Dr Spin, or the Tao of *Threes*

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[http://www.cl.cam.ac.uk/~jac22](http://www.cl.cam.ac.uk/~jac22)
Process - wrong!

• Found company[^]
• Have idea
• Make money/Get Acquired/IPO
Process - better

• Have thing (code, widget)
• Observe thing more useful than expected
• Find people using thing you didn’t even know
• Get 2 friends, and decide/divide work into three:
  • One business,
  • One tech lead,
  • One go-between

• Are you making money already?
If in doubt...

• Don’t do startup *(three downsides)*
  – Stress
  – Uncertainty
  – Pension

• Stay in the University
  – where you already have all those luxuries😊
Funds

• Do you actually need funds?
  • If you have income, then you don’t
  • Do you even need more than a consultancy?
• Do you need to hire an R&D team?
• Will you need a sales/marketing dweeb?
• Then you may need more money:
  • Insert Found company three boilerplate steps here:
    1. VC/Angel invester dosh – will expect names of customer
    2. Keep control (founders keep >51% control!)
    3. You will need a business plan, with projected income
• Remember 9/10 of startups fail to thrive[*]
  • Though 8/10 just end up zero sum (1 lose, 1 gains)
Take *three* goes

- Idea #1 Isn’t likely to be success
  - It just proved you had clue to VCs
- Idea #2 is also likely to fail
  - It was just part of your business plan
- Idea #3 is where things take off
  - Often is a boring component of idea #2
  - That turned out to be staggeringly useful
  - And not to hard to explain to real customers
  - Like idea #1 was
Three different ways to make it big

• Design/consult
  – Is respectable, reliable, and can make quite a bit

• Get noticed&acquired
  – Depends on timing
    • Too early or too late happen 8/10 times
  – Valuations based on team often (hence idea #1/#2 may be irrelevant]

• IPO
  – Is a whole different kettle of fish
  – Requires lots of legal/financial advice
Open Source

- Is no barrier to success, *three* ways
- People don’t generally steal your ideas
  - It’s cheaper to have you bugfix them
  - “move fast and break things” is terrible plan
  - Is source of consulting income (bespoke/custom)
Three IP mistakes

- Patents are a waste of time
  - literally, take your chief engineers off product
- Copyright (or copyleft) are free
  - No need to assert
- Trademarks are as important as band names
  - Led Zeppelin, The Beatles, The Band
  - Were not barriers to success
  - Any more than ibm, arm, uber
Q&A&B

• Questions....?
• No. Answers...?
• No. ok, so Beer[$$]?

[*] people at last week’s talk on PhDs – the success rate/outcome of those is opposite of startups – 8 out of 10 get corrections 😊


If you don’t believe me or them, ask Elon Musk

http://www.foundersatwork.com/

[^] actually this isn’t wrong, it is just much scarier

[$$] strong social bonds in your startup people are vital