

## Benchmark's Peter Fenton: '10 to 20 years of innovation just got pulled forward' – TechCrunch

Connie Loizos@cookie / 7:17 am CST•September 18, 2020comment Comment

5-7 minutes

Earlier today at TechCrunch Disrupt, venture capitalist [Peter Fenton](#) joined us to talk about a variety of issues. Among them, we discussed how he's putting his stamp on [Benchmark](#) now that, 15 years after joining the storied firm, he's its [most senior member](#).

Fenton said that he's mostly focused on ensuring that the firm doesn't change. It wants to remain small, with no more than six general partners at a time. It wants to keep investing funds that are half a billion dollars or less because its small team can only work closely with so many founders. He also made a point of noting that Benchmark's partners still divide their investment profits equally, unlike at other, more hierarchical venture firms, where senior investors reap the biggest financial benefits.

We also talked about diversity because Benchmark — which is currently run by Fenton, Sarah Tavel, Eric Vishria and Chetan Puttagunta — is hiring one to two more general partners.

We talked about the opportunities that has Benchmark, and Fenton specifically, most excited right now.

And we talked about why Benchmark, a Series A investor in both [Uber](#) and WeWork, seemingly took so long to address cultural issues within both companies. Read on for more, or check out our full conversation below.

**On whether Benchmark, which historically had all white male partners and now counts Fenton as its only white male partner, might hire a Black partner on his watch, given the dearth of Black investors in the industry (along with the changing demographics of the U.S.):**

"That's a personal issue for me, which is going to be measured in the outcomes, just like we have companies that take on initiatives that matter and then measure them and hold themselves accountable. I won't feel good about our failure if we don't continue to tilt towards diversity. It's not enough that I'm the only white male partner. The industry is so systematically skewed in the wrong direction, and we've gotten so good at rationalizing how it ended up here, that I don't think we can tolerate it anymore."

Benchmark is looking to reinvent itself through "three interfaces," he continued. "It's who are we talking with and spending time with in terms of [who we might invest in] — that has to change; who are the people making investment decisions, [meaning] the partnership; and then what's the composition of the companies we've invested in, meaning the executives and the boards.

"Before I'm done with the venture business, I want to be able to point to empirical outcomes . . ."

**As for why Benchmark waited for the public to rally against its portfolio companies Uber and [WeWork](#) before taking action to address cultural issues (in Uber's case, in reaction to former engineer Susan Fowler's famous blog post and, in the case of WeWork, in reaction to its S-1 filing):**

"I can't give you a crisp answer because ultimately, what happens in the public eye isn't the whole story of what was going on between Benchmark and those CEOs." It's "far more complicated, far more nuanced, far more engaged."

Said Fenton: "What you start with in any partnership is this idea that we're all flawed and providing what feels like unconditional support to a founder to nurture them and help them to understand in ways they might be able to from their direct reports where they are going to get in trouble, where they're going to fall short, and then buttress them.

"I can say, having watched both [Benchmark investors] Bruce [Dunlevie] and Bill [Gurley] in those roles that they gave their heart and soul to enable the full potential of those entrepreneurs, and in each case,

it wasn't enough.

"I don't know what to say other than, I don't envision another individual in that [board] role being able to do a better job because what they gave was everything, and those companies built enormous organizations, great success, delight and joy for customers, and they had, in each of their cases, pathologies in their culture. A number of companies that I'm involved with have pathologies in their culture. Every organization can build them. What motivated both Bill and Bruce was the constituencies that go beyond the CEO, the employees, the customers, and in the case of Uber, the drivers . . .

"You could say Susan Fowler was the reason it all happened; I can assure you that the work that was being done far preceded that. Could we have done more, more quickly? You always look back and say, 'Yeah.' I think you learn as an organization. We're not perfect."

**As for the trends that Fenton is watching most closely right now, he suggested a world of opportunities have opened up in the last six months, and he thinks they'll only gain momentum from here:**

"What I'm most excited about is, we're not going back to normal. What's so amazing is this shock to the system is really a *big* opportunity for entrepreneurs to come and say, 'What do we need to build to recreate and unlock all these things we lost when we stopped going into workplaces?'

"So I think this opportunity to build the tools for a world that's 'post place' has just opened up and is as exciting as anything I've seen in my venture career. You walk around right now and you see these ghosts towns, with gyms, classes you might take [and so forth] and now maybe you go online and do Peloton, or that class you maybe do online. So I think a whole field of opportunities will move into this post-place delivery mechanism that are really exciting. [It] could be 10 to 20 years of innovation that just got pulled forward into today."