



# Stanford eCorner

## Five Solid Startup Lessons

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Having started Box.net in his college dorm room, CEO Aaron Levie has learned some valuable lessons. In this clip, Levie elaborates on five lessons: 1) Do something that was not possible three years ago, 2) Do something you are extremely passionate about, 3) Don't compromise, 4) If you feel comfortable, you're probably not doing it right, and 5) Don't write your obituary too early.



### Transcript

So, lesson 1, do something that wasn't possible three years ago. Pretty much, if you're looking at a business opportunity that you could have done 5 or 10 years ago, it might be too late or might not be different enough to making a lot of people care. And that's ultimately what it takes to scale. And so, look for new technologies that are enabling your solution, right? Box wasn't possible in 2000. It wasn't possible to scale up in 2000. The enabling technology was cheaper storage, better browsers, more connected devices, more really faster Internet. Cultural changes, right? What made Facebook possible that we want to share information and we want to be more connected? Or macro trends, what are the sort of macroeconomic trends where people want to save people. So, all of a sudden we go buy things half off the Groupon that we don't really want. Those types of things are really important to starting a business. Do something that you're extremely passionate about.

This is another lesson that I have learned over the first three things that I had started in college. If you're not really passionate about what you're doing, it's totally great. You'll be excited about it. Maybe when things are going well, it's going to be really hard to get other people passionate about what you're doing. And ultimately, it's really hard to think over five years, where is your company going to be five years from now? Do you really want to be doing what you're working on? Startups are very hard, right? There's a lot of bad news that happens every single day, bad things in a competitive space, bad things with hiring. And you have to be able to push on through. And so, you have to do something that's actually really, really exciting, that you're going to be inspired about and you're going to really create inspiration for other people. Don't compromise. As I was mentioning earlier, one of the coolest things about starting your own company is you get to make a lot of decisions, right? You don't actually have to compromise or sacrifice on a lot of things. You don't have to sacrifice on who you work with.

You don't have to compromise on how you're going to do your marketing or how you're going to build your technology. So, when we think about things in terms of best, what's the best team that we can build to solve this problem? What's the best technology we can produce to solve this problem? What's the best way we can talk about this and communicate it with our public relations? How can we do the best marketing? So, ultimately this is all under your control. You get to make these decisions and it's a really exciting opportunity when you do. Lesson 4 is sort of if you feel comfortable, you're probably not doing it right. I mean, there's a lot of hard decisions that go into business. Who are you going to work with? How are you going to compete? What is the strategy? Are you going to raise money? Are you going to leave school? And so, you're going to have to go well beyond your comfort zone. There's a lot of decisions that aren't going to be very easy to make. And that's actually a good sign. So, it's actually a good thing when you don't really know what the answer is or you don't know if you should do it this way and you make that leap and that's pretty important. Also, finally, don't write your obituary too early.

This is a mistake that we have made a handful of times. And fortunately, we didn't do it in such a way that we couldn't work our way out of. But we have been extremely competitive with Google and Microsoft and EMC and these other larger companies

who normally we should be afraid of. And the venture capitalists are often afraid of these guys. And so, don't write yourself off. Make sure that you can keep on pushing. Make sure that you're optimizing on the right dimensions and areas that you can beat other people in. And so, that's really important and why we still have a company today. If it turns out these five lessons don't work for you, we're actually hiring. We are really excited about people that start their own companies.

But we're also excited about people who are passionate about learning in companies that are quickly growing and want to be a part of that. And I think while I do push heavily on starting companies, getting out there and trying things, there is this much value in going to startups right now and learning for yourself how companies are being built because maybe it's two years later that you started that company, but at least being in the environment and learning firsthand with what goes on is extremely helpful. And I think both routes are incredibly important.