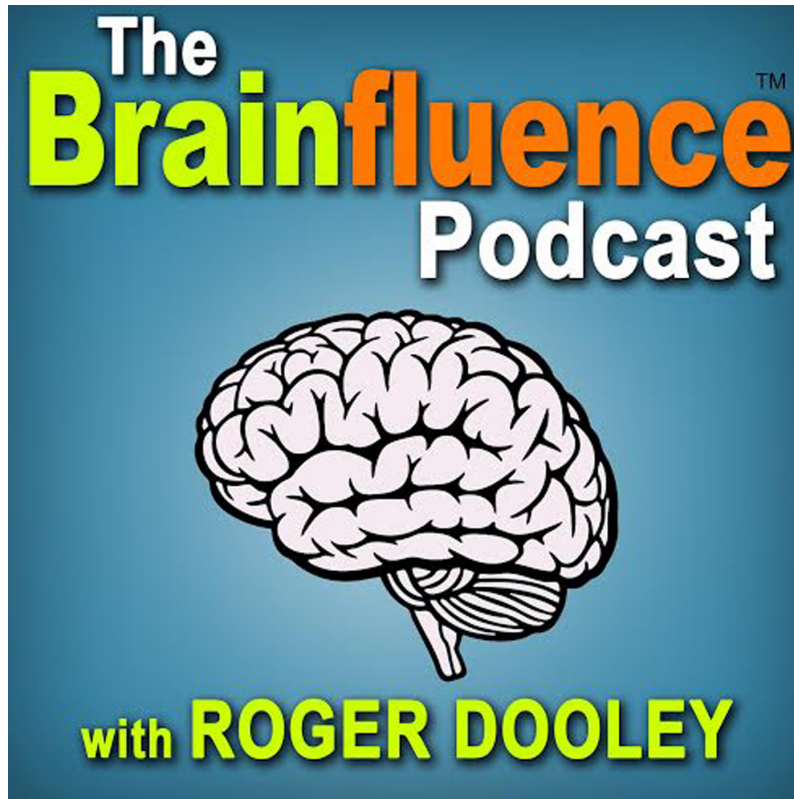


**Scientific Innovation and High-Tech Craft Whiskey**  
**with Doug Hall**

<https://www.rogerdooley.com/doug-hall-driving-eureka>



Full Episode Transcript

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**Roger Dooley**

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Welcome to Brainfluence, where author and international keynote speaker Roger Dooley has weekly conversations with thought leaders and world class experts. Every episode shows you how to improve your business with advice based on science or data.

Roger's new book, *Friction*, is published by McGraw Hill and is now available at Amazon, Barnes & Noble, and bookstores everywhere. Dr Robert Cialdini described the book as, "Blinding insight," and Nobel winner Dr. Richard Claimer said, "Reading Friction will arm any manager with a mental can of WD40."

To learn more, go to [RogerDooley.com/Friction](https://www.RogerDooley.com/Friction), or just visit the book seller of your choice.

Now, here's Roger.

Roger Dooley: Welcome to the Brainfluence podcast. I'm Roger Dooley.

Today's guest and I have a few things in common. We are both educated as chemical engineers, though neither one of us spent much time working in that field. We both don't like bureaucratic rules and procedures very much. And we both are whiskey fans. But Doug Hall has done more than just enjoy whiskey. He has founded Brain Brew Custom Whiskey. That alone would be worth having Doug on the show, but he's also a top expert in innovation. He's the founder of Eureka Ranch and the Innovative Engineering Institute, and he's the author of the new book, *Driving Eureka*. Doug, welcome to the show!

Doug Hall: Thank you for having me.

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# Scientific Innovation and High-Tech Craft Whiskey with Doug Hall

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Roger Dooley: Yeah, so, Doug, how did you go from being an innovation expert to whiskey distiller?

Doug Hall: Well, so, at the Eureka Ranch, we have Eureka Inventing where we help companies basically find and get to market big ideas. You know, big, patentable break-throughs. And then with Innovation Engineering, we teach them the systems for doing it, because we use a systems approach. And with Brain Brew ... You know, when we started teaching, I was concerned that people say, "Those that can't do, teach," is the shot to people taking them.

