



Stanford eCorner

Matching Interest with Business Opportunities

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Video URL: <http://ecorner.stanford.edu/videos/850/Matching-Interest-with-Business-Opportunities>

Mandelbaum moved into the outdoor toy market because she loves sports and outdoor games. She is thriving at Monitor because they focus on companies that have developed innovative applications for technologies that exist, rather than brave new world startups.



Transcript

One of the reasons I joined Monitor actually is because what they're focused on doing are applications so we're looking for technologies that exist and it might have been somewhere else within Monitor like the technology commercialization group but we're not necessarily looking for brave new world type ideas. It's like there's a technology and now how do we address the market risk? So a lot of times venture people will look at management risk, technology risk, financial risk and market risk. And the one that we think we can really address well is market risk. So put a case team on figuring out what are the right markets to go after, and so what typically happens in startups is that A round so let's say you raised \$10 million in an A round, \$4 million will go towards perhaps pursuing incorrect markets. There's nothing wrong with that. You learn a lot from it. But I think you can save time and move your company faster if you really look at the right markets, so then another side of your question, doing stuff you're passionate about. I was working on griddles. I was a vegetarian. It was the most ridiculous product to be working on.

I mean it's just million-dollar griddles that made hamburgers. I mean it was ridiculous. So there I was thinking gosh, kids spend too much time indoors. Wouldn't it be great to start a company that created outdoor sport toys? I love sports. You heard that. It sounded great. My partner Brendan thought that was a great idea. We came out with a football that threw a perfect spiral every time. This is great. Well, then, we find out that's \$100 million category, not going to be a big business so we start looking at the entire toy market.

I knew nothing about the toy business. I didn't know one person in the toy business. We're talking like this was a really bad decision how we ever even started this company but I was passionate about it. I thought what a great thing to get kids outdoors and I love kids. It turned out that company was really successful. So it can work. I'm just saying that you save time and you could potentially make more money if that's one of your goals to really look at it really clearly without all of those little blinders on.