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Emily Melton, partner at the venture capital firm DFJ, shares her experience growing from a humanities student to tech investor. Melton shares advice for how to sustain startup momentum, navigate uncertainty and forge the honest, supportive relationships that lead to success.



## Transcript

(techno music) - [Woman] Who you are defines how you build.. - Thank you guys so much for having me here this afternoon.. I wanna say is honored, but I think the right way of phrasing it is humbled.. I'm very humbled to be here.. I was in your chairs, well your proverbial chairs.. I did not have nearly as nice of buildings when I came here 20 years ago.. And I was trying to think, when I was asked to do this speech, I got the email.. And my first start was, oh that seems like a lot of work.. I'm really busy this fall.. How do I get out of it? Stress, I don't really have anything that relevant or interesting to say..

And as soon as I started to think about how I could make up an excuse my computer dinged and there was a not from Heidi Roysen who is here supporting me in the audience which literally said you must do this.. And so I realized there was no way I was getting out of it.. So I had to be here today and do this presentation.. And then I started the daunting task of thinking what do I wanna say.. What would I have wanted to hear when I was sitting in your seats two decades ago.. What would have been useful.. This time I was actually on a vacation.. And this is a picture of where I was.. I was in Wyoming.. It's one of my favorite places in the world..

I go there every single summer.. And I got a text from my brother and it said quote, "Kick ass hike, you game?" I was in a mood of saying yeah, so I said sure.. I'm gonna give a speech and I'll go and this hike.. And as I started on this hike and this journey and I thought this would be a good day to prepare for the fall and honestly think about what I was gonna talk about, I started to really see this as a metaphor for my own experiences over the past two decades.. But also just a lot of people that I've known, a lot of the successful people, a lot of the entrepreneurs, a lot of the challenges that they face.. So basically I'm going to take you through this hike.. It's a behind the scenes reality of what that experience was and kind of layering how that's relevant for me.. If I have any hope for today it's that there's something in this presentation, some nugget of advice that is either aspirational, or comforting for you over the next two decades of your life.. So who am I? The intros always sound great.. Emily Melton, I'm 42 years old..

I was the oldest of six kids.. I grew up in Utah.. One of my mom, my mother grew up on a mink ranch, and my dad grew up on a chicken farm.. And they moved to Salt Lake to get out of their farming community.. My mom did go to college, but she was told by her college counselor that the only school that was really relevant for her was beauty school.. And so both of my parents had a very, very strong belief in education, and a very, very strong belief that I needed to leave Utah.. And that was the one thing.. They didn't care where I went to school.. They kind of cared.. But they really need, it had to be outside of Utah..

And when I started to show some academic progress, or promise, my dad bought me a Harvard sweatshirt and I spent the next couple of years trying to convince him that Stanford was the Harvard of the west.. Now, for you guys I think we all know that Harvard is the Stanford of the east, so the much easier pitch.. (audience laughing) But I was grateful enough to get to come here undergrad 2000, and the GSB in 2005.. I'm now one of five general partners at DFJ, which is a 35 year old venture capital firm.. And as was mentioned earlier I spend a lot of my time investing in consumer marketplaces as an early board member and investor in Redfin, an online real estate transaction platform.. I'm on the board of a company called Shift, which is a used care marketplace.. And I also spend a lot of time in healthcare, and pretty broadly healthcare IT services, mobile technologies, and more recently looking at AI, and ML, and how those can transform diagnostics and drug discovery.. So the

simplicity, or the simple way of saying it, I like big hairy problems that are complex.. And I really love really passionate people that are working to solve those problems.. So we're gonna talk about a hike and this is where you get the person comes up here, the proverbial successful person and tells you you're gonna go on a hike, and this is what you want to vision, right..

You think it's gonna be someone who's really successful.. This woman looks like someone who can scale a really big, you know, a big mountain and do it without breaking sweat simply.. The reality is this is the person who hiked up the hill.. And we don't have to say exactly how many pounds over that previous picture, but many, and many pounds over from when I sat in those chairs.. I was not the kind of person who was in really good physical shape to go on the kind of hike.. I wasn't necessarily thinking that this was gonna be something that I was capable of doing.. And I think that's really important.. When I think about a venture capitalist when I started, you said, I was a political science and philosophy undergrad here.. I thought I was gonna go to law school.. Because I thought, you know, if you're successful, you get into a good college you're either a lawyer and a doctor..

Didn't really like blood, so I'll go be a lawyer.. I applied, had some success getting into law schools, but needed to make some money, or wanted to make some money before taking on more debt.. Started working in a law practice and hated it.. It was '99, 2000, and I started getting all these job offers because it was crazy.. And they were just literally trying to hire everybody.. And I remember both being humbled by the job offers and very confused on how these companies could pay me so much money and why they wanted me.. And I remember I sat down with one of the CEOs who had offered me to join his company in corp dev.. And I thought I'm not absolutely person, but I'm gonna ask the business question, right.. Let's spend time on the business.. What are your profits? We don't have profits..

