



Stanford eCorner

A Day in the Life of a Venture Capitalist

Dana Mead, *KPCB*

November 16, 2011

Video URL: <http://ecorner.stanford.edu/videos/2843/A-Day-in-the-Life-of-a-Venture-Capitalist>

KPCB Partner Dana Mead offers a glimpse into his day-to-day activities as a venture capitalist, where he focuses on looking at new ventures, working with entrepreneurs at current ventures and networking. "We practice really hard everyday at saying no nicely," says Mead, as it's important to maintain relationships with entrepreneurs and leave the door open for other deals down the road.



Transcript

So what do we do every day? Tina asked me this. We don't play a lot of golf, people think that. At least I don't, if you saw me play I would prove it to you. Really we spend our time in three big buckets. And I've listed the buckets kind of in ascending order here where we - we look at a lot of investments. We probably invest in one or two a year as an individual venture capital partner. I will probably look at two to three hundred ventures myself this year. Actually either talk to someone on the phone or meet with someone in person. So we invest in a very small percent. I said 1% to 2%, it might be even a little bit lower than that.

So we practice really hard every day to say no, really-really nicely. And the reason why we do that is that person could two years later walk in with a Google or a Genentech and so we always do and I do personally offer to help people and talk to people, we do that on a regular basis. Once you have an established portfolio like I do, I'm on 12 boards, you don't have the time or bandwidth to look at too many ventures but - so you have to be very efficient about your time. When I first started, when I didn't have any boards, I spent 70% of my time looking at new ventures. Most venture capitalists once they are established probably spend about 10% or 15% of their time looking at new ventures. The second thing you do is networking. Quite frankly, that's one of the most fun things that I do and I would consider what we are doing right now, networking. So I meet with people all the time. I'm fortunate if I get to mentor actually Mayfield Fellow students. I saw one or two of the folks here tonight and we do a lot of that.

Meeting with other VCs; I call it the VC lunch where you meet with VCs and at the end of every lunch you say, we ought to do something together, right. That's how every lunch ends and there's a lot of VCs and throughout your career if you talk to people who've done this for 34 years, there is 10 to 15 VCs they work with, out of that whole cohort of VCs. And the reason why, it's the people you are on boards with, the people you trust, the people you like, the people you want to work with over time. And so it's a small cohort of that. But we're not really in competition with each other because as companies continue to grow, they have a syndicate and normally we have three, four, five VC firms working with them. So it's a very collaborative thing. I don't really consider it. I haven't worked in operating roles where you actually hated your competitors. It's not like that in venture capital at all. And then the last thing we do which is a really fun thing, especially for someone with my background is get into work with the companies and there are four really big areas where we spend a lot of time.

Recruiting and one theme that you'll hear from me is the people obviously are the most important in any business. The quality of the people, especially in small business, they don't grow like this. They grow like this and they have many near death experiences through their growth. You need great people, their ability to deal with that change, be agile and make changes. Obviously, these help raising money. We work with strategy and then we - one of the biggest things we do is just apply our network to whatever the challenges are that the company has.