



Stanford eCorner

The IPO is Not Guaranteed

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Video URL: <http://ecorner.stanford.edu/videos/1123/The-IPO-is-Not-Guaranteed>

There road is long between the foundation of a company and the IPO. If the IPO is the founder's purpose for starting a company, there is a great probability that the founder will be disappointed. Contrarily, NVIDIA's purpose has been and is to build a sustainable company that can make a difference in the world.



Transcript

The last thing that I learned is that the IPO is, in fact, non-guaranteed. At the time that you came up with the idea, the road between that idea to going public is such a long road that if that's the reason why you're doing it, you're going to have a very hard time. And for a lot of people that started companies or even companies that go public and then subsequently went out of business, if that is the purpose for you doing it, I think that you're going to find that you're going to be heartbroken many times along the way. And you're going to break the hearts of a lot of people who have trusted you and break the hearts of a lot of people who have followed you. So, you have to do it for the right reason. Now, I'm not sure what everybody's right reasons are. But certainly my right reason, the reason for me and I think the reason for our company, has been to build a company that is sustainable, build a company that is influential, build a company that is respected. And ultimately for us what it was all about was building a company that made a difference. And so, for us that was our reason and that was our reason that's good enough any day. Whether you're about to go out of business, that's a great reason.

Or you're on top of the world and your stock is trading and whatever it is, that's a great reason. Or the next day, when the investors decide that they no longer like your company although nothing fundamentally changed, that's also a great reason. So, you need to find yourself a reason that can survive the swings in the economy, the swings in the stock market and the swings in competition. And so, that's my last light.