

Code Camp 2012

Working For Equity: **Startup CEOs Share Lessons Learned**

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October 7, 2012

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Who's In The Audience?

□ Background

- Engineering / Development
- Design / User Experience
- Sales / Marketing / Business Development
- Other

Who's In The Audience?

- Employed But Entrepreneurially Curious
- Employed, Looking For Co-Founder
- Consulting Looking For a Co-Founder
- Unemployed, Looking For a Startup to Join
- Other

What Today's Session Is About

- Four Experienced Bootstrapping CEO's
 - Lenny Greenberg, Assistyx
 - Sam King, ExpressMango
 - Ruoting Sun, Temvi
 - Giacomo Vacca, Kinetic River
- Sharing Practical Lessons Learned
- Audience Participation

What Today's Session Is Not

- This Is Not Legal Advice
- This is Not Tax Advice
- Please Consult Professionals

It's Entrepreneurs Sharing Lessons Learned

Your Mileage May Vary



Audience Participation Is Key To This Entire Session

- Opening Remarks
- Four CEO Introductory Remarks
- This Will Leave 45 Minutes for Q&A

Sean Murphy



CEO SKMurphy, Inc.

- Entrepreneurial Approach To Life Since He Could Drive
- Consults On Technology Market Creation and New Technology Product Introduction

Focus: Early Customers & Early Revenue





Lenny Greenberg



CTO of Assityx, Inc.

- Serial Entrepreneur
- Award-winning TapToTalk App



4 Types of Business Events





Lessons Learned

- Listen to your customers
 - Don't discount their feedback, revise your plan as appropriate
 - Don't allow them to hijack your plan or lose your focus
- Customer buying habits are rapidly evolving
 - Understand how your customer buys products like yours
 - Make it easy.....
 - to find your product
 - to buy your product



Lessons Learned con't

- First impressions are everything
 - Take “hard to use” comments seriously
 - Provide excellent support
- Respond appropriately to business events
 - Be decisive!



Ruoting Sun



Co-founder Of Temvi, Inc.

- ❑ Social Discovery
- ❑ Heading A Team Of 5





Sweat > Light Bulbs

□ 1% ideation, 99% execution

- Best execution
 - **often** beats best technology
 - **always** beats best idea



□ Develop, release, measure, iterate

- Do it quickly
 - Cycle times absolutely matter
 - $V = M^N$

Operate Lean

□ Know the game

- Strategy — what game are we playing?
- Tactics — how do we win?
- Metrics — how do we keep score?



□ Prioritize

- ‘What are the next three things we need to do to get to where we need to be?’

Employer – Employee

□ Different departments have **different motivations**

- Know how to leverage them



□ Quantifying employee value

- Your network
- Your accomplishments
- Your talent
- Taking ownership

Sam King



Co-Founder Of Expressmango

- Social Networking Appointment System
 - Online Scheduling
 - Appointment Reminders
- Facebook Virtual Receptionist Helps Grow Your Business 24/7/365

Find your customer

- Find others who can give you honest check points for your idea.
 - Ideally that other person is a potential customer.
- Try calling them on the phone. If the idea is reasonable, you can get through

Just get started

- Don't expect others to tell you where to start
 - Useful to get a prototype out.
 - Not just a slide ware. It's boring.
- Make milestones on what you want to accomplish
 - How much is a needed for an alpha.
- You will have throw away code

Focus on customer and not the invention

- It's not about inventing but re-inventing.
- Be mindful that you don't keep changing on the idea.

Team work is the key

- Know who you want and need on the team
- Have disagreements but be open to accepting that you are wrong.
- The work must be fun to you.
- Your team believe in the story as much as you do.
- It makes the process of discovery easier, while it's still not easy.

How much money?

- You need some seed money or at least know where to get it.
- Keep the budget real.
 - Use the Cloud, it's a must.
 - Use fiverr.com for marketing and sales material.
- Pay others for their work.
- Be willing to go at it without pay for yourself.

It's work in progress

- Find customer who is willing to be your beta
- It's not about sales but about selling the idea.
 - The product is not ready until you have real customers using them.
- Testing the go to market method.

Status

- Working with the beta sites to test out the current product. 5 sites have been selected.
- Keep the message simple and easily for customers
- Adding collateral, website, sales script, training material
- Generate leads and prioritize the work
- Core team of 4; looking to expand

Giacomo Vacca



CEO Of Kinetic River, Corp.



- Harvard B.A./M.A.
- Stanford Applied Physics Ph.D.
- Optical engineer @ 2 SV startups
- Research Fellow, R&D Manager, and IP Manager @ Fortune 100 company
- Inventor, designer, entrepreneur
- Started Kinetic River in 2010, active in 2011; biomedical tech dev and consulting co.
- Interactive system simulations to accelerate product development

lessons learned 1: expectations



- If you're bootstrapping, expect to starve for a while
- Gain agreement of any relevant party (spouse, etc.)
- Starving is best done on an overfull stomach
- Or on a stomach that never knew fullness in the first place

lessons learned 2: it takes time



- It takes years to become newly known to a wide enough audience
- It takes a minimum of months to get anyone to do anything
- Any plan that requires things to happen like clockwork is doomed
- To execute, push things to go like clockwork or nothing gets done
- Don't ever *assume* others know what they're talking about; find out

lessons learned 3: learn the legalese



- Easier to lawyer your contracts into not being signed than to lawyer them into being fair
- Overlawyering your contracts *may or may not* protect you, but *will* drain your finances
- Work with lawyer(s) long enough to learn not to miss anything stupid
- Then do it yourself (understand your mileage may vary)
- Corollary: don't be paranoid, but don't assume that someone won't screw you

lessons learned 4: money



- Transition from employee to entrepreneur is a phase change
- Paychecks don't have a clue you goofed off 2 weeks; invoice payments know you took a 2-hour lunch break
- Getting clients requires an inordinate time investment
- Getting clients takes time away from serving existing clients
- If consulting as a bridge strategy, need 100's of identities to secure reasonable cash flow

Q&A

