

# SUMMARY

BY ALYSSA BURNETTE

# SHOE DOG

BY PHIL KNIGHT



# **Summary of “Shoe Dog” by Phil Knight**

Written by Alyssa Burnette

Learn about the man who made Nike what it is  
today.



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# Introduction

Just do it.

Whether you like or wear Nike or not, everyone instantly associates their brand with that slogan. As mantras go, “just do it” is pretty electric and empowering. It eliminates your brain’s room for second-guessing and insecurity. It motivates you to reject hesitation and embrace action. So far from being passive on the side lines, “just do it” is active and invigorating. And, most importantly, it invokes the can-do spirit of a winner who knows they can accomplish their goals. Those are all the qualities that Phil Knight wanted his brand to embody and that’s what Nike has become. And over the course of this summary, we’ll learn more about Phil Knight, his vision, and how he found the courage to just do it.

# Phil Knight's BHAG

What do the self-help and business industries both have in common? For starters, both of these fields are founded on the belief that people can make change. Both entrepreneurs and self-help gurus believe that when people are given the right tools, they can change their lives and the world. But they also have something else in common: a simple acronym. The acronym “BHAG” (commonly pronounced bee-hag) is universal to both entrepreneurs and self-help authors. That acronym stands for “big hairy audacious goal” and entrepreneurs and self-help authors believe that everybody should have one. The term was first coined by author and motivational speaker Jim Collins and he defines a BHAG as “a compelling, long-term goal that is intriguing enough to inspire employees of an organization to take action.”

Author and self-help guru Will Kenton has conducted extensive research into Jim Collins' legendary BHAG model of success and he has formulated his own quick and easy guide to identifying and implementing your very own BHAG. In his guide, he summarizes a BHAG by affirming that: “a BHAG is a long-term goal that everyone in a company can understand and rally behind. BHAGs are meant to excite and energize people in a way that quarterly targets and lengthy missions statements often fail to.

The litmus test of a true BHAG is how it answers the following questions: does it stimulate forward progress? Does it create momentum? Does it get people going? Does it get people's juices flowing? Do they find it stimulating, exciting, adventurous? Are they willing to throw their creative talents and human energies into it? If the answers to these questions trend toward the affirmative, you may have a potential BHAG.” Kenton's guide does an admirable job of helping us identify a BHAG and it also provides a solid map for developing one for yourself. But now that we know a little more about what a BHAG is, it's time to take a closer look at Phil Knight's very own personal BHAG. And, to be honest, it was pretty big, hairy, and audacious for who Phil was at the time!

That's because Phil Knight wasn't always a smooth, cool entrepreneur. And he definitely wasn't always a "just do it" kind of guy. Instead, in 1962, he was as awkward, lost, and nervous as any other recent graduate wondering what to do with their future. In fact, by the time he graduated from business school, he didn't have any of the qualities you typically associate with a successful businessman. He wasn't slick and smooth-talking and he had not mastered the art of closing the deal. But he was great at coming with big ideas, even if those ideas weren't valued or appreciated by the people around him. And that was especially true when he thought it would be a great idea to import Japanese running shoes to the United States. Phil was a big fan of Japanese footwear and he was especially interested in a sneaker brand called Tiger that was made by Japanese company Onitsuka.

His passion for footwear began when he was an undergraduate student at the University of Oregon. During his time there, Phil was a member of the school's track and field team, and that's how he met track coach Bill Bowerman. Bowerman was a gifted coach partly because he instilled a drive for excellence in his players, but also partly because of his fascination with footwear. Bowerman believed that a competitive spirit and superior shoes were the two core ingredients that every runner needed to be successful. And in his commitment to this belief, Bowerman actually went as far as to partner with a local cobbler to design shoes. Phil Knight was the very first student to try one of Bowerman's legendary shoes and it improved his running abilities so much that the experience forever changed Knight's views about shoes.

In the spirit of his newfound passion, Phil threw himself into learning more about the relationship between track shoes and speed. When he started business school, he focused primarily on projects that were shoe-related. He also wrote an essay in which he theorized that America could improve their current model of production by ordering running shoes that were made in Japan, instead of Germany, which was the center of track shoe production at that time. Phil understood that this change could make a difference for two significant reasons: for one thing, it was cheaper to

produce running shoes in Japan than it was in Germany. But Phil had a theory that if American athletes discovered how cool the Japanese Tiger shoes were, you could create a market for Japanese sportswear in America.

But when he shared the idea with his friends, family, and mentors, no one was very receptive. Most people couldn't see a need for this type of product and his business school professors thought it would be impossible to develop such a niche market. But Phil felt certain that he was right. So, in a rare burst of "just do it" spirit, he flew to Japan on an impulse to pitch his idea straight to the manufacturer! Despite his bravery, however, he didn't have very high hopes for success. Although he was persistent in the pursuit of his dream, he had been told, "It will never work!" so many times that even he didn't really believe it would work. So, when he finished his presentation and the CEO of Onitsuka said it sounded like a great idea, Phil was blown away!

And when the CEO asked what company they would be partnering with, Phil had to think on his feet. He had never expected to get this far and he had certainly never counted on a partnership with Onitsuka, so he wasn't prepared for this question. On the spot, he made up a company that didn't yet exist: Blue Ribbon Sports. When Onitsuka agreed to provide 300 pairs of Tiger shoes for Blue Ribbon to distribute, an ecstatic Phil returned home to open a new company called Blue Ribbon Sports with his former coach Bill Bowerman as his business partner. Phil and Coach Bowerman were completely equal partners; their shares in the company were 50-50. And Blue Ribbon Sports opened for the first time in Eugene, Oregon, on Jan. 25, 1964.



