibly (para. 4)	<i>adv.</i> from appearances alone 表面上
gentrification (para. 4)	<i>n.</i> a gradual process in which an area in bad condition where poor people live is changed by people with more money coming to live there and improving it 将日渐破败的市区改造为中产阶级居住区
puerile (para. 5)	<i>adj.</i> behaving in a silly way, not like an adult 孩子气的, 未成熟的
screed (para. 5)	<i>n.</i> a long piece of writing, especially one that is not very interesting 冗长而无意义的文章
pivot (para. 5)	<i>v.</i> turn or balance on a central point 转向, 转型
innocuously (para. 6)	<i>adv.</i> not offensively, dangerously, or harmfully 无恶意地, 无害地
proposition (para. 6)	<i>n.</i> a statement that consists of a carefully considered opinion or judgment 主张, 见解
teleological (para. 8)	<i>adj.</i> relating to or involving the explanation of phenomena in terms of the purpose they serve rather than of the cause by which they arise 目的论的
hubris (para. 8)	<i>n.</i> the fact of someone being too proud 傲慢
travail (para. 8)	<i>n.</i> an unpleasant experience or situation that involves a lot of hard work, difficulties, or suffering 困境, 必须努力的处境
trough (para. 8)	<i>n.</i> low area between two waves or ridges 波谷, 低谷
bristle (para. 9)	<i>v.</i> show anger, indignation, etc. 发怒
perpetrator (para. 12)	<i>n.</i> someone who does something morally wrong or illegal 犯罪者, 作恶者
bigotry (para. 19)	<i>n.</i> the possession or expression of strong, unreasonable prejudices or opinions 偏执, 顽固的偏见
inadvertently (para. 19)	<i>adv.</i> by accident 无意地, 偶然地
rive (para. 19)	<i>v.</i> divide because of disagreements, especially in a violent way 裂开, 破裂
culpability (para. 19)	<i>n.</i> responsibility for a fault 事故或问题的责任
self-lacerating (para. 20)	<i>adj.</i> criticizing oneself very strongly 自我批评的
accountability (para. 22)	<i>n.</i> responsibility for the effects of your actions 责任, 义务



## NOTES

Gawker (para. 3) 高客传媒（原为美国一八卦网站，已于2016年关闭）



## EXERCISES

### I. Decide whether the following statements are true (T) or false (F).

1. The critics of SketchFactor accused it of not providing enough information to help travelers avoid “sketchy” neighborhoods.
2. The author implies that if SketchFactor’s inventors are young black Americans, people will accept their design more easily.
3. If a business depends on the user-generated content, a good start is not very important to its success.
4. According to the author, McGuire did not take down the dormant app SketchFactor because she wanted more people to use it.
5. The author interviewed people in the street and found that the sketch reports revealed some truth.
6. The author disagrees with the conclusion that SketchFactor wanted to make money from offering racists’ ratings on streets.
7. There are good reasons for McGuire not to apologize for SketchFactor which upset many people, according to the author.
8. The author believes that moral and interpersonal features play a more significant role in the success or failure of a business.

### II. Translate the following sentences into Chinese.

1. The idea was to help urban walkers be more street-smart, but the implications seemed insensitive at best, racist at worst. (para. 1)
2. Starting a company is difficult, but the travails that befall a founder—the “trough of sorrow,” for example—are mere way stations on the path to glory. (para. 8)
3. In general, entrepreneurs who are moving fast and breaking things are not always equally concerned about cleaning up after themselves. (para. 11)
4. The concept of sketchiness is inseparable from prejudice: If American cities were not riven by inequality and fear, there would have been no market for SketchFactor. (para. 19)
5. Perhaps she had been advised to project unalloyed confidence. This seemed, at the very least, like a bad tactical decision. (para. 21)

### III. Translate the following paragraph into English.

SketchFactor是一款应用软件，使用者可以通过该应用报告在特定地点看到或经历的令人不适的事情。该应用因为使用了“令人不适 (sketchy)”这个会煽动种族歧视的词语而遭到诟病。许多人指出，该应用表面上用来“赋予每个人权利”，实际上仅仅赋予拥有智能手机的人以权利。自此，SketchFactor再也无法恢复元气。企业存在路径依赖——前面发生的事情对以后会产生重大影响，这种影响甚至不成比例——对于依靠用户原创内容的企业来说尤其如此。现在，SketchFactor已经不复存在。新的应用称为Walc。这说明即使是技术精英也要注意自己的产品不能伤害任何人群。

### IV. Research and discuss.

Work in groups and investigate one of your favorite local app development companies. Along their path to glory, how did they endure hardship, criticism and misunderstanding? Have they ever compromised their business goal for the sake of ethical standards? Collaborate on the report writing.