Roger Dooley: Sure.

Doug Hall: And I said, "Well, how about if I did this? How about if I took my money and I invented a new way to make whiskey, much faster, smarter, and higher quality?" And so thus was born Brain Brew, where we replicate seasons of aging and can make amazing whiskey in a very, very short period of time, having won all kinds of awards. I mean, double gold medals. Luxury whiskey, whether it's bourbon, whether it's a scotch style or whatever style it is.

Roger Dooley: How short is short?

Doug Hall: Forty minutes.

Roger Dooley: That's pretty short.

Doug Hall: It's just high precision. I mean, it's really, it's about precision maturation. It's that the interactions ... 70% of the flavor, going back to Chem E, 70% of the flavor is the interaction of the alcohol and the wood. And so what you have to do is very precisely, as it gets warm, the pores

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open up. As it gets cold, the whiskey comes out with the lignins from the wood. In my mind, it was the pulp and paper. It's basically the reverse of making paper. With paper, you throw the lignins away. With whiskey, you put the lignins in and there's a reaction. And it's managing that chemical reaction very, very precisely. If you're off by even a half PSI, you blow the batch. It's very intense, and it's 100% natural. No added colors. No added flavors. It is truly, literally, just making the same thing nature does but with much more quality control.

Roger Dooley: Yeah, well, it seems like that would be welcomed, perhaps by some in the whiskey industry. That's got to be one of the world's worst business models, particularly for more aged whiskeys, because you know, you've got to make the stuff now, and then it's going to sit in barrels for years and years. You don't get paid for that product until-

Doug Hall: Yeah.

Roger Dooley: If you're selling it, and for like, a 25-year whiskey, you're probably not even going to be around to be the one selling it. It's going to be your successor or that person's successor selling it.

Doug Hall: Cash flow wise, it's even worse because you have to literally have that capital tied up as cost of goods. I mean, I've sat and done the math, and unless you're the big companies stay rich, but for the poor craft guys, and we work with a lot of craft guys helping them make more money, you know, I've done the math. I've worked through the math with everything that we do, as I talk about in Driving Eureka. I do the math. I can't figure out

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how you can make math aging whiskey. By the time you put the cost of capital in, and the warehouse and the barrels, and what you've got to do, I just can't see the math. To get it to a luxury taste.

Now, I mean, you can get it to an okay taste. You can get it to a fine ... But if you want to truly make luxury whiskey, I mean, the really silky smooth, you know, with no bite, no burn ... Just that has the long finish to it, the math just doesn't work unless you're really, really big and have a whole lot of money.

Roger Dooley: Mm-hmm (affirmative). Yep. So are you getting some commercial uptake on this?

Doug Hall: Yeah. I mean, we're very young. We've got a partnership with Edrington, which makes the Macallan, and so we have a collaboration agreement where we own some products, and they're taking those products around the country. We've got other groups that are doing, just before I got on with you, I was talking with our partners over in Europe, and we've got ... I'm starting a company over in Europe that's going to do the UK and Europe after whatever happens with Brexit happens, which is just craziness. Going up to Canada. I've got, you know, probably a dozen partners that we're talking to right now, and we're just going to take a few this year, and then a few the next year, and the big thing that they're able to do and this is an example of business model change.

You know, the classic model is you sell it through the three-tier system into the store, and by the time you sell it to the store, the amount of money you make, it's a train

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wreck. Fortunately, many, whether it's Canadian provinces or countries or states in the US, have set up so that craft distillers get some special treatment, and many times, they can sell direct. And sometimes you do a lot better. Sometimes, they do just a little bit better. But they always do better than they would, and so we've got a process whereby consumers can come in, and as we say, everybody deserves their own whiskey. You know? Why drink the stuff that all those old, dead people do? Who have their names and bottles now? Why not make your own? And so you come through and you taste, corn, wheat, rye, and barley.

Think of it like deconstructing whiskey into the grains. New world style, old world style, and craft. And then you basically start to put it together. I'm going to take you back to the lab and ChemE. You're going to start to put it together to make your own whiskey. And then we make you your own custom blend of your bottle. And people love it.