What are your revenues? We don't have revenue.. How do you have money to pay me? How on earth are you running this? Well, we get money from venture capitalists.. So I thought well that makes a lot of sense.. I hadn't been spending time in a lot of these rooms.. I didn't really fully understand the VC industry.. But I realized for me to make a good decision on the kinds of company I wanted to go work in I should understand the flow of money.. So, through my network I sent notes to all the VCs at all of the companies that I was interviewing in and one of them was Tim Draper.. He offered to meet with me.. Mostly I sweet talked his assistant who then made him spend 20 minutes with me.. And I came in with a list of questions about the company..

And I started and he was like that's a pretty good question.. He was like what you got there? And I was like, it's a list of questions.. Why don't you just go through the whole list? So I go through my list of questions and at the end of it he said, those are really good questions.. Why don't you just come do that for me? Do what? Ask companies that come in those questions, that's what we do.. We ask them questions and we decides whether or not we're gonna invest.. So, I remember I left and I was sitting in the car in the parking lot, and I called my boyfriend, now my husband, and said, I think I just got a job in venture capital.. So, no one gets a job in venture capital, but sure enough I got to come back in, meet with more of the partners, and a couple weeks later I was the first analyst that they had ever hired.. What's the story.. This is a woman who shouldn't be hiking up the side of a mountain 'cause she really needs to hit the gym more frequently.. This also is not someone who looks like a venture capitalist..

I did not look like a venture capitalist at the time.. I didn't have the backbone.. I didn't have the experience.. Don't let anyone else tell you what you're capable of.. Don't let anyones others views of what you think a person should be in order to be that successful.. It's an unnecessary barrier.. We all talk about unconscious bias and how that hurts others.. And it's absolutely true.. But what's also really important for you all to realize is those biases, those images can hurt yourself.. So this is the hike..

As I mentioned earlier, Jackson Hole, Wyoming, and the Tetons in particular are my happy place.. It's where I find peace.. And I always, I am happiest when I'm in the western mountains.. And I wanted to read you the description of the hike.. I was asking my brother as we went in, you know, how I knew basically, about 15 mile hike.. He said it would take about a day.. And as I'm driving in, this is actually on the other side.. So, Wyoming is on the other side of the Teton.. So this is on the Idaho side.. This was the description in the trail book that he handed me as we started driving into the park..

It's long and it's strenuous, but if you're in the physical condition, and you have the persistence it takes, you will remember it for the rest of your life.. It's a hike for which you must work for it and work for your reward.. But there will not be a disappointment at the end.. So this is as we're driving in.. The hike starts kind of at that treeline.. And as I pull in that little where the arrow is point that kind of flat area as you look beyond, and then you see the Tetons, that's where I'm hiking up to.. So, what's the point of this.. This is kind of like the future.. I didn't know what I was getting into.. I didn't really understand what this was actually and mean or what it was gonna look like when I went up there..

But I had the aspiration to figure out a way to make myself somehow haul my butt up to that place.. Goals are really important.. Aspirations are really, really important.. But you don't know exactly what it's going to be.. And so you have to also be very comfortable with uncertainty.. It's not going to ever follow the exact path.. And when you look for it in the same way that's kind of fuzzy, and it's really challenging as to exactly what that looks like, you're gonna have the same problems.. You wanna set a big hairy ambitious goals, but you have to recognize it's not gonna go exactly as planned.. I have the privilege in my job to get to meet with some of the best entrepreneurs from some of the iconic entrepreneurs over the last two decades.. And then thing that they all have in common is that he or she comes in with an ambitious and bold goal..

They have a vision of the future.. And almost in every single one of those instances it never works out exactly as they planned.. That slide deck is not followed.. Those financial projections are completely off.. But it's that ambition that pushes them forward, that get them there, that get them to experience their own levels of success.. This is the kind of think that struck me multiple times throughout the hike was how the experience kept changing as I was going up.. And like that saying, the future, you don't know exactly where you're going.. A mile in the hike looked very different than it did five miles in, than it did on the way down.. And I kept thinking about the word perspective.. And perspective is really relevant in two ways..

One, it's how you, what you see is gonna changes based off of where you are, right.. As you move forward, like, this looks different if I'm heading this way in this part of the room.. It looks different if I'm in the back of the room.. Where you physically are changes how you see the world.. And that's one concept, and that was absolutely true of how I experienced this hike.. But the other thing is how you see the world changes.. And what do I mean by that? Because you change.. I am a different person than I was when I was sitting in the proverbial chairs two decades ago.. And you are all gonna change multiple times.. I continue to change..

