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You likely haven't heard of Benchmark's new GP and that says everything about where Benchmark is going



By Sarah Lacy



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NEWS

Benchmark announced this week that it's hiring Eric Vishria as its newest general partner. It was hardly the biggest industry news of the week. Much of the tech press was like, "Eric, who?"

Exactly.

I've always had a soft spot for Benchmark's radical approach to venture capital. And by "radical" I only mean wildly out of step with most of the other top venture firms. **It's actually the only firm still operating a more classic model from the VC days of yore. No growth fund, no seed fund, no bulked up professional services army, and long since divested international offices in London and Israel.** A China fund? Ha. No way.

They just -- *get this* -- **invest in companies at A and B rounds and sit on their boards.** Crazy!

This part was actually radical at the time Benchmark was funded: It has a totally equal partner structure. That means an incoming partner with zero track record gets the same economics as the guys who invested in eBay, OpenTable, Yelp, Twitter, Uber, and Snapchat.

This structure makes a partner hire at Benchmark unlike a similar hire at other top venture firms. They haven't made a hire in six long years. Way more rides on the decision and so, not surprisingly, Benchmark takes an absurdly long time to decide on new partner hires. And when they do make a hire, it telegraphs something about the firm. "Because it's an equal partnership it immediately puts someone on the exact same economics as everyone else," Benchmark's Bill Gurley says. **"We can't build a farm team of junior people and take more risks. The weight of the decision is so much that it makes the decision very hard."**

Not only does Benchmark want a good fit, but someone who can be at the firm for some twenty years. Vishria is not only one of its lesser known hires, he's one of the oldest new hires at 34.

Says Vishria once Gurley has hopped off the call: "It's the longest fucking process you can imagine."

For instance, when Benchmark hired the surging Matt Cohler back in 2008 – an early employee at both LinkedIn and Facebook -- it was a big statement that Benchmark was getting serious about social, a wave that it had mostly missed until then.

So what to make of its announcement this week that it was hiring the little known, not independently wealthy, or crazy successful Vishria?

He isn't a household name. He doesn't speak on stage at industry conferences. His company, RockMelt, was sucked up in Marissa Mayer's wild landgrab of acqui hires, but he's been blunt that it was a failure. Before that he was part of Ben "wartime CEO" Horowitz's Opsware army.

So, really, there are two questions here: Why Vishria? And why isn't he joining Andreessen Horowitz, where all the Opsware mafia congregates?

When he called me to tell me the news earlier this week, I only asked myself the latter. I knew exactly why Benchmark was naming Vishria as a partner: He's way better than his on-paper track record shows. If Billy Beane was bringing his moneyball approach to forming a venture capital partnership, he'd look for people like Vishria. He has a massively underrated skill set, because most venture firms have -- bluntly put -- become starfuckers. They want huge names, brands, Twitter followings, bloggers. Vishria isn't any of those.

What he is is smart. He's that person you can trust enough to tell him all of the horrible things going on in your company, and know he won't judge you and know that he's seen way worse. He's seen the ugly side of entrepreneurship, and has seen it still work out in the case of Opsware and seen it not work out in the case of RockMelt. Vishria is deeply connected to the Valley elite in a non-in-your-face way. At the same time, he's blunt and is not going to coddle anyone. He's fun -- with an easy laugh -- but also intense. (He wore fatigues everyday for a particularly intense period of "battle" at RockMelt.) He also has great engineering and product instincts: RockMelt was a gorgeous product, even though it failed.

Vishria doesn't want to be the next, say, Reid Hoffman -- he loves *loves* enterprise.

He's the type of guy who should be a VC at a major firm, the reason it's great that failure is OK here. But these days, guys like that often don't make it to a job like this because of an obsession with names and personal brands and the NASCAR syndrome of bolting on hot companies through nosebleed late stage deals and partners who can bring in celebrity "deal flow."

Put another way: He's someone I would want to raise money from. And having gone through three years of abject hell in building Pando to a point of sustainability, I can tell you I don't say that lightly. (To be clear: Pando isn't raising money, and Vishria doesn't do media deals. We are fully funded through profitability.)

Benchmark is not an investor in Pando, although Matt Cohler invested \$25,000 personally in our very first \$2.5 million seed round. I haven't always known what to make of the firm. It was incredibly high profile in the late 1990s with the ill-thought idea to open up the kimono to a book writer who churned out "eBoys: The True Story of the Six Tall Men who

Backed eBay Webvan and Other Billion Dollar Startups.” As the title “eBoys” indicates, it was a little cringeworthy and very much of the times.

After that, Benchmark went on media lockdown, hardly talking to anyone, ever. It missed a lot of the early Web 2.0 resurgence, until hiring Peter Fenton and Matt Cohler in part to correct that. Today, its track record is surging again – see Uber and Snapchat.

It says a lot about the firm Benchmark wants to be that, now back on the top of their game, Vishria is the guy they hire.

Aside from where he went, I was not surprised to hear Vishria was becoming a VC. Let's face it: Like most acquired CEOs of a company that didn't turn out as hoped, it was a long shot that he'd stay at Yahoo beyond a period of obligation. I last saw Vishria in line at LAX. It was soon after the April 2013 acquisition and he still looked beaten, wartorn, and exhausted, with an undigested belly full of broken glass.

I asked if he was going to start another company and he looked at me as if to say it'd be easier on his health and family to stick his head in a wood chipper. A lot of entrepreneurs glamorize the journey -- those early days. Vishria isn't one of them. He remembers all the hell. In line at LAX security he looked like he was reliving it all behind his eyes, even as I asked the question.

It's less that he wants a break -- like a lot of VCs, he rejects the idea the job is “easy.” But it's at least a different kind of stress. The challenge for an former-founder turned VC is that it's not all on you this time. You have to let go. (Or, perhaps better put, you get to.)

I asked if Vishria if he's truly over the heartbreak. He clearly wasn't when I last saw him. He was devastated that RockMelt failed, thankful as he was for a soft landing for his team and some of the technology. It's a crucial question for him to come to peace with before he can help anyone. Operational experience is great just up until it becomes the kind of baggage that VCs lug into every board meeting.

He told me about a conversation he had with Marc Andreessen (disclosure: a Pando investor) during the dark time. “You are Valley depressed,” Andreessen said. “It's not really that bad, you are just carrying it around.” Andreessen said he'd know Vishria was over it when they could have an entire conversation, and Vishria wouldn't once bring up what happened.

“I think I got to peace maybe six months after that,” he says. “RockMelt didn't work, but 1 billion people have switched browsers, so the core value proposition was there. We were just no match for Google's distribution power. It's the nature of this business. You take big swings and sometimes they work. Ours didn't.”



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