Roger Dooley: Mm-hmm (affirmative)-

Doug Hall: Why drink everybody else's? Why not have your own? Which by the way, before Prohibition, that's the way it was. Cincinnati, something like 80% of the whiskey in America was made within a short distance of Cincinnati, pre-Prohibition because of the riverboats. And everybody had their own whiskey. There were 80 distilleries in Cincinnati, and most of them would blend it together. You'd go down, and there weren't brands. You'd go down and they'd make you one that you liked. We're just taking it back to that time.

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Roger Dooley: Well, that's great. I think that makes sense, too, because it seems like part of whiskey is psychological. People want the story behind it. I remember a few years ago, Jim Beam was going to drop the alcohol content in one of their primary whiskeys ... Was it Maker's Mark? I don't ... I think it might've been Maker's Mark by 3%, and they relied on taste tests that showed that people could not tell the difference, which I find fairly plausible, but you know, people really couldn't tell the difference. But when the word got out, everybody thought they tasted a difference, and they didn't ... They had visions that, "Well, now my whiskey is going to be watery." And it ended up being such a brouhaha that they backed off that change, at least for a while.

And I guess your approach says, "Well, okay. We don't have the story about sitting in barrels for 12 years and being smoked over peat fires and such. But you can have your own story that hey, this is your custom whiskey."

Doug Hall: I use some old world barley. I put in some new world rye because I like the element of this. Now, it's you telling your story as the creator. As opposed to telling the story of some old dead guy who made it 100 years ago or 50 years ago. You know, I mean, just think about ... If you think about it in that way, and I know I'm being crass, you know, I'm glad that they made their thing. But, you know, I want my own. Why do I have to drink yours? Why can't I have my own?

Roger Dooley: Right. I want to get to the innovation process, but one last question is like, if I visited one of your domestic partners in the U.S., I don't know if you have one in Texas, but if I

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visited one of them, what would a bottle of my whiskey cost me probably? What kind of range would I be looking at?

Doug Hall: Okay, so key to me is, we're making luxury spirits, and our standard is we have to be able to beat a product that costs twice as much by at least two-to-one. So our products sell for \$35, and what we do is we go against basically 70-75 or 100 dollar products, and when we can win two-to-one against someone whether it's a rye, whether it's a bourbon, or whatever it is, when we can win two-to-one, that's when we introduce a product.

Roger Dooley: Mm-hmm (affirmative)-

Doug Hall: And the idea is to give you the smoothness of a high-end product and bring it to the working man so that everybody can have it. Now, \$35, it's not cheap. It's a sipping product, generally. But you can still make cocktails with it if you want to do it. It's not going to break the bank for people. And that's just my personal thing is, is I want to be able to make it so that we can bring and democratize, you know, things, and frankly, down in Texas, you've got one of the rockstars of democratizing, which is Tito's.

Roger Dooley: Sure.

Doug Hall: That's what Tito's did. I mean, Tito's literally brought to the masses a great product. Now, I'm not selling it because it's cheap, and just like he doesn't sell it just because it's cheap. He makes an incredibly good quality product and it wins awards. He won unanimous choice in the San Francisco Spirits. We won the same award. Okay? So it's

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outstanding product, but he ... The desire, and I have not talked with him, but what I like about it is the idea of bringing, that everybody can have really high-end product that they can do. Now, it costs us a lot more to make whiskey than it does to make vodka, so we have to be higher, but we don't have to be up in the crazy prices.

Roger Dooley: Mm-hmm (affirmative)-

Doug Hall: I mean, that's just a personal decision. As a craft spirits company, I can do what I want. People can do anything they want to do. If our partners want to charge more, they can charge more. They can clearly get more for it. But I like the idea of sharing it with people. And that's kind of the craft way, you know.