The way that I see the world today is very different than even how I saw it just a year ago.. And so that's that level of change in that, again, that comfort with uncertainty that where you go and as you move along the journey your visual field is gonna change, your field of opportunity is gonna change, but also you're gonna change.. You're going to become different.. And that's okay too.. So, soon as we get in on the hike, it actually took us some time to find this because it wasn't particular well marked.. This is the only, the only sign on the entire trail that we saw.. So, for those that are on the podcast it basically says, trail not maintained, very steep, not recommended.. What a great start, right.. So this is kind of, you know, one of the things is you have to be comfortable in the commit and digging in.. The other thing is these signs are gonna appear multiple times in your life..

Becoming an entrepreneur is never a rational choice.. There's always an easier way to make money, or an easier way to find some level of immediate success.. Anything worth doing is going to be hard.. Anything that gets you to those next levels and gets you to where you want to ultimate be is going to be challenging.. And so whether it's actually a physical sign like this or someone who explicitly tells you, you can't be a VC Emily, you studied political science and philosophy.. Who the hell do you think you are? Who's gonna want your advice.. Or, it's someone implicitly who walks out of the room and says, there's nothing really useful for you here.. Don't let any of these signs ever stop you.. It's not to say that you're gonna be successful.. It's not to say that it's guarantees that you will make it to the end, but how the hell are you gonna know if you don't even try..

The trail was not maintained.. And there were multiple times where we were wandering around.. And one of the things that, you know, you recon is that no journey is the same for every person.. So as I'm trying to give you advice this isn't a checklist of here's how to get to be a successful VC, or here's how to build a successful company, or here's how to do, I hate those.. Everybody wakes up at five a.m.. Everyone somehow works out, meditates, eat well, has great kids, and you read it and you're like, this is impossible.. And the reality is that it's always impossible.. There's no checklist.. There's no template for success.. And the same way there's no clear trail that's gonna tell you how to get up this hill..

Every single one of you is gonna have multiple kind of challenges in your own right.. Every single one of your journey it's gonna be different.. But that doesn't mean that you should go in without actually understanding what happens in the past, or who came before you.. Whenever I have an entrepreneur come and pitch me, and they always come in really passionate.. I'm gonna disrupt this industry.. Well that's great.. Why hasn't it happened in the past.. Who's tried and failed? What did you learn from those lessons? That's not to say that because it has failed in the past it's going to fail in the future.. But not actually taking the time to understand what has happened in the past is putting you at risk for the future.. So as we're hiking up this trail, I don't know if you guys see the stack of rocks..

Any of your guys know what those are called? Cairns, so cairns are where you put a stack as you're walking up a hill and if the trail is not well marked people put cairns.. The people who come before you put those as markers so when you don't know where to go you can kind of look out and follow some kind of a path.. This to me is like the mentors, people in your life who have been there before.. The trail is gonna be different.. Conditions have change, snow, wind, rain can knock these things over, or it doesn't, they will have had a different experience going up or down.. But it's still helpful to see and leave those marks.. And so, seek advice.. Seek mentors.. If there's one regret that I have is I wasn't good enough about seeking mentors early on in my career.. Because there's so many mistakes that you can avoid but just asking people for help along the way..

And the other big piece, and one thing I'm more proud of as I've gotten to a certain age is that you leave them for others as they come down.. Pay it forward.. Now, there was often, there was times when we ended up on a very different path, and with our, we actually had a GPS and navigation.. We managed to get back onto the right place, but we set, we went back and it took us about an hour.. But to leave the cairn for the others coming behind us because we recognized that it was gonna be really challenging if we didn't actually leave some markers.. So we hiked up this, that face trail.. And the face trail is essentially two miles straight up.. It felt like 90 degrees.. I'm just gonna say it was like this.. Certainly felt like that for me..

I was red.. I was exhausted.. And you come around a bend and you start to see this trail.. And it looks, the trails out ahead of you and I can see table rock on the future and I am thinking, as my daughter likes to say, easy peasy.. Like, okay, I've got this.. The worst is behind me and now I'm gonna be able to move forward and it looks accessible.. It looks like something I

could almost touch it, right.. That perspective has changed but it's close enough.. I can almost touch it.. This is very true of professional careers..

And I don't know how many of you read Angela Duckworth, or Grit, and different, the first trajectories of any kind of learning a new skill, getting into a profession, it's the steepest.. It's also the most kind of thrilling.. You're just trying, you're just moving forward.. You're putting it all out.. You're giving it all to just getting that next level of success.. And then you hit a point where it often feels like a plateau.. This, well you think it's actually the good part is actually one of the most dangerous parts of any journey, or any professional trajectory.. And that's because you want things to be easy.. You think, 'cause you've gotten to a certain point that you deserve it, you can see it, it should happen.. And often times people don't actually push themselves beyond it..

