



Stanford eCorner

Comparing Start-Ups to Fortune 500

John Melo, *Amyris Biotechnologies*

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Having worked both for Big Oil and for start-up companies, Amyris Biotechnologies CEO John Melo compares the work environment of the two - particularly when it comes to seeking capital. But the start-up environment offers a unique lure, says Melo - the potential to be on the right side of environmental change. In addition, the Amyris founders, the investors interested in scientific progress, and the potential for technological innovation were all powerful magnets pulling him from the large corporate environment.



Transcript

How did you get to be interested in this? What convinced you to leave what I'm assuming was a very cushy job at BP? They have a lot of money there, don't they? That's exactly right, Michael. It's funny. When I was at BP, people always asked me. I had a different background with the most folks at BP, so they always ask me, "John, what was it like being at startups?" I used to explain to them the big difference is, in startups, I spent most of my time begging for money. Inside of BP, you don't have to beg for money. It's actually interesting. But there's actually an interesting way to relate to it because the folks that grew up inside BP, they used to complain that BP asks for extensive business cases to allocate capital. I thought compared to trying to convince a VC to give you capital, doing a business case inside of a big corporation like BP is actually pretty easy. Convincing them to allocate capital isn't that hard. So to me, that's the big difference.

I didn't have to beg for capital inside of BP. What attracted me to leave BP was John Brown had a lot of influence on my thinking about the environment. John had a very simple perspective on this. John's view was we could debate climate change all day long, and the reality is, from his perspective, it's not like there's a completely underpinned case for climate change, and the facts aren't all clear. However, this was one argument he wouldn't want to be on the wrong side of. For me, that had a big impact. If you think there's a shot that climate change is for real, why wouldn't you want to do your part to make a difference? That, to me, was as simplistic as it sounds, the most compelling argument. It's really easy. Today, my kids. It's amazing how my 10-year-old is more focused on doing the right thing than I know I've ever been.

So you think about that and you say there is something happening here, and I don't want to be on the wrong side of it. This became an interesting opportunity to make a difference even though the difference initially - - when I left BP, I did not know whether or not there was a fuels business here or whether or not it was the fuels business that was worth chasing. It wasn't even part of it. It really comes down to three things that drove me to join Amyris. One was the founders and the people at Amyris. It really blew me away where I could walk through a company and to an employee, there wasn't one person who didn't have a common purpose for being in that building. That was completely unlike anything I experienced at BP. At BP, there was a category or a segment of people inside BP that were there because they were on the edge of 50. That's kind of the worse environment you can work in. So to have a company where everybody in that company had a purpose, and it was a common purpose, I found very very compelling.

I think the second thing was the founders and the investors. It was a fantastic set of investors, and the founders convinced me that they were in it for the right reasons. They didn't even think about an IPO. They didn't even think about valuation. Their

whole focus was, "We're here to do great science, and we could make a difference with it." That was extremely compelling. The third thing was I was very motivated or excited about the technology. I'm a technologist at heart even though I'm not a scientist or a chemist. However, technology and the opportunity to really change the world through technology has always been a key driver for the things I've done in life, and this was definitely in the sweet spot.