Roger Dooley: Well, that's great. I love Tito's as a brand, as well. In fact, I've written about them. They did this really innovative campaign that I've used in some of my speeches and written about. They did vodka for dog people. Now, you think, well what do dogs have to do with vodka. Well, absolutely nothing. But they saw that there was this affinity group out there that they could create products that people would then say, pose their pets with and share so you can have your pet wearing a little Tito's sweater or they have other, like a toy thing and a water bowl or food bowl, and you know, people aren't going to post a picture of their vodka bottle most likely, but they'll definitely post a picture of their adorable little puppy wearing a Tito's sweater, and so to me, it's just a brilliant campaign, and even saying not vodka for dog lovers, but vodka for dog people.

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It's almost invoking what Cialdini would call unity, where you're part of the same group, you have a shared identity with those people. So to me, that, beyond whatever the quality of their vodka is, their marketing has really been brilliant, too.

Doug Hall: Sure. Sure. And that's cool. And that's wonderful. That's wonderful.

Roger Dooley: Yeah. So I want to spend a little bit of time at least talking about the innovation process and, you know, people generally assume, I think, that innovation either occurs somewhat randomly that an engineer or anybody is sort of thinking about a product or a problem and something boingo! You know, an idea comes into their head. Or maybe there's a team that often retreats somewhere, brainstorming. But you, overall, view innovation as a process. Sort of from the 40,000-foot view, explain what you mean by that.

Doug Hall: Our work is based off the work of Dr. W. Edwards Deming, who is the American statistician who went to Japan after World War II and taught the Japanese how to make the best quality cars on earth. And he did it by saying manufacturing is a system of interconnected parts, and of departments and groups, and that 94% of the problem with quality is the system, 6% is the worker. And when that doesn't go well, you mentioned bureaucracy later, the bureaucracy is the interconnection of departments who are out for themselves as opposed to for a common E. Well, Deming said that 3% of the opportunity lay in factories with systems thinking. What we've done is applied it to innovation, where he said 97%

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of the opportunity was, which is creating the future for the organization.

And so we've taken it, and what's held it back from application, because you've seen system thinking in LEAN and Six Sigma and that, and they've made a difference in those things, but people that don't believe me, go drive a 1965 Chevy and see how long it can go before it breaks down. It's a nightmare. And so-

Roger Dooley: Famously, at one point, the GM CEO said, "Well, we're not in the car business. We're in the making money business." Or something like that, which tells you pretty much what you need to know about the company at that point in time in one sentence.

Doug Hall: Well, and we have Toyota that uses innovation engineering to help them, I mean, which is very blessed. The Deming family, I'm with Kevin Cahill, the grandson who runs the Deming Institute. I'm staying at his house next weekend, and they've become good friends. As we're trying to bring it over here, and of course you run into the things where you have the gurus. Just like when I was in a paper mill, that was the guru who said, "You can't run this machine with systems. It's an art. I built this machine." You know, yeah, fine. You were wrong. Okay? It's just wrong.

And it's the same thing. You know, you have gurus. I was with some yesterday, and one of the marketing people said, "Well, you know, this is an art. I can do it." I said, "What's your success rate?" I mean, we have a 95%

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failure rate at large companies with innovations. I mean, I think we should blow it up. You know? Just saying.

And then one of them started to mumble and I said, "Are you saying that we're no dumber than anybody else? Is that what you're going to try to claim?" And he said, "No, no. No, no." And I said, "The fact of the matter is that we've got to make a better system. And you need to enable everybody to bring people in as part of this thing." And so what we've done is, what held it back was data. And so I went on a compulsive. Our Eureka inventing works with, you mentioned, Nike, Disney ... I mean, all the big companies. And what we did is we measured them. And we measured them during the process of creating, of communicating, and of taking those ideas to market.

And we codified the data, statistically reliable samples, and identified principles and processes that could do it, and then we started to build optimization, and this is going to blow peoples' minds, we run control charts, upward control limit, lower control limit, to reduce variation in the system. Yes. That's what we do. And we built that into our education. We reinvented how you teach innovation using a system called cycles to mastery that enables everybody to get it, reducing variation. It's not a matter of ... You've got people who get it and people who don't, so the people you pass and the people you flunk. Our system is designed to help everybody get it.