So you can see there's like a little dark kind of blip in that that has an arrow.. It was about a mile of this.. That little blip in the distance you couldn't actually see there was no trail.. It was completely just of rocks.. And every single step was one where you could sprang your ankle.. It wasn't as treacherous as the climb.. It wasn't as physically exhausting, right.. But it was a slog.. And you felt that phase seemed to take forever because you did not feel like you were moving forward.. This is something that happens pretty frequently in life..

And it's really hard.. And sometimes you just have to remember that even though it feels like a slog and you don't feel like you're making nearly as much progress as you would, you're putting it all, you're putting out there, but it's just one step in front of the other, just remember forward momentum.. It's okay.. And then the same way that you couldn't see from that slide before, it didn't look like there's a challenge.. This is often time what I see with a lot of the companies that I'm involved in is they go through the scaling thing.. They raised tons of money.. They have great board of directors.. They've got revenues.. And everyone from the outside thinks this is easy peasy.. It's just gonna be a path..

In scaling businesses, hiring lots of employees, the problems become different.. The problems become a different kind of complexity.. And it's not as sexy, it not as fun, and it feels like a slog.. And it's hard 'cause from the outside everyone thinks you should do this racing up to the top of the mountain, but you've been slowed down.. So, when you hit one of those periods of your life, and you will, you will get through the rock field.. It is possible, but take time.. Don't sprang an ankle.. But there's other kinds of challenges.. So, getting up to that very, very edge of Table Rock was essentially there was not trail.. It was just freeform climbing straight up the hill..

And then sometimes the rock field is possible.. You know you can get through it it's just gonna be a grind, a slog, it's not fun.. There are other phases where you're not sure you're actually not sure you're gonna be able to make it.. It doesn't seem physically possible.. It doesn't seem mentally possible.. It seems like everything is stacked against you.. You have companies that can't raise a round of capital.. You have companies where their largest customer suddenly quits.. You have friends that get sick.. As sometimes you get older in life you start to have different kind of complexities, different kind of challenges..

And one of the things I've see over and over is that you just have to recognize you're gonna do the best you can going up this and you're gonna get hurt and bruised along the way.. I got some prescription nasty bruises.. I got a really nice gash trying to make my way up this.. And I had my brother who was an amazing support person for me pulling me and trying to get there and getting some of the rope set so it wouldn't be quite as challenging.. But some of those times are gonna happen.. And you just have to give it all you can to get through it.. This is what it ends up when you look like.. And I don't know how much you guys care about the mountains, but this was one of my the favorite things I've see.. It was just absolutely gorgeous.. But you also, and this is in the purview..

You get up to this Table Rock and you look around and feel sense of accomplishment and I'm happy.. And then I look around and I recognize there are all of these other peaks around me.. They are all higher.. I have just worked my ass off and there's still a lot of other cooler places to go that even have better views.. And that is one of the hardest things about going through these journeys because once you actually get, again that perspective, once you get to one point you just get a different purview.. And you start to even open up broader and broader possibilities of what's possible.. I know a lot of really, really successful people.. I've got the privilege in the last two decades to get to know many people in different stages of their journeys.. And one of the travesties is knowing these extremely successful people who end up being so deeply, deeply unhappy.. And one of the things you constantly see that is there is that they can't take the moment to both enjoy their success and still be excited by the challenges of climbing those other peaks..

And that's the duopoly that you're gonna have to get comfortable with as you think through it.. That you want to actually, you want to celebrate the hard work.. You want to celebrate when you have these moments and you get to those peaks.. But you also have to recognize there's gonna be valleys and other peaks ahead of it.. And that's okay too.. Don't get too daunted if it isn't, you're not ever gonna be on the highest peak in the world.. You're not ever gonna be the most successful person in the world and stay there.. If you have those moments be happy, but also recognize there's other challenges ahead.. How many of you guys are on Instagram? I don't know, is that still cool? Thumb, not many.. One of the things that I find really daunting in this current environment is how much we all get inundated, Instagram, Facebook, Snapchat, whatever the current mode is, with the highlight reel..

So, this was the picture I took.. This is what got posted on Instagram, right.. Yay, look at me.. I am so awesome.. I'm at the top of this mountain.. There wasn't a picture of me red faced and panting.. There wasn't a picture of my brother just doing etc possible to pull my fat butt up the side of the hill.. None of those will make it to the glory shots, but this one does.. And so I think it's really important as you guys think about particular as you're inundated with more and more of those highlight reels, more and more of those picture of people coming in, is recognizing that for every accomplishment, for every one of those moments that you wanna enjoy, and the peak, there's an enormous amount of other.. There's the behind the scenes..

There were other challenges.. There were a lot of ugly things that often had to happen to make something look pretty.. This is even no more true than it is, and I see this over business.. I mentioned that I was on the board of Redfin, and in professional successes you tend to see the person when they're on the cover of the magazine and we celebrate these moments, right.. So this is when Redfin went public about two years ago.. And everyone is smiling and beaming, and it looks like a ten year overnight success, right.. Obvious, great founder, everyone's high fiving each other.. Also, everyone wants to be in this picture.. Those moments of success, that's where everybody comes out of the woodwork and wants to be right by your side with a big smile.. I invested in the company in 2007..

