



## Stanford eCorner

### Soliciting Feedback, Not Funding

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Video URL: <http://ecorner.stanford.edu/videos/2155/Soliciting-Feedback-Not-Funding>

After seeking interest in their product from industry players such as Technorati, KPCB, and Yahoo!, Josh Schwarzapel, Product Manager for Cooliris, and Soujanya Bhumkar, CEO for the company, recall how the founding team investigated how their technology could enhance the Internet landscape at large. Pitching Cooliris was not a one-time event, but a slow and steady process that picked up traction and slowly roused interest over time. Their case study proves the old adage that if you ask for advice, you get money, and if you ask for money, you get advice. Feedback, rather than funding, was the founders' initial pursuit. Ultimately, the start-up was able to garner both.



#### Transcript

It's a progressive process and a lot of credit to Soujanya for pushing us on this. It was all about going out and getting feedback repetitively. So we started out by meeting different potential partners. We met with the CEO of Technorati, we met with people at Yahoo!. And it was really all about getting feedback, "How do you see this fitting in with your business? How do you see this fitting in with your user base?" And at one point Soujanya had a contact at Kleiner Perkins named Ajit. Again, same kind of thing. We said, "We wanted to pitch our business model", at the time and we went in got some feedback from him and that got him excited. And then, another partner at Kleiner Perkins, Randy Komisar, who many of you may know from E145, saw it, set up yet another feedback meeting who Austin and I, we'd taken classes with. Then he really caught wind of the bigger vision and really saw it. So again, it wasn't like one day we've arrived.

It was progressively going out and getting feedback from different people. And then eventually it started to pick up traction. Tina Seelig: Did you actually have a product? Did you have something to show or was it just an idea at that stage? Soujanya Bhumkar: We did have a product. Basically, we had launched the first product. We had some data to show in terms of what the usability is, what people are using it for, some stats to go along with it. Obviously, we had not raised a penny for a year and a half so the cost side looked very favorable. It wasn't we incurred variable cost and we had to buy 20,000 servers to do this. And then the business model, we had great brainstorming sessions. So I think one of the main things that we had done along with a couple of other folks was continue and try on iterating on the early consequences where all that can be done. And Austin has a big product vision that we need to say, "We can take it this way or we can go that way or we can take it the other way around." So it really is all about basically making sure that we had the right pieces together.

We did not have every single - I have never written a business plan myself. I don't know if anybody writes business plans anymore. I think it's just a slide deck. And what Josh is referring to is we basically used to keep on talking to the VCs and the investment committee because we ourselves were investing our time. And I think time is just as big of an asset as capital is. And we would always like to run so cross checks, so we never really pitched to say we were raising financing. But we would

say, "We would love to get your feedback." And obviously if it was interesting for them, they were going to say, "We would like to invest." Tina Seelig: I love that. I love this old saying, like, "If you ask for money, you get advice. If you ask for advice, you get money." So you basically learned that. Soujanya Bhumkar: We didn't know about that saying but I think that's how it worked out.