



## Stanford eCorner

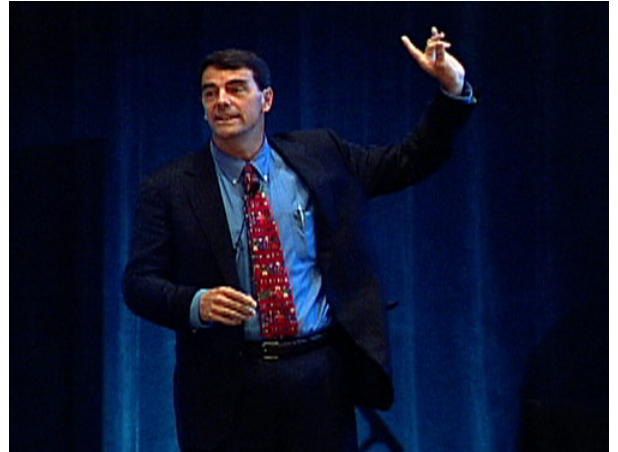
### Increasing Pace of Technical and Entrepreneurial Change

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Video URL: <http://ecorner.stanford.edu/videos/1900/Increasing-Pace-of-Technical-and-Entrepreneurial-Change>

Tim Draper, Partner at Draper Fisher Jurvetson, argues that the pace of technical change and adoption is increasing. This increasing rate of change is driven both by a growing customer base connected to the Internet as well as the growing number of entrepreneurs who are able to participate in global markets from anywhere in the world.



#### Transcript

So we are at a really interesting time in the world. Technology always moves exponentially. If you think about it evolution, computation, storage, bandwidth, Internet, genes mapped, MRI scan resolution, they are moving exponentially. All of these technologies have continued on this very fast growth past and that was predicted by Moore's law that a \$1000 worth of computing power would double every 18 months. But if you look at this curve, Moore was pessimistic. Everyone else used to think he was optimistic: "Oh no it will never double every 18 months." But it has. But look what happens. It's accelerating. So even the exponential is starting to accelerate. It's happening.

This is a slide of Internet growth. This is hotmail subscriber growth. Hotmail was the fastest growing consumer adoption company in the entire world to date. Then what happens there were three others that came along and many, many more since, where ICQ came along and then Kazaa and then the curves, each one became more of an accelerated curve. So what's happening there is for one thing there will be more and more of these lines and they will accelerate faster and faster and faster. And that is because when Hotmail got started there were only 100,000 computers in India but now there are many more computers. Now there are a billion internet connections. There are two billion cell phone connections. So if you are an entrepreneur and you come up with something that adds a little software to a cell phone and it spreads very quickly it can end up being worth a lot of money in a very short period of time. Another way to look at this is HP took 40 years to become a billion dollar company, Microsoft took 15, Oracle took 9, Yahoo! took 2, Skype was worth about a billion dollars in 6 months so you can create an incredible amount of value in a really short time and it's going to happen more and more and more and faster and faster and faster and there is going to be an enormous amount of wealth as time goes on because that's that the only thing.

It's not just that the customer base is growing, it's that the entrepreneurial base is growing. There are more entrepreneurs. It used to be you were isolated to these two geographic regions and then it started to move to other places around the U.S. and then once everybody had a search engine they could find, people can start businesses anywhere. And as that entrepreneurial availability continues to grow, these lines are going to be steeper and steeper and steeper and there is going to be an awful lot of wealth created by entrepreneurs like you.