# Shoe Dog

In this chapter, we'll get to learn more about the meaning behind this book's title. Because this is when Phil's story really begins to take off. Phil often joked that he started off as Bowerman's "shoe guinea pig" when he wore the first shoes that Bowerman designed. But as Blue Ribbon began to grow into an entity of its own, Phil took on a new role: the company shoe dog. Although "shoe guinea pig" is just a joke and not a thing that actually exists, "shoe dog" really is an industry term in the world of footwear!

Because he frequently received questions about the title of his book, the author quickly developed a comprehensive definition of the term. In the book and in multiple interviews, he explains that: "shoe dogs were people who devoted themselves wholly to the making, selling, buying, or designing of shoes. Lifers used the phrase cheerfully to describe other lifers, men and women who had toiled so long and hard in the shoe trade, they thought and talked about nothing else. It was an all-consuming mania, a recognizable psychological disorder, to care so much about insoles and outsoles, linings and welts, rivets and vamps." So, as we can see from this definition, Phil's role as Blue Ribbon's shoe dog played a significant part in his life and identity!

And, of course, it also played a big part in Blue Ribbon's success! Because Phil was obsessed with the relationship between speed and design, he was constantly looking for new ways to improve the shoes they sold. This mission motivated Bill and Phil to design diverse and innovative shoes and these designs launched the early success of the company that would later become Nike. Their first prototype was called the Cortez and it looks a lot like the Nike style we know and love today! Pure white with the signature Nike swoosh in bold red, the Cortez was an instant hit. People everywhere loved it! But that wasn't the only thing that made Blue Ribbon successful. In the next chapter, we'll learn more about the other factors that contributed to the success of Phil's company.

# Blue Ribbon's Unique Company Culture

When you're launching a new business, finding the right employees is critical. It's absolutely vital to connect with people who share your vision for your company and who can help you put your mission into action. And you can't do that by simply hiring the first person who answers your "help wanted" ad. Phil knew that and so he developed a more creative hiring process that was sure to connect him with the right people. Rather than looking for shiny corporate-style employees who were cookie-cutter copies of each other, Phil actively sought out the misunderstood creative geniuses. By populating his company with people who were driven by creativity, Phil created a company culture that was committed to thinking outside the box.

And because his employees prided themselves on thinking outside the box, they were more open to innovative ideas and creative problem-solving. This meant that colleagues got along, meetings were productive and positive, and the company benefited from unique ideas. Instead of trying to force employees to conform to some stuffy idea of professionalism, Phil gave his staff the freedom to be themselves. And because everyone felt free to be real and genuine, co-workers were able to appreciate the qualities that made each other unique. This also encouraged genuine collaboration and a free exchange of ideas and the entire company benefited from this positive and encouraging culture. But Phil wasn't content to simply create a good team and then stop; he was also committed to team-building exercises that would make his company stronger.

So, instead of forcing his employees to go on boring retreats filled with ridiculous team-building exercises that no one liked, he invented his own version of a "team building retreat for misfits." He called those retreats "Buttfaces!" (Because, of course, even the name had to be funny and unconventional!) During the "Buttfaces" retreats, colleagues were encouraged to get as drunk as they wanted and yell at each other or call each other names in a funny and lighthearted way. This type of team-building exercise genuinely worked because it encouraged everyone to

laugh at themselves and at each other. It created a sense of community, allowed everyone to let off some steam, and served as a good reminder that no member of the company should be allowed to take themselves too seriously.

This type of team-building exercise was genuinely helpful when it came to motivating and encouraging Phil's employees. But that wasn't his only strategy for boosting morale. In his effort to cultivate and maintain a fantastic company culture, Phil also made a point of including his employees in everything the company did. He knew how demoralizing it felt to work at a company that made you feel as though you were nothing more than a cog in a machine, so he worked hard to avoid that. For example, whenever he made a big decision-- like incorporating new products into their selection or deciding how a certain job would be done-- he asked his employees for their input. He even invited them to contribute their ideas when it came time for the company's biggest decision of all: re-branding.

After a few years, Phil reached a point where he felt that the name and vibe of Blue Ribbon had ceased to serve their company well. He wanted something fresh, bold, and energetic. Something that would inspire people to push their limits and find out what they could do. So, he turned to his employees for advice and that's when one of them-- a man named Jeff Johnson-- came up with the perfect solution. Jeff had been inspired by Greek mythology and so he approached Phil with a new name in mind: Nike. The rest, as they say, is history.

## Final Summary

Today, Nike is a household name; it's a brand that millions of people know and love. But Nike's success didn't happen overnight. In fact, before the brand Nike ever existed, there was a little store called Blue Ribbon Sports that was opened by one man with a dream. Inspired by his old track and field coach and his experience with Japanese footwear, Phil Knight included his former coach Bill Bowerman in his dream to launch a unique sportswear company. That dream motivated Phil to pursue an impromptu meeting with a Japanese CEO, to land a contract he never expected to get, and to create an innovative company that would inspire people all over the world. Without Phil Knight the shoe dog, Nike would not exist, and that's why Phil's story is so important.



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