



Stanford eCorner

We Live in a Geek Meritocracy

Phil Libin, *Evernote*

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Serial entrepreneur Phil Libin believes now is 'the best time in the history of the universe' to start a new company. The Evernote CEO argues that today we live in a geek meritocracy where great products are king. He encourages entrepreneurs to take advantage of modern distribution tools such as app stores, social conversations, free-mium economics, and smart phone technology.



Transcript

Now is the best time in the history of the universe to start a company because we are living in a geek meritocracy today or as close to a geek meritocracy as ever happened. My first two companies, they're all software companies, we had to spend probably 70% of our time and resources, we spent 30% roughly on making the product, we spent 70% on all the other crap. Marketing, logistics, channel partnerships, advertising, all of that stuff, 70%. Now, especially if you are doing something for consumers, you can spend 95% or 99% of all your resources making great product and you get massive leverage and everything else. And it's only happened two or three years ago, right, because of app stores, right, because I used to have to worry. Well, if I release a new version, how are people - how are people in a different stage going to get it? Well, I better have a deal with a retailer that works in Tennessee. Now, you make a great app, everyone in the planet can have it tomorrow, right. Same thing for advertising, I used to worry about how do you reach people. Well now you don't have to worry about how to reach people, what do you mean reach people, you make a great product, everyone is already having a different number of conversations in all their social networks, you just want to be the thing that they talk about. So be great, people will talk about you, end of the story.

Smartphones, computers are everywhere. Without smartphones, it wasn't possible. Freemium economics, I have got lots of things to say about freemium in different talks but freemium economics works really well, if you know what you are doing, if you build a good consumer app. These things put together, app stores, smartphones, open source infrastructure, network services, freemium economics; all of this is new in the past five years. All of it together make this a geek meritocracy, make this the best possible time in the history of the universe to innovate and start a company and all of the depressing stuff you hear on TV about how it's a bad economy and it's a bad time to do it, it's complete nonsense. All I ask about that is to say well, when would you rather be alive. Is there any point that you think you would rather like - would just change your life today for - would you be back in 1992, would you go back to the '70s, would you go back to the 1500s like when, when was there ever a better time. There hasn't been, there is always some feeling that kids today and there's malaise or whatever but the facts are, the verifiable facts is we've never been close to fair meritocracy and if you are a geek, pretty sure some of you are, now is the best time to be an entrepreneur, if you got the right reason to do it.