Stanford eCorner

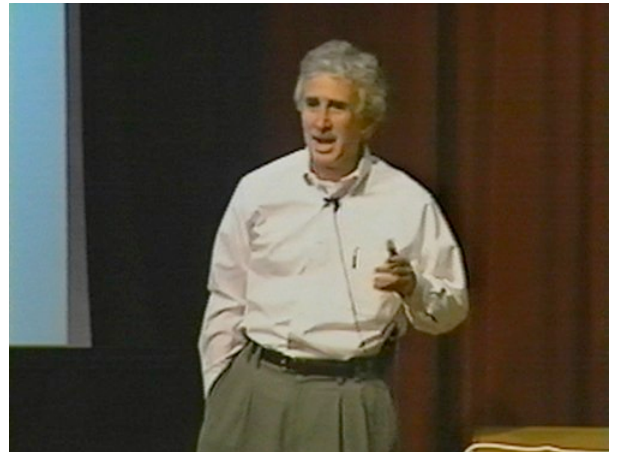## Was Finisar a Technology Looking for a Problem, or a Problem Looking for a Technology?

Frank Levinson, *Finisar Corporation*

October 31, 2001

Video URL: http://ecorner.stanford.edu/videos/669/Was-Finisar-a-Technology-Looking-for-a-Problem-or-a-Problem-Looking-for-a-Technology

Levinson discusses the starting point of Finisar, and why he founded it. He also talks about the initial months of the business and trying to make a profit.

Transcript

I was wondering when you started the company, did you find yourself as a technology looking for an interesting problem or an interesting problem looking for technology? Also, have you encountered that situation since? I like to think we knew what we were doing but to tell you the truth really, I was just ticked off where I was and it was time to go do something else. When I left that company, they became my first customer because I had been successful with them and I took a consulting relationship with them. The previous company I worked with was my second customer and they put in jobs with us and then we began getting more jobs. It's one of these myths. To start a company, it's really cash stressful. I started the company in February and we paid our first paycheck in August but we didn't pay me until October. We were profitable all those months. We had sales in March of $6,000 so that was our first full month. It takes a lot of cash because you're buying things and then you're applying them to problems and then you're sending invoices and then people get around to paying, and each of those steps is a couple of months so it's this long pipeline before the checks start coming back to you. But consulting relationships, doing things like that, so we spent a couple of years as doing contract engineering and then we spent what I like to think of as a couple of years making crummy products but thinking they were great and then we started making good products but it all came from listening to customers and going forward.