2008 we had the financial crisis.. The real estate market completely tanked.. No one who wanted to buy a home could get a loan, and those people that did want to sell a home on our platform, the prices were 30 to 40% lower.. We had to have a board meeting about a year and a half into the investment where I sat with the friendly smiley guy Glen Kelman in the middle who was shaking and trying to hold back tears because we had to lay off 20% of the company.. It was critical to be able to get the company through this phase.. We knew the revenues were gonna slow.. We knew that we needed to make the money last a little bit longer.. But he had hired those people.. He had told those individuals that he was gonna do everything possible to ensure the success of this company.. And he felt deeply conflicted and like a failure that he hadn't been able to live up to that promise..

That's not a moment where you whip out your camera and say hey cheese I wanna take this and remember this in the dark times, right.. Those moments aren't captured, and often time those moments aren't even told.. But for any of those glory moments that you see you have multiple stories like that in the background.. And what you need to do is recognize that sometimes those people that surround you you wanna celebrate that the glory moments.. And it's okay to have those people come, but make sure that the people who are with you when the times are really, really tough are also there.. 'cause those are the true people that you really need by your side.. Those are the ones that know what it took for you to get there, are gonna understand who you are and who you had to become in order to have that kind of success.. So I get up there, and you think, yay I'm done.. And I'm not.. It's actually a shorter hike up than it is to go down..

And that was a really, really it was just starting.. I wasn't even half way done with the day.. And that is one of the really important things to recognize is you start these things and you're just beginning.. Anything you think you have a moment of success, or you think you've reached something there's always another place to go.. I call this the if only phenomenon.. And I really, my husband and I ended up going through a phase where we started to ban if only.. If only I get into Stanford everything will be okay.. If only I could get a job at this firm, then things will be better.. If only I can make this amount of money, then life would totally change.. And what we realized is we had our if only, if only, and as soon as you go past them you realize there was a whole new set of if onlys..

And there was never that moment where you felt fully relieved.. Now obviously when you have, you don't have to worry about making rent, those are freeing.. There are some basic things that make life easier.. I don't wanna take away from that.. But these if onlys of thinking that there's a magical place, or magical accomplishment will somehow transform everything, it just doesn't exist.. The other thing that's really interesting that going down was very different physical phenomenon.. You think it's really challenging to go up, and it is.. It's an exertion.. You are doing everything you can to try to climb that hill.. And then you get there and you start heading down, and you're no longer fighting gravity, right..

Gravity is now your friend.. But that weight had a whole new set of problems that hurt your knees and hips.. And it was really treacherous.. Because if you fall on the way down you don't just kind of fall forward and catch yourself.. You go rolling, right.. And I sometimes feel like success is this for people.. It's gravity.. It should make it easier, right.. Like, you've actually gotten there, you have gravity on your side, but can also be a real burden and strain and sometimes the implications of that become even bigger.. When you get to a point and you think gravity, you think I can just fly down..

And that never really works.. You still have to be methodical.. And in some ways you almost have to slow down and be even more careful, and make sure you even have better trail companions to hold your hand so you don't stumble and fall, because that fall is the one that could really do you in.. When I see different people in different trajectories of success, one of the most important things is keeping that feedback loop, making sure there are people that keep them honest.. There's actually been a study that was done.. The Atlantic wrote a great article about it that basically showed that people with power can sometimes experience something that's relative to mental illness where power actually has a thing to physically change your mind.. And I was telling this to a friend and she said, yeah, well of course.. The only people who throw tantrums are three year olds and billionaires.. Three year olds because they're pushing the limits to see and get told no, and billionaires because no one ever tells them no anymore so they lose that idea of how to actually control themselves.. And so when you think about that weight, you get to different phases of your life, sometimes it's equally important to make sure that you have those people to say no..

Because as you're going down you feel like, I could run down the hill.. I'm this great person.. People say, yeah, sure.. You get a lot of yes people.. You get a lot of sycophants who want to tell you what you think you wanna hear.. And it's really, really critical in those moments to make sure that you have the right people by you who are keeping you honest, who tell you when to slow down so you don't actually take that deep fumble, or deep stumble down the hill.. But this is the same kind of thing we keep talking about is the peaks and valleys.. And that's, you always have to dig down deep and start to think about where you wanna go next.. Recognize that life it's long, but it's also short.. And so you really want to think about how you can enjoy the different stages of it..

