ANTONIO GARCÍA SANSIGRE

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GROWING STARTUPS AT TECHX

RESUMEN DE LA CONFERENCIA DE AMIT PANDEY

On Thursday November 21st, TechX held its sixth keynote speech by inviting Mr. Amit Pandey, VP of Citrix Mobility.

Pandey joined McKinsey and opened the first office in India. He spent 4 years with McKinsey and the office grew from 6 people to 125. In hindsight, the Indian McKinsey office stung him with the Startup virus because after that he has only worked in startup companies. His last company, Zenprise, was recently sold to Citrix for $300 million.
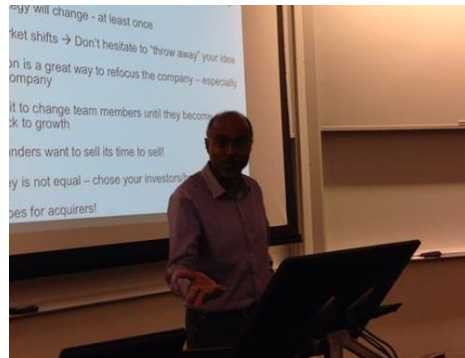
These are the main takeaways from his speech:

- "A great team and a large market are much more important than a great idea". He took this quote from influential venture capitalist Don Valentine. The world is full of great ideas, but you need a great team to make them work. Most of the times, however, the idea is not enough, and you need to change in order to keep growing. In Pandey's words, "companies meander", which leads us to his second lesson:

- "Your strategy will change, at least once". This is the meandering he is referring to. A great idea needs to be adapted to the market.

- "If the market shifts, do not hesitate to throw away your idea". This implies a huge courage. Pandey has seen lots of companies cling to the same idea and become insignificantly small. He saw it first hand in India, with a family owned company that persisted in building the same cars for the next 30 years, and they still hang around, with an even smaller market share.

- "Acquiring can help refocus the company. I did it twice". At Zenprise, a startup dedicated to mobile device management (MDM) technology, they had been operating with Blackberries. They saw in time the introduction of the i-phone and decided to seize the opportunity. They bought a company in Paris to French Venture capitalists for a couple of million. Three years later, they sold it for 300 million. He was brought in at that moment to scale the business. Zenprise has reached $24 million in revenues in 2013 and they project $50 million in 2014.

- "Do not wait to change team members if they become a bottleneck to growth". Those members that still cling to the old ways and the old ideas become a hamper to growth. You need to embrace the new ideas that are working and ditch the old.

- "If the founders want to sell, it is time to sell!" Zenprise had received several offers and had turned them all down, until Citrix came. Citrix made a very generous offer and they shared a common vision with Zenprise. And the investors wanted out. As CEO, he could have turned the offer down, but that would have meant that any slip on his behalf would have put him in a difficult situation with the investors. If they want to sell, it is time to sell…

- "All money is not equal, choose your investors/board carefully". This is a big reason to go with the big venture capitalists. The difference with the rest is that the Sequoia, Benchmark,

Greylock or Accel VCs ultimately listen to the CEO and the management team, while the rest might operate more independently.

- "Same goes for acquirers". Do not make a wholly financial decision; it has to be coherent with the strategy and your goals. From a short term point of view, financial decisions are always correct, but there are other parameters.

- "Stay out of highly demanding clients". When you are small, start with less demanding customers and then, once you grow, move to the hard cases. "In my experience, this turned out to be Japan and the financial services industry".

- "In the tech world, you need to be in Gartner's magic quadrant". Research company Gartner Inc. is the author of high-sought technology industry reports. Gartner positions all the main participants in a four-quadrant matrix (see diagram below). The first parameter is "completeness of vision" (Pandey defines it as how good is your product). The second parameter is your "ability to execute". Those companies that are positioned in the "leader" quadrant become the darlings of the industry and have the potential to IPO or being acquired. The very fact they are positioned in that quadrant automatically multiplies revenues. One of Zenprise's greatest successes was its positioning in 2011 as visionary and in May 2012 as leader:

