

# Cruise

There is a long and sordid history of people coming out of the woodwork with bogus claims when huge amounts of money are on the line. This has just happened to Cruise, which is run by my friend Kyle Vogt. Cruise is a YC company, and I also personally invested in the company last year.

As detailed in a complaint filed by Kyle and Cruise, Jeremy Guillory collaborated with Kyle for a very short period early on in the life of Cruise. I know that at least Kyle had been thinking about autonomous vehicles for quite some time, and I assume Jeremy had been too given all of the attention on the topic in the press about Google's activities. After a little over a month, Kyle and Jeremy parted ways. This event happened more than two years ago, and well before the company had achieved much of anything.

There is more detail in this footnote [1] if you're curious, or you can read the complaint online [here](#).

Jeremy is now claiming to Kyle that he should own a substantial amount of Cruise's equity, and by doing so is interfering with the pending Cruise/GM merger.

Kyle made an extremely generous offer to settle this claim by offering to give Jeremy a lot of his own money. [2] In my opinion, Jeremy's claim is completely baseless and opportunistic—it obviously comes at a bad time for the company with the merger still pending, and Kyle understandably wanted to avoid a protracted litigation. Kyle has worked incredibly hard to settle this claim amicably, despite what I consider to be the obvious ridiculousness of it, and has done far more than I would have personally done under these circumstances.

Kyle and Cruise are now suing Jeremy for making a false equity claim. It's an incredible bummer these situations have to happen in the first place. This is one of the least sensible professional situations I've ever been involved with, but unfortunately these situations are not uncommon.

I recognize that I place myself at risk talking about this, but it's time that someone speaks publicly about situations like what is happening at Cruise. And so I've decided to say something before the lawyers can stop me. Even with this issue, both sides still expect the merger to close on schedule in Q2.

[1] Kyle and Jeremy applied to YC together but Jeremy left before the YC interview. Neither took a salary, and Kyle was funding the company by himself at that point.

According to Kyle, Jeremy did not write any code or build any hardware during this exploratory period. He did help find an office for the company. At the point of Jeremy's departure, neither he nor Kyle had signed employment agreements, stock agreements, or any documents of any sort with the company. Even if Jeremy had signed a stock agreement, he wouldn't have reached the standard 1-year cliff for founders to vest any equity.

Kyle told me that Jeremy would occasionally reach out to congratulate him on press about Cruise (for example, he reached out to congratulate Kyle on Cruise's Series A), but he never asked for anything—until now, when, in my opinion, he saw an opportunity to make a ton of money.

[2] I was personally involved all day on Friday last week to try to help settle this claim. Given the time pressure because of the pending merger, we had to set a Friday at 5 pm deadline for Kyle's offer, which Jeremy let expire.