We went through this hike and as I came down I was struck at how that last portion of the hike had some of the most beautiful parts of it because I actually took some time to look, and I could.. On the way up I took no photos, other than that that trail sign.. And on the way down I took multiple photos.. And I will spare you of those.. But there was a mama moose and a baby moose.. There was baby bears climbing up.. There was these amazing mountain ridges and you can't even capture the glory of these wildflowers that were just, there were just fields and fields of wildflowers.. And it was the same, this was the same area, but I actually took the time to step back and enjoy some of it and start to think about where I would go next.. So, here's some of the kind of take aways, if you will.. Use the trail as your guide..

It's a guide, but it's not guardrails.. Again, every, like the trail changes daily based off of the conditions.. Ever single one of you will have your own journey.. You'll have your own challenges, your own opportunities.. But take the time to kind of see how others have gone before you.. Learn from the lessons.. Listen to some of that perspective 'cause it could help make your journey a little bit better.. Choose your trail companions wisely.. The obvious thing is everyone says like who you choose as a life partner, it's more than true.. I can honestly say I would not be here without, you know, my husband, but also a couple of really, really important key friends..

And those are the people that are the behind the scenes, that down worry about the highlight reel, and they're not the ones who are liking me on Instagram, or retweeting when I have a good moment, but the people that I can have real conversations with who spend the real time with me.. We're really, really bad at visualizing the future.. And just this summer I had no idea what I was going as I saw that little lump out in the distance.. You don't know.. You can set aspirations, but you don't know what you're future holds.. I was talking with a good friend who had dinner with a well known, I don't have rights to the story, so I will, billionaire if you will, you all know.. And she was talking about how very early on in her career she went to a successful person's home and sat on the patio to talk about a business deal.. And she looked out in his backyard and there were eight trees.. And she sat there and thought wow, one day I hope I'm rich enough that I can have a house with a big backyard and get eight trees.. Fast forward many decades later, many homes later, she was at her ranch in southern California looking out at her backyard on multiple acres and thought, I have a lot of trees..

I wonder how many trees I actually have.. So she went and hired someone to go and count the trees.. (audience laughing) And it was 75000 trees that were on this property.. I tell her that is not it's not those bold aspirations, sitting there thinking what can other people, what does other success look like.. Those are good.. They're again, those are interesting trails and you can learn from that.. You have no idea what you're really capable of.. You don't know what you're future can actually hold.. And keep that in mind because it's not fixed.. It's not gonna happen on a certain timeline..

You can all find your own forest in your own way.. And this like, the thing of don't let, if I could have one thing I really, really want everyone to take away, 'cause I struggled with this for a long time early on.. Don't let anyone else define what you're capable of, or tell you what success should look like.. A good friend of mine always says you can't be what you can't see.. And that's been a big movement for us, a lot of the female women and the female partners in venture capital trying to be more prominent because we realize for us to be able to recruit more women into venture they need to see that you can be successful as a women in the industry.. And that's all well and good, and that's true.. You want to have more prominent people.. But I also hope we get to the point where you don't need to see it to believe it.. You don't need to see someone else who looks like you, or has the same background as you, or follow that to believe you are capable of it.. Don't let any sign, or any definition of another persons what it takes to be successful to hold you back..

So, the last little bit, set your sights high, get started, never give up, both the trail and the destination will surprise you.. So, this is, we have some time left, so if you guys have any questions for me it doesn't have to be about hiking.. It doesn't have to be about my mountain experience.. It can be anything related to venture capital or any of my experiences.. Yes.. - [Man] In the beginning you mentioned you wished you'd leveraged mentors more.. - Yeah.. - [Man] Do you have any actually strategies of how to use mentors as we go through this part in our lives? - Yeah, one of the hardest things about mentors is you can't go and say, hey, will you be my mentor? 'Cause that's like, that's not the right way to starting those conversations.. And I, one of the kind of key principles that I live by that I think is particular relevant for this is the principle of reciprocity, right.. You give and then you get..

And when you think about what is that exchange between what you have at this moment of usually in your career, which is time, raw capability and intellect, and eagerness.. And what do the people that you want to be mentored, they don't have time.. The have a tons of people who are asking for lots of things.. And most people are asking and not giving to them.. And so if you can find someone that you wanna learn from and you can think about what can I give them? What are the things that I can free up? What is that that someones really interested in the space, let me go and show them, compile all this research

about what would be interesting and tell them the, like for me, four or five companies that would be useful.. Right, then that starts the relationship where then it's, if you give someone something, here I want to be helpful to you, can I have five, 10 minutes of your time? That starts it.. How can I be helpful? And keep going through that process.. That was something that I, I didn't really figure out early on enough in my career.. So that's one piece.. And the other thing is it's really hard when you're on that steep phase of the career to ask for help, right..

