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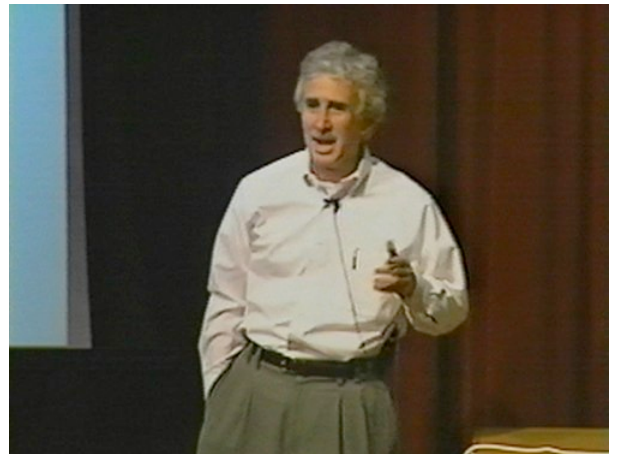
Importance of Family In Building a Start-up

Frank Levinson, *Finisar Corporation*

October 31, 2001

Video URL: <http://ecorner.stanford.edu/videos/676/Importance-of-Family-In-Building-a-Start-up>

When starting a company, it's important to tell your family that they'll rarely see you, says Levinson, and to tell them how important they are to the whole process. The stress involved with a startup is often mind-boggling, and the support of family can be the saving grace, he adds.



Transcript

You listed as number five on your list a supportive family. What events made you put your family there? You're sitting next to them. What did you say that was? I didn't see them come in. What things led up so that you put your family as number five on the list? Doing what you do and doing this growth like this, it really is stressful and you're going to come home sometime and say something that you don't want to be saying. You may not just say it to your wife who's supposed to be committed. You might say it to someone who's really too young to even understand why you're all upset. It's just important to try to get a balance that's going to work because at some point if you're successful, you're going to have all this money and you're going to want to share it with somebody and it's probably going to be them. Their support back matters. It's just not a perfect thing doing something like this. It's never like you read in the textbooks.

It's a grubby business. There's always little problems along the way. One year, I think it was year four or five, we had about \$2.5 million in sales and we took back, it was \$1.5 million or \$2 million, we took back \$750,000 of shipped product. It was all bad. I mean, we bought these lasers and they were dying and unfortunately, a Japanese company had built this whole sonic switch architecture on this product. I'm sure there are ceremonial knives on the senior management at that company's desks that says if you ever do business with Finisar, we require that you use us upon command. It was that bad. They sued us. We showed them pictures of our children without shoes on. So there are stressful times and your family is a great reservoir to drop on.

Keep them around.