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2019-02-27
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1980s - cost lots of money to build a product
2000s - building products became simple
Power shifted from businesspeople to engineers
Y Combinator: product for engineers to start businesses

Funding companies in batches and not individually
Y Combinator: Starting a startup is emotionally taxing

Startup School, Accelerator, Bookface (internal board), YC Growth Program
Learning best practices for fundraising for companies preparing for Series A

Funded about 2100 companies, mostly dead or in process of dying
Figuring out how to win ⇔ figuring out how not to die
100+ companies worth over $100m, 17 companies worth over $1b

Should you be a startup founder?
● "Would you like to work on a problem for 5-10 years and still fail? If not,
  Google is still hiring and they're over there!"
● "I hate when people shit on non-startup jobs. They pay extremely well. You
  live a healthy lifestyle. Working at Google is great."
● "There has to be something that anchors you to your startup when things
  are not going well. What's going to be the anchor?"
● Startups are not good for career path or résumé building
● For those who don't want to work in someone else's system

Most people find their co-founders in college, when they're all in one place
Look for people who brainstorm, who want to extend the conversation
Start brainstorming about problems with those people, not solutions or ideas
If there's a solution that's interesting, start building a simple first version

Start with your community, launch your product and start getting customers
After getting a few customers, then start iterating your product
Finally, it's time to start thinking about incorporating, trying to raise money
By having customers, you have leverage over investors (⇒ better results)

Product Market Fit
When success is painful

If you don't know if you have it, then you absolutely don't have it
"Everything is blowing up, but everything is working at the same time"
When things are going so overwhelmingly well that you're angry about it
Vast majority of companies never hit it, not correlated with fundraising
For most, entire time before Series A is spent experimenting on solution

Iteration: holding the customer and product constant, changing the solution
Pivoting: holding the solution constant, changing customer and/or product
✓ iteration ✗ pivoting
Advice: only pivot if you've been working on something for two years
If you're doing something that feels like traditional selling, that's an issue

Operate "Navy SEALS"-style:
● Small interdisciplinary team of non-specialized people
● Doesn't require active management
● No more than 6-8 people (more requires management)

Usually, it's not competitors that kills you, it's lack of product market fit
You might get killed by product market fit, then your competitor does too

Miscellaneous
Marketing is to accelerate growth, not create growth
Patents: do you have the money to defend them?
People in the West Coast startup community tend to give back more
Most founders overestimate how much their friends like their jobs
Make a list of five people who you identify as good co-founders, ask them
Consider taking 1-2 years to work to build friendships at companies
If you want to make a startup, have to be proactive about asking for help

40% of companies in Y Combinator come from internationally
Vast majority of billion-dollar companies are founded in SV & Beijing
Silicon Valley is a magnet for the best engineers in the world
Post-product market fit is when issues of location start to become an issue
How is the location going to be the best for the startup?
If not located in Bay Area, try to extract as much as possible from here