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With only a month's worth of cash left, Zūm founder and CEO Ritu Narayan turned down an offer of Series A funding and held out for a term sheet from her ideal VC firm, which came two weeks later. She advises entrepreneurs to trust their own momentum, and only partner with people who will catalyze long-term growth.



Transcript

- As a founder, perseverance has really paid us off and has lead to long-term thinking.. A clear example of this would be, when we were raising series A from Sequoia.. We were going through the process of due diligence and the process was going pretty well, but we were not at the final step yet.. At that time, another investor had given us a term sheet, and we basically had one week to say yes or no.. To top it all, we only had one month of money left in the bank and we had to figure out how to pay our five employees.. At that time, everybody said that, a bird in hand is better than two in the bush, take it, take it now.. It is the perseverance that lead us to long term thinking, we wanted to build an enduring company by partnering with a VC that had actually invested in other enduring companies like Apple, Google, Dropbox, DoorDash, Airbnb.. We brought a team on board and basically decided to say no to the term sheet in hand and we persisted to the process of Sequoia due diligence.. In two weeks, we actually had a term sheet and that became a defining moment for Zoom and I would say an inflection point for Zoom because that made the things rolling for us and have us build the company in a very enduring way.. So perseverance is a quality that leads to a momentum, that builds momentum around you, which is very hard to stop once it starts...