And so by applying systems thinking to it, the net result, so you say, "Why should I care?" The data says this: You can increase speed to market up to a factor of six. That's not six percent. That's 600%. While at the same time

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decreasing risk of failure by up to 80%, okay? So I mean, anybody can throw crap against the wall, but we're talking about getting you faster with less chance of failure. And that's what systems thinking does. And if you're familiar in the factory with process things, that's the kind of improvements factories realize when they applied systems thinking. So it's not a great boast to say increase speed up to a factor of six and decrease risk by up to 80%. That's not a great boast. That's called we really are doing systems thinking, and we've made, instead of a random gamble, into a reliable, reproducible system.

Roger Dooley: Mm-hmm (affirmative). Well, Dough, why don't you give me an example of how that would work with some particular product or project to be worked on, just to visualize why that had both a higher probability of success and got to market that much faster?

Doug Hall: Well, let's just use the one we've been talking about, because we've got all these whiskey people have all been referred now to this podcast. The whiskey is a classic example. Okay. Think about the average guy in Scotland making whiskey. He's got an idea. He goes to his boss. "I've got a really good idea for an awesome whiskey. Let's put it in barrels." Okay, 12 years goes by. That's kind of the average in Scotland, because it's cold. And he tastes it. "Ah, damn. I missed it. Okay, let's do another one." Twelve years. Okay?

We do 72 cycles in 7 days. Okay? And then rather than use our tastebuds, we cut the cost of statistical samples of consumers tasting the whiskey in taste tests by 95%. And that allowed us to run now over 500 quantitative taste

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tests, paired comparison, single product, to find out what is the taste that people really, really love? That's using rapid cycles of what Deming would call plan-do-study-act, or fail fast, fail cheap. Rapid cycles of learning, where you can create it, you can test it, you blow it up, you do it again. You do it again. You do it again. You do it again. And you use that iterative process to drive down the risk and to get yourself to something better.

And then we just used it recently to cut our costs by half. Because we said, "Okay, we got world class quality. Now how can I take the cost of leaving that product and cut it in half again?" And it took two weeks of cycles. They figured it out. That's how you do it, is with those rapid cycles of doing it, and you need to have research. You need to have data. You need to have clarity from a marketing standpoint, who's the customer? You know, and in our case, depending upon the product, it's either whiskey drinkers or whiskey wannabes, as we call them, and that's the kind of stuff that we're doing.

Roger Dooley: Mm-hmm (affirmative). Yeah. Doug, you were a brand manager at Procter & Gamble and then part of a two-person innovation team, and you got a performance review that cracked me up. I mean, it may not have cracked you up at the time because it wasn't universally positive, but among other things, you were criticized for not having enough tolerance for paperwork, memo writing, budgeting, and so on. And until you corrected these deficiencies, you probably had little chance of advancing in the organization. Now, I know at P & G, memo writing, in particular, was a unique art form. Is that

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when you knew that it might be getting to be time to move on?

Doug Hall: So, interestingly, no, not really. I mean, I knew what I was up against. I was using a systems approach, and with that team of just Eric Schultz and I, I mean, we shipped nine products in 12 months with a team of two. Not using ... Building the exact systems that we teach now and that are in that book, by the way. They were built, that's when they really were built. I understood that there is a mindset, but again, it depends on your aim of what you are trying to do. My goal was to be able to invent and ship big ideas, quicker, faster, smarter than anybody else.

Now, I understood that a big, bureaucratic organization, and a wonderful organization, Procter & Gamble, might not be able to do that. Or understand it. But I knew it would be of benefit to them, so when I started the company, customers are very easy to find because we can do that. And so I don't see them as a negative. I see them as a customer. And Procter & Gamble is still a customer today. And so the fact that they can't do ... I'm not here to get every one of those people to do it. If, see, you can't change ... The guy that wrote that, and bless him, he's since passed away, because that was quite a while ago, and he was a good guy. He was just of a different mindset. And I can't, I'm not here to change you, but when you are ready to change, I'm here to help you. If that makes any sense.

Roger Dooley: Right.

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Doug Hall: You're not going to change until you do. So many people go out there, and they're just like, "Oh, my boss is terrible." And I go, "No, your boss is your boss. It is what it is. Okay?" And we've taught people, if you don't have the boss's engagement, use the things that you're learning as you read the book or come to our classes ... We've got online classes and all that. In your sphere of influence, make your life better. If you can't get your boss, so what? No whining! Life's too short. I'm not interested in whining. And just use it in your sphere of influence and make your life better. Make it so that you can do your projects quicker, faster, and smarter.

