



Stanford eCorner

Lucky or Brilliant?

Max Levchin, *Paypal*; Peter Thiel, *Paypal*

January 21, 2004

Video URL: <http://ecorner.stanford.edu/videos/1021/Lucky-or-Brilliant>

Entrepreneurs generally describe themselves as either unlucky or brilliant, depending on whether or not they were successful. Since the company can never be founded again, Peter Thiel says it is hard to know whether they were in fact brilliant or merely lucky with Paypal. He does say that they were at the right place at the right time, but undoubtedly did many right things along the process as well.



Transcript

It's always unclear how one should go through these presentations and what lessons to draw. It's often hard to know whether in starting one of these things whenever people talk about starting a company and talk about it afterwards people often describe themselves as being either very unlucky or very brilliant. You generally don't have too many people who describe themselves as being either stupid or lucky but one assumes that there's actually some sort of a distribution of things and it's always hard to know what kind of lessons to draw because you can't really run an experiment on one of these companies twice. So it's hard to know whether we were brilliant and if we would have done this a thousand times would we be successful every single time or whether we were incredibly lucky and was this incredible fluke? I like to describe us as having been some ways quite fortunate. We were at the right time, the right place but then I like to think I did a few things right in that process and instead of sort of going through this formal theoretical presentation about how to start companies, I thought it might be better just to interactively talk a little about how PayPal got started, how we pulled it together and make it more anecdotal because as I said it's not an experiment, it's not something one can rerun multiple times, it's more of a single story that I think it's worth stands on its own terms. How do we start?