You want to activation like you know.. I remember sitting in so many rooms, so many times in my career, where like, I have no idea what the hells going on.. But if I say something people are gonna think I'm dumb.. So, I'm just gonna sit here and nod.. And what I found as I've gotten older like now half the time I'm like, no I don't understand.. I'm sorry you're making it too complicated.. Explain it to me.. Like you found that people as they get more comfortable are the ones that are really wanting to understand, really want to know, versus actually pretend they know.. And that's a really empowering where those mentors are others where you're asking those questions and just admitting that you need help.. Give yourself the opportunity to let someone explain something..

People like explaining things.. Like you guys get whole speaker series to come up here and explain something, or talk.. People like talking about their experiences, so give them that opportunity.. Yes.. - [Man] I have a question about your experience at DFJ.. - Yeah.. - [Man] So, what was some of the decision making criteria that went into your involvement with Thernos, and are there any lessons that you as a firm learned? - Yeah, yeah, so I personally was not involved in anything.. I've never actually met Elizabeth Holmes.. The firms investment with Thernos was a seed investment and it was led by Tim Draper.. He had known Elizabeth, she was friends with his daughter..

And so, at the time we had a policy where any partner could basically write a small check into a company if they were passionate about it if it wasn't a board seat and it was below a million dollars.. So, I don't know the exact amount, but it was something like \$500,000 that was put in, never had a board seat, never had information rights.. So that was kind of the extent of the decision.. So, basically there wasn't a lot.. At the time it was just, hey, I think she's a really smart person.. But there's something that goes beyond that.. And this is actually important.. And that goes to that highlight reel where lots of people wanna come and take success, right.. One of the challenges is like, when something got more successful a lot of people wanted to talk about it more and take claim and act like it was a brilliant insight.. Like, we're often times don't admit, hey, I just got lucky..

No one says that, right.. I didn't know what I was doing, I just got lucky.. And so you wanna say, oh, yeah we saw that it was gonna be huge.. So the risk wasn't in the decision making.. It was trying to actually, certain individuals taking more credit or wanting to be more associated with it when it became successful.. I do a lot of my investing in healthcare.. So I don't get this question just in an audience.. I get it from entrepreneurs that are like, can I take your money? Do you know what they hell you're doing? And are you gonna lead me astray? And one of the most important things is that healthcare is a tricky beast.. It is different.. Mark Zuckerberg move fast and break things..

In healthcare it's move slowly and don't kill people.. It's really critical.. And so you have to appreciate there's opportunities to change things and do it differently, but have some humility in terms of the regulatory environment and the hoops that people go through to ensure that level of success.. I have invested in a company that recently, it was the first time I'd gone through an FDA approval process.. It's a den ovo process and we were very, very pleased to get through it.. It was a great, there was, the team had an enormous amount of humility.. We hadn't gone through it.. They had good conversations with the FDA, but they took not only the technical innovation, but to recognize that you also need to shore up that to understand all of those other components.. And not just think that you can get to be famous enough, or make statements that people will let you go by, that doesn't work in healthcare.. Yeah..

- [Woman] Can you speak a little bit more about your experience as an analyst at DFJ and how you had dealt with some, maybe some of those feelings of not being qualified, or being what a VC would look like.. - Yeah.. That's like a therapy bill that I have not yet paid.. Eventually I will.. Oh, sorry, yeah.. Get those started.. So she's asking what it was like to come in as an analyst to DFJ and oftentimes basically feeling like you don't belong in the room, right.. Feeling the imposter syndrome, how did I get here.. So, yeah, one of the things that I have found as I've gotten older and you can actually be authentic and have real conversations with people, is you think it's just you.. You think it's your insecurities or your issues..

I can't remember Heidi's exact phrase, but you're in your 20s you think everybody's thinking about you.. In your 30s you don't worry as much about it.. In your 40s you stop caring.. In your 50s you're like, no one was thinking about you at all in the first place.. I was so focused on I didn't have a technical background.. I, how was this gonna work, that I was leading and feeding my own insecurities.. And I really remember, 'cause there was a period of time where people talk about the pipeline problem.. There aren't enough women to come into venture capital.. And there was a panel that was going on where they were all men and they were all talking about this challenge they all face.. There's not enough technical women to deal with this..

And someone sent it to me, one of my girlfriends, and put arrows above and it was like BA history, BA, and none of them had a technical background.. And I was just like, you know, the ability to actually say that you have to be, you have to have this, but I somehow am different, that was a big moment for me 'cause that freed me in recognizing that people will say

things, but then everyone wants to be the exception.. And if you ask most of my entrepreneurs or founders what they do when they're, if I know the business better than them, if I'm the one actually doing the programming, like we're in a whole world of hurt, right.. What they really want is someone who's strategically helping them think through the challenges they have.. Those are regulatory issues.. Those are market issues.. Those are hiring issues.. And that is actually an area where philosophy served me very well.. It was a very, very good training for strategic thinking, and learning to question things, and deeply question things, and challenge assumptions.. And so, instead of like, I felt like there's a phase where I was leaning out and I did feel like an imposter..