Roger Dooley: Mm-hmm (affirmative). Yeah, in my new book, Friction, I spend a chapter or two on the evils of bureaucracy and the trillions of dollars wasted in corporate America by inefficient processes and meetings that don't get stuff done and rules and procedures that make more work and so on. It seems like bureaucracy and innovation are kind of inherently enemies. Is that true? Or not necessarily?

Doug Hall: Yes. But interestingly, the biggest use of innovation engineering, which is the courses that we teach on campus and that people can take, is on fixing bureaucracies. Because we apply what's called the Deming system of profound knowledge, where we make a system visible, identify variants, we quantify the variants, psychology, and then start cycles of learning, so yeah, we give them a step-by-step process for improving it, and the number one use of innovation engineering is not new products. It's fixing the bureaucracy because you have to fix the bureaucracy, fix the system, oftentimes before you can do the new products.

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Roger Dooley: Mm-hmm (affirmative). Well, that's really interesting, and can you share an example of sort of how you did that somewhere where perhaps you started with a rather rigid bureaucracy that was inefficient and managed to apply these processes to improve it?

Doug Hall: Yeah. We had a company that had a data capture system, where they would capture data for products. And these were some food products. And they had to capture data throughout the development process, and so there would be specs and customer specs and safety data and usage instructions and compositions, and there was a huge pile of data that had to be captured through this process. The system had a 98% of the things that came to the specs before it would be sent out to the bill of materials to purchasing and basically activate the system. Ninety-eight percent of them had fatal errors in them. And, you know, which is just like crazy.

And you had these people at the end, like Toyota and like Ford and Chrysler back in the 70s, trying to inspect end quality at the end of the process. And just a nightmare, you know? Because they knew that they were wrong and they had to try to figure out where it is.

Well, the first thing that we do is we make the system visible. We identify where the variation is. We went through the different things. We took them through the process that we do. And sure enough, the team figures out that the people down through the process ... It wasn't that they were dumb people, but they'd never been educated on even the inputs. And the way the inputs were described to them were not always consistent. So they

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were making mistakes and not even knowing they were doing it. So we improved the input processes. We improved the education of people all the way through the system. And, I mean, we're not there yet, but we've gone from 98% failure to now we're down in the 30 and 40% have an error in them, which may seem like not a lot, but it's a huge improvement.

But we've got a method for continually improving it, and every month, it's getting better. Every month it's getting better as we're finding, okay, where's the variance? Where are the errors coming in? Why is that happening? And sure enough, you go back through it and people don't screw up because they want to. They screw up because they don't know. They don't have the right tools. They don't have the right systems. And, you know, we're not far from this thing being right all the time. And the interesting thing was the inspectors at the end immediately went into a panic as it started to improve. Said, "Well, am I still going to have a job?" I mean, if they make this perfect, they're not going to need me here at the end. But I go, "Do you like your job?" They go, "No, it's terrible."

And so I worked with the CEO to assure them that if you fix this system, we'll get you, you'll be fine.

Roger Dooley: Mm-hmm (affirmative)-

Doug Hall: That's innovation, though, is inventing those solutions.

Roger Dooley: Mm-hmm (affirmative)-

Doug Hall: That's part of innovation is improving systems.

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Roger Dooley: Now, one thing that surprised me, Doug, was that you aren't necessarily a fan of Skunk Works as an innovation solution, and Skunk Works being a separate team that's set up sort of outside the corporation to do pretty much everything to bring a product to market. And why, what's the matter with Skunk Works?

Doug Hall: I was for a long time, but then the challenge with it is when we would do stuff through those, and I've done many of those over 40 years, eventually, it has to come back into the system, and it's just a cataclysmic disaster when it comes back into the system. And the CEO will say, "Oh, look at how brilliant these people are that have been working in this garage down the street." Or something. And the other people go, "Yeah, if we didn't have to deal with all the crap, we could be brilliant, too." And they just set up a we-they which in the long run is destructive. My approach now is let's fix the system. Why should only a few people have fun and everybody else have drudgery? It just doesn't seem right.