View all Magic Quadrants

	CHALLENGERS	LEADERS
ABILITY TO EXECUTE	NICHE PLAYERS	VISIONARIES

COMPLETENESS OF VISION
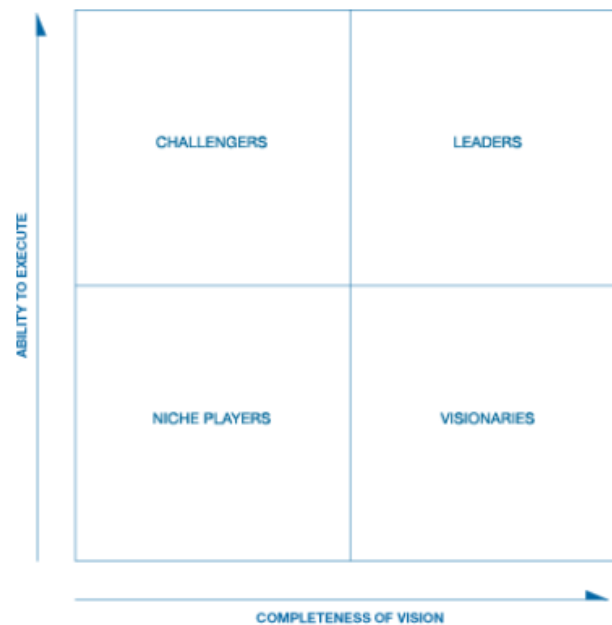
About Amit Pandey

Amit Pandey is a Silicon Valley top executive. For a few years he worked for Netapp, a company that topped 12,000 employees when he left. One of the subsidiaries, Netcash, grew from 0 to $150 million per year in revenues. Another, Netdrive, grow from 0 to $500 million per year in one and half years. Afterwards he joined Terracotta. This startup made applications go faster and for some years it meandered. After sacking 80% of the team, he regrew the company and sold it 5 years later for 5

times the revenue. In the mobile domain he joined Zenprise, a startup dedicated to mobile device management (MDM) technology (adapting mobile technology to companies), sold in December 2012 for $300 million.

About MDM

MDM is a huge market, even bigger than Big Data. They calculate a size of $1-2 billion today and a projected $6 billion for 2015. Is has been doubling every year. Today mobile is being used strategically as a way to enhance productivity. One of their benchmark cases is Vegas Casino "The Venetian". The started using mobile devices to improve the retrieval service of the valet parking. Waiting time went down from 30 minutes to 5 minutes. It was a huge customer experience bonus and also had employee benefits: they gave i-pads to their valet employees. Today MDM not only helps in content security, it reaches custom applications, third party applications and secured e-mail and documents. The concept of "secured office" has gained traction: employees and executives can use their personal mobile devices for professional purposes. They do so thanks to an invisible firewall that the client (the user) is not aware of.

The trend of employees bringing their own devices to work is called "BYOD" (Bring Your Own Device) is being exploited by a range of companies such as Zenprise, which help their clients centralize and protect their data. For instance, when an employee leaves his or her phone in a bar, sensitive data can be wiped from the device remotely.

About TechX

TechX is a private initiative set up by students at the MsX program to share insights about technologies and companies in Silicon Valley and to provide closer networking opportunities with executives and leaders in the industry.

Visit http://techxstanford.com/ to learn more.
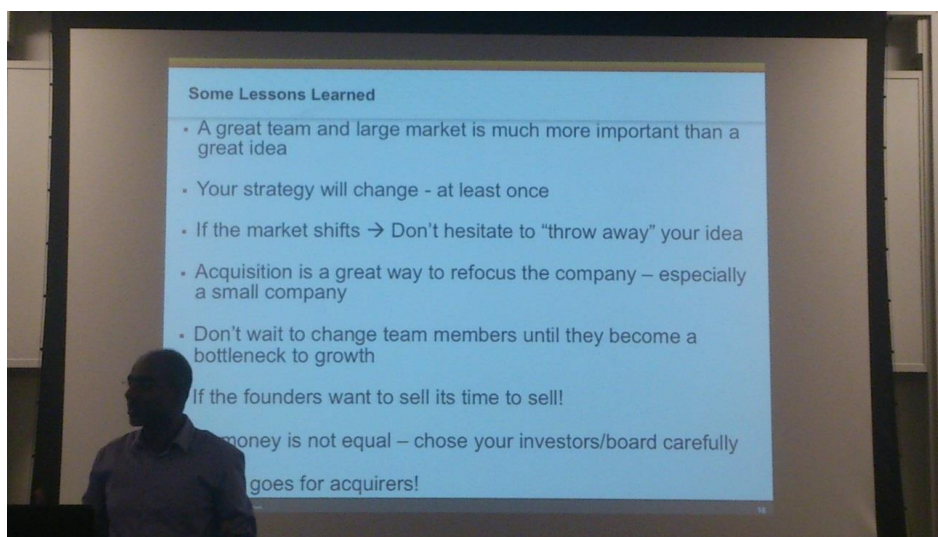
Transparencia

El Autor de este resumen es *co-organizador* del evento, pero no tiene relación con el ponente más allá de la expresada.