



Stanford eCorner

Forgo the NDA: Find Support Where You Can

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Jeff Hawkins, Founder of Numenta, encourages entrepreneurs to involve people in their problems and to solicit as many qualified opinions as they can. Don't get tangled in product secrecy and idea ownership at the expense of gaining quality feedback. Instead, he says, be happy that anyone is willing to listen to your ideas and offer the benefit of their expertise. And when it comes to investors, have them involved as much as possible so that they, too, can share the weight of the worry.



Transcript

The third thing, and I've already alluded to this a bit here, is you really need to - in my case I found it very, very helpful to get support from people. Involve people in your problems. So many entrepreneurs sit down and say, "Ok, I've got this idea I'm going to keep it secret." Right? I can't tell you how many people to come to me and say, "I want your advice, Jeff. You're a successful entrepreneur, I want your advice. But I need you to sign this NDA, or I can't tell you what the product is." What, are you crazy? You should be telling everybody what you are doing. You're trying to get anybody to listen to you, you should be happy about that. My favorite story - I'll probably get in trouble saying this on tape. But anyway, a good friend of mine is Dean Kamen, brilliant guy, a really amazing guy. I don't know if you know him. He's an incredible inventor and he was the guy who invented that wheelchair and this infusion device for diabetics and he also did the Segway.

Well, before the Segway came out, Dean called me up and said, "Jeff, I want to come talk to you about a new product." So he brought this whole team from his new company, which was unnamed, which turned out to be Segway. And they showed up in my office one day, like eight of them, and they said, "Ok, Jeff we're going to grill you about how you introduce a consumer product." I said "Ok, what's the product?" "I can't tell you." And I said, "What category is this in?" "We can't tell you." "Well, can you say anything about this product?" "No, we can't tell you anything about the product but we want to know keys to success." And like, they say it's going to be expensive, Oh great, that's really helpful. So I couldn't really give them any advice. If they'd just told me that it was a two-wheeled thing like this, I could have had a whole bunch of ideas. I would say, "You know what, you have trouble here, you have trouble here, you're going to here." It's like this. I always have ideas. As soon as I saw it, I said you should have told me this. But people get wrapped up in secrecy. And now people are like "Oh, these good ideas, sign my NDA." I'm not going to sign your NDA. You're lucky if I look at your business plan.

I'll give you my advice but don't be secret about it. You want to involve as many people as possible. There are some exceptions to that, of course, if you're getting close to launching a particular product and you can't say what it is. But in general you want to enlist people. The only thing that you want to get is as many people helping you as possible. I already mentioned the VC's. When I started working with VC's I said, you guys are on my team. I need to be able to call you everyday. I want you to answer my call everyday. I want you to come down here when we got problems, and they did that.

And so many entrepreneurs think like it's me versus the VC's, I'm not going to tell them this, I'm going to tell them that. What you really want to do is you want them to put as much money into your company as much as possible so they are worrying more than you.