And because we now have a scalable system where they can take it across and they can teach and train and give them tools, there's no excuse for not doing that.

Roger Dooley: Mm-hmm (affirmative). And really, I think maybe by setting up a Skunk Works, you're acknowledging that your primary systems are awful, and you're not going to invest in fixing them.

Doug Hall: It's a public admission of incompetence.

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# Scientific Innovation and High-Tech Craft Whiskey with Doug Hall

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Roger Dooley: Yep. So, you have a concept you call meaningfully unique, as sort of a criterion for an innovation being valuable. Explain what you mean by meaningfully unique.

Doug Hall: Well, we had the building innovation engineering, you know, basic math, you have to have a dependent variable that is, that's the thing you're trying to do, and so you had to come on it. So Dr. Chris Dorman and I and a number of us had done a lot of research around tracking. We would take things and then track them in the marketplace and see what would happen. And you know, classically, if they were products, but the same works with systems, but if they were products, you'd ask how likely you are to buy it. And we found it correlated, but not great. We played with different variables, and what we found was if we asked people how likely they are to buy it, and at the same time then ask them how new and different they find it, and we weight these 60% purchase, 40% new and different, we actually get a better relationship of predicting what's going to happen.

And so now with that, meaningful uniqueness, it's meaningful, significant, of value, but unique, new to the world, can't get it anywhere else ... We suddenly had our 90 North, our direction for where we're trying to go, and we could build the rest of our systems designed to optimize and improve meaningful uniqueness of our ideas.

Roger Dooley: Mm-hmm (affirmative). And one of the characteristics, you say, is being able to charge a higher price for a product or service that's meaningfully unique and I guess that's sort of an indication that ... That's an indication of being

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meaningful. I know years ago, I worked for a big industrial company that made metal products, and it was basically a commodity product, and CEO tried to implement innovation in relatively small ways, improving the product, its function, maybe its suitability for the manufacturing process of the customers. And unfortunately, when push came to shove, despite the fact that there were these perhaps minor innovations, the customers weren't willing to pay more for them, and as a result, they didn't generate competitive advantage.

Doug Hall:

And so, and in fact, I've got data that shows that. So a little change, no ... The problem with most companies is they're living in a world where in the past, a little tiny difference would make a difference. Today, it's not worth the risk of changing. You need much more oomph on it, and it needs to be something they can't get anywhere else. It needs to be meaningful and unique. Just making it more meaningful, if I can get it somewhere else, it's still a commodity. The question is, meaningful, that I can't get anywhere else. Now, it's unique. We have things in our life that you spend more for because there's no other option for them. The challenge is is that in time, all of these things become commodities. We want to have something that we can't get anywhere else. That's what you're willing to pay.

Now, interestingly, you don't have to charge more money for it. You can charge the same price and just get massive volume. With my whiskeys at \$35, I sell ... I mean, I just got an email from somebody today that happened to be by the ranch. They came here, public trainings that we do at the Eureka Ranch, and he's like,

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"Man, I had that whiskey. I've got to have it. Where can I get a case of it?" And, you know, and he's like, "I'll drive anywhere to go get it." That's a meaningful, unique product.

Now, if I were charging him \$70 for it, he'd say, "That's a good product." But \$70, you know, maybe I'll get one or something. I mean, I'm going for volume. So, but I could charge a lot more money, and in fact, in competitions, we regularly get awards for the best value. I mean, we just regularly win best value because they go, "Oh my God, that's amazing product for the price." Again, that's Tito's. You know, give customers more. Whether it's a, we've got an ultra luxury product. We're going to do a \$50 product.

But this product is like a \$200 whiskey. It will blow your brains out when you taste it. It is amazing. Now, it costs us more to make and it's a lot more complicated, and it's not going to be an everyday product. But if you wanted that really special gift, at \$50, you know, keep it behind the bar. Keep it down underneath. Don't let the neighbors all get to it, but it's an amazing product. And again, that is still meaningful and unique.

