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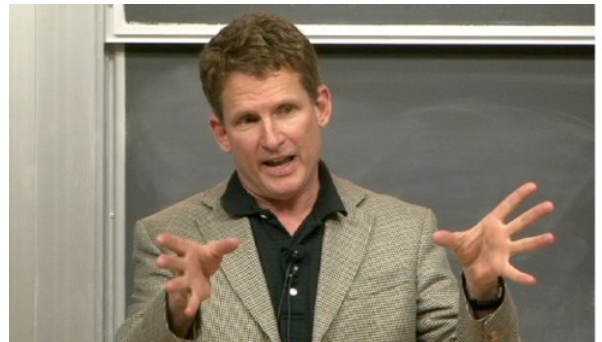
### Believe in the Value of Investors

Hugh Martin, *Pacific Biosciences*

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Video URL: <http://ecorner.stanford.edu/videos/2147/Believe-in-the-Value-of-Investors>

Hugh Martin, Chairman and CEO of Pacific Biosciences, advises entrepreneurs to avoid a common pitfall when it comes to the entrepreneur/VC relationship: Instead of viewing your board as an obstacle to be managed, think of them as a valuable resource and catalyst for opportunity. If you pick the right venture capitalists, they can easily be the greatest asset that your growing business can have.



#### Transcript

We got to be very lucky and attracted two quite famous in the venture community entrepreneurs; one was a guy named Art Rock. Many people don't know Art, but he was the first money into Apple and to Intel and to Teledyne; he is quite a famous venture capitalist. So we got Art Rock on the board and Bill Hambert from Hambert & Quist. So this was a gold-plated board for the four of us. But the second lesson is we had this gold-plated board but we constantly were viewing them as protagonists. We always felt, how do we minimize the dilution? How do we make sure that they don't quite understand where we are because things may go wrong? And we viewed them sort of as something to be managed instead of as an asset that can really help you out, and I'll come back with a couple more examples, but it's a classic mistake that I've seen many entrepreneurs do. The venture guys, if you've picked good ones, can be one of the biggest assets that you can have.