There's a break in my life where I kind of just stopped caring.. And then I leaned in and embraced it more.. And it was amazing to me.. Once I stopped worrying about what people thought and just leaned in and was very honest about who I was, how much more the world opened up to me and how much more I was accepted.. So, the people who really matter don't really care.. Anything else? - [Man] You kind of touched on you said you had your bachelors in political philosophy, and then I heard you talk about going through the FDA process.. And one of the things I was gonna ask is you said that philosophy helped you as you went through your career, if you could do it again would you say your diploma in philosophy degree actually benefited you throughout your career, even if it wasn't designed for the exact career you chose? And which major do you think you would do instead if you were to do it over? - So, I actually did, I did political science and philosophy 'cause I was in a political philosophy major here.. I don't know if there is now.. And I did a program called ethics in society to actually really delve into it.. And when I was here was when they were just doing the first work on the human genome project..

And so a lot of it was a lot of the discussion in the classes we had was how do you actually think about the ethical implications of advances of different kinds of technology.. And this time a lot of that was in genetic materials.. I spent a lot of time also looking at political institutions, and prison reform, and others.. But it was really taking an ethical and a moral kind of a lens, an objective lens to different changes in society and evaluating whether or not we were doing as well.. It's funny, now you fast forward to what was happening actually in the world where so many of these amazing advancements that were venture backed and these technologies now have these unforeseen consequences and people are surprised by how these technologies can be used against them.. Would having that framework, just having that perspective, would that have been useful.. Yeah, I think I've actually helped a lot of my companies out of trouble because of that perspective and I think that they do value it.. I would say one thing.. I don't know what I would do.. There isn't any major, or any particular skill that, like a trade that is going to necessarily predict where you should go in the future..

I really, any time I fund a company I do send them The Growth Mindset.. Which is not thinking that it's fixed, not thinking that there's one way of doing things, but it's constantly learning, and growing, and evolving.. And particularly in the field where I am and in venture capital and in entrepreneurship, the computer programmings changed.. The assumptions changed.. The modality changed.. The only thing that is constant is change and that you wanna move things forward.. So more about having that nimble mindset and thinking about how you can predict things that aren't based off of the past, but where you think it's going.. There's a lot of things that can be useful to that, history, Mike Moritz, like you have a PR and historian that can actually think through that.. So, lots of different, it's more of an ability to think and train yourself to think differently than it is about any particular skill.. Side note, I think a lot is like computer programming and that's all great..

If I'm looking at the future where I'm spending a lot of time, where I'm most excited, this convergence of biology and technology, what we know about our bodies.. I, my husband always says we're practicing medicine because we don't really know what we're doing.. And I really believe the way that my children experience healthcare, and the way the information that's unlocked from genetic materials, and all the new kinds of computational models that are being applied to all this proliferation of data is gonna be substantial.. So, if I could go back and learn a trade that would probably be where I wanna spend time, but there's no, it wouldn't have been nearly as useful the last few decades.. Last question, right, okay.. - [Man] In your investing in healthcare are you focused on specific disease process? Are you focused on the genetic aspects? Are you focused on age demographics like seniors, children, where is your personal passion? - Well, so a broadly from an investment perspective? From an investment perspective it's pretty broad.. So I don't, and that I think is one of the most important changes in healthcare is that it's become so specialized, not only in terms of demographic, but a disease state.. I mean study diabetes versus understanding that wow these metabolic syndrome, people who get diabetes also tend to have hypertension, and you also tend.. We've lost the ability to think systematically about what's going on, and biology is a systems level approach, so we need to actually be more wholistic.. For me passionately in my personal passion, when I was, after my second child, I had two complicated pregnancies..

And then I went through a phase where I had all of these things that were going wrong with me that people didn't understand.. And I ended up being diagnosed with a couple different auto immune disorders.. And what I found during that process is how unbelievable frustrating the experience was 'cause everyone wanted to put me in a bucket.. And if I didn't fit a certain path they just wanted to just give me drugs and make me go away.. Like, how do I get paid, and go away.. So I've had my genome mapped multiple times.. I've done my microbiome.. I've had clinical work.. I went and did the health nucleus.. I have a 600 page report..

And they weren't actionable insights.. And so what I realize is that everyone wanted to just push me into a bucket versus understanding what was happening to me.. And that was deeply disturbing to me, number one.. Like, actually let's start.. And the other thing is everyone wants to wait until it's symptomatic.. Everyone wants to wait until it's bad to deal with it.. And our

entire healthcare system is predicated upon waiting until there's a problem, and then I can get reimbursed, and so I care, versus preventing the problem in the first place.. So, if I get my moment of success way in the future is that we can not only change the technical processes where we can know more about our bodies to prevent disease, but we can also figure out a ways to aligning the economic incentives to allow that to happen.. (audience applauding) (techno music)..