Roger Dooley: Mm-hmm (affirmative). That's a great example. Doug, one last question. I know we've been talking quite a bit about larger organizations, but I know a lot of our listeners are in smaller, more entrepreneurial companies. How does innovation vary in that kind of environment?

Doug Hall: Well, you're talking about something that's very important to me. So we have our commercial business that works with the big multinationals, and the CBC, I'm Canadian

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American, and the Canadian Broadcasting Corporation called me a business Robin Hood. I take from the rich people so to help the smaller ones. And so we have a program where we help small businesses, and we give like a 90% scholarship on the cost of doing it. Kind of significant. Because to me, helping those small companies to be able to do it, the key is, small businesses can do amazing things. They just don't have the training and tools oftentimes to do it, and so you have to educate them.

But the other difference that you have to do is they wear a lot of hats. And so interestingly, in order to help keep the costs down and make it work, we've got a program in Ireland that's massively ... Most successful program with small businesses anywhere in the world, and we're rolling that out now to the U.S. Is you have to do it over time, and so we do a two-year program with quarterly on-site interventions to help push them along. And with digital tools and support because you know, a person, a big company, I can send somebody away for a week or two weeks, and they can do it, because they've got back-up and people can do it. Small companies, I can't take 10 people out of the place, you know, even for a couple of days. You shut it down.

And so we make it so that it's pulsed over time, and that they can work through it and they can do it, and we enable them, we give them incredibly good documentation and digital support, so that they can do it, and so you have to take, and the good news is that while the big companies are looking at the next quarter, the small companies, when it's your family business and as

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someone who's owned my own business for sadly 50 years, or it's great, 50 years, I don't know how you think about it ... You're thinking longer-term. I'm not thinking quarterly. I'm thinking long, long-term. And of course, I've had different businesses. I've sold and created new ones, but the fact of the matter is that I'm not looking at what happens this quarter, because I don't have to report to anybody because I can run it as smart or as stupid as I want. I'm thinking long-term, what I'm doing.

Roger Dooley: Mm-hmm (affirmative). Great. It's probably a good place to wrap up. Let me remind our listeners that we're speaking with Doug Hall, founder of Eureka Ranch, the Innovation Engineering Institute, and oddly enough, Brain Brew Custom Whiskey. We've been discussing his new book, Driving Eureka. Doug, how can people connect with you?

Doug Hall: Let's do a special bonus for your folks that are doing this. I mean DougHall.com, just D-O-U-G H-A-L-L dot com. That gets you to me, and from there you can get to the Eureka Ranch and Innovation Engineering, all that kind of stuff, so just go to that site. But as a special gift to those folks that are listening, if they go to DougHall.com/VIP, so D-O-U-G H-A-L-L dot com slash VIP, they'll be able to sign up. They'll get my newsletter, but I've also got a one-hour summary of the Driving Eureka book. So it's an audio summary, recorded by me. There's also a 10-hour one on Audible and all those places that you can get the complete, unabridged book on audio book if you want. But you can get the one-hour that you can download there. I've also got a wonderful assessment that you can use to benchmark where you are that we've developed

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over the last 30 years. And it gives you automated advice to be able to go do it.

And just as a special gift. DougHall.com/VIP, and you'll get yourself a bunch of cool stuff that can help you out. And if you want to take a course online or wherever, happy to help you.

Roger Dooley: Great. Well, that's awesome, Doug. We will link there and to any other resources we spoke about on the show notes page at RogerDooley.com/Podcast, and we'll have a text version of our conversation there, too. Doug, thanks for being on the show.

Doug Hall: Thank you so much.

Thank you for tuning into this episode of Brainfluence. To find more episodes like this one, and to access all of Roger's online writing and resources, the best starting point is RogerDooley.com.

And remember, Roger's new book, *Friction*, is now available at Amazon, Barnes and Noble, and book sellers everywhere. Bestselling author Dan Pink calls it, "An important read," and Wharton Professor Dr. Joana Berger said, "You'll understand Friction's power and how to harness it."

For more information or for links to Amazon and other sellers, go to [RogerDooley.com/Friction](http://www.RogerDooley.com/Friction).

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