



## Stanford eCorner

### Paypal Cofounders Met in Terman at a Seminar

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

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Video URL: <http://ecorner.stanford.edu/videos/1022/Paypal-Cofounders-Met-in-Terman-at-a-Seminar>

Max met Peter at a free lecture on the currency market held in Terman. The lecture only had six attendees and Max approached Peter afterwards to tell him he was going to start a company. Peter had lots of friends that had been involved in startups, most of which had blown up catastrophically. Still, they were eager to try it themselves. Peter had experience in finance and Max had experience in crypto, and after a great deal of brainstorming, they decided to do something with encrypted money.



#### Transcript

As I was driving here, not a Stanford that I am I was as always lost in Stanford campus even though I spent the last five years living across the street from Stanford literally so it shows how much free time I had. As I was calling Peter for directions, he told me that he realized that this is the building where we met. So it's actually a very auspicious place perhaps although we didn't meet in this room, I think we met in a room upstairs and the room upstairs was being used by Peter to give a talk on financial markets and currency trading and I basically went there because I just moved to Palo Alto from Champaign Urbana which is where I went to school and pretty much was bumming around during the summer just trying to see what to do next with my life. So I went to see this guy Peter Thiel who was giving a free lecture or a free talk about currency markets and figured it will be like a filled auditorium but actually turned out to be a lecture with six people in it. So it was fairly easy to make contact afterwards and since I was sort of the right combination of jumpy to do something new and just bored enough to talk to anyone who could listen, I came up to this guy and said, "Hi, I'm this guy Max. I've been in Silicon Valley for the last five days and I'm going to start a new company and how are you doing?" and that's the beginning, my version of the story. At that time I decided that this was in 1998, I was running a small fund and I was thinking that the best thing at the time to do was to start a company in Silicon Valley and a bunch of my friends have started companies and all these crazy different stuff that happens. I have been involved in a variety of companies that have sort of blown up in catastrophic ways where people team up and they started the company and it was sort of like marrying the first person one met at the slot machine in Las Vegas; you might hit the jackpot but chances were things would just blow up catastrophically and all sorts of bizarre things where in a matter of weeks everybody hated everybody else in the company and they might have great business plans but didn't matter at all. I thought it made sense to try to get involve a little bit more in getting in one of these businesses started at the very beginning and that fall, Max and I spent a lot of time brainstorming different ideas on different types of markets. Max wanted to do something with crypto, I have done a lot of work on encryption technology, I wanted to do something with finance and we finally decided that we wanted to try to do something with encrypted money on Palm Pilots; we thought this was going to be the future of the world and the two of us jointly started this company called Confinity, initially Feelink but renamed Confinity in December of 1998.