

URL: <https://ecorner.stanford.edu/clips/clear-goals-from-the-start-cody-coleman-coactive-ai/>

Cody Coleman is the co-founder and CEO of Coactive AI, an analytics platform for visual content. Coactive AI leverages artificial intelligence to make it easy for enterprise companies to search, filter, and analyze large amounts of image and video data by bringing structure to unstructured data. In this presentation, Coleman shares how his life story has shaped the type of entrepreneur he aims to be. He gives advice for fellow founders who want to build positive company cultures and teams.



Transcript

- One of the other things that we first did as founders, 00:00:07,410 with Will, my co-founder and I, we actually, you know, created, we created actually a whole contract between us.. So Will and I, my co-founder, I'd known him for over 10 years, and we wanted to make sure that, one, that we were aligned and that, ultimately, the business relationship did not impact our friendship overall.. And we heard from another founder that had done this, where they just wrote like kind of a simple, just had that conversation up front to define kind of like, you know, just general kind of policies and things like that.. And we did that, and it's helped so much.. Especially as you think about a co-founder relationship, it's really like a marriage and understanding each other, understanding kind of how you view the world is really, really important to making sure that that's a good relationship, that you're well aligned as you go down this, you know, multi-year long, you know, probably a decade-long journey.. And then, so, you know, our first like business goal is, you know, we wanted to beat Martin, Martin Casado, who had the record.. He's like my twin effectively.. So he came from a very humble background as well.. He did his PhD in CS at Stanford.. He graduated when he was 30 like me..

He immediately like started a company right after graduating.. And then there was one thing that I was hoping wasn't gonna be in common, which is, you know, a year after he started his company, a recession happened.. He started in '07 and then there was a recession in '08.. And then we started in 2021, and then, you know, a year later, there was a recession in 2022.. But hopefully, the luck continues because four years after that, he sold his company for \$1.26 billion to VMware.. And we wanna take that goal, we wanna take that record from him, we wanna beat his record and, you know, create a billion dollar company.. And thinking about creating this whole presentation, this slide and this point was actually the one that was the most kind of self-conscious about, you know, thinking about.. Because I know a lot of times with founders and with companies, you hear just kind of this whole grand vision of, you know, just completely focused on that impact that your product will make or that on the world.. And like people say that money's not like an issue or they don't think about it.. But as someone that grew up with very little money and nothing, you know, I wanna put a disclaimer here and say that, you know, having money is nice..

Like if you have grown up without money, actually being able to have money to actually be able to do things and things like that are important.. And then also, you know, part of the reason I wanted to start a billion dollar company and get to that

unicorn status is to prove that it's possible, to prove that, you know, it's possible for someone like me to actually go and start a successful company.. And again, kind of my mission of, you know, demonstrating that regardless of where you come from, that you can be successful.. But it's not just that we are successful that matters, the other things that we really care about how, like how we get there and how we succeed.. So, you know, the second thing that we said is we created a list of, we wanted to create a company that was admired and respected by our competitors, by investors, by employees, family and friends, even if we failed.. So we wanted to do it in a way that was, you know, admirable, do it in the right way, that could be an example for other founders, and, you know, be role models to people that would come after us.. You know, we also wanted to create a company where our employees could succeed and achieve their personal and professional goals.. And, you know, where people will look back and remember working with us is the highlight of their professional career.. And this statement, this idea actually comes from Ben Horowitz's book "The Hard Thing About Hard Things" where very early in that book, he talks about, you know, a founder and like a company where the company ultimately ended up not being successful.. But, you know, after that journey, after going through that process, even though the company wasn't successful, people still, despite going on and having successful careers, looked at that experience as the best possible experience, like the best experience in their entire career..

And we love that idea.. We love that, you know, just kind of mentality of that, regardless of like the outcome, that people should think that this was such a worthwhile experience that helped them develop and help them be better.. And we have a saying internally that, you know, "We build products and we develop people." And this is really, really kind of powerful in a sense because, you know, starting a company is very risky.. You know, there's all sorts of stuff that can happen.. You know, even in the two and a half years that we've been around, we've faced a global recession, you know, we outlived our bank, which I did not imagine was gonna happen.. And there's so many more things that just are kind of completely unexpected that like, you never like picture a financial, like, collapse of a bank in the US.. But sure enough, that happened.. So making sure and thinking about how you do, like, how you do the process, how you get there, and how you're treating people along the way can give you courage to keep going.. And also ultimately, for us, you know, the thing that we realized was our biggest fear wasn't that the company wouldn't be successful.. Our biggest fear was that, you know, we would wake up one day and be like, dread going to work because we created a toxic culture..

That was the thing that was, you know, the scariest thing to us.. We didn't wanna be miserable or for folks to be miserable coming into the company.. Because we've experienced that before.. We've been at companies, we've been in toxic kind of cultures.. And especially as, you know, a Black man in tech, there's not that many of us.. So I've always felt that pressure, and similarly for Will who's Latino.. We really wanted to create a company that was a breath of fresh air and that was welcoming to people from all different backgrounds.. And that rather than, you know, diversity, equity, and inclusion being like an afterthought, that that was something that was core to our DNA.. Not only because it's the right thing, but also because like, you know, diverse teams are just more successful.. Having kinda more points of view at the table and more perspective is critical to success..

And then the fourth and final, fourth thing, you know, is that we wanted to create a product that helped our customers succeed and achieve their goals, and that our customers would organically and enthusiastically promote our product.. You know, really creating something that drives value, that really has that impact in the world, especially at a cutting edge technology and time.. And we thought about all of this, you know, before anything else and had that kind of conversation to align kind of on what our goals are and what we're trying to do in Coactive.. And really, you know, not just, you know, the billion dollar valuation or anything like that, but really kind of caring about how do we get there? What is the type of company that we're creating and what is the type of experience that, you know, whether it's partner, whether it's our customers, partners, or the team that they're having...