

URL: <https://stvp.stanford.edu/blog/videos/competing-with-other-start-ups>

Adams doesn't worry as much about competition from other start-ups; he views that type of competition as validating the market. It's direct competition from the big companies that is frightening, he says.



Transcript

When you compete with other startups there's a couple of things that happen.. One is, and you'll hear this from venture people when there's two or three people in the market they say, "Oh, there's another company doing what you're doing? That validates the market." It is like if there are two stupid people doing what you're doing, oh it must be smart.. There are three stupid people it must be really smart.. So having other startups sort of in the same space, it kind of validates it because it's all sort of there about hey who can be the smartest of the startups and who can get the most venture money in.. And that game doesn't scare because I can play in that space but if some large company like UPS turned or eBay turned around and said, "Hey we're going to open Drop Up stores." And I'll go, oh we are dead.. We are dead.. And the venture capital field you'll be chasing some capital.. It will be bad.. But having other companies in the same space, because you're all kind of in the level playing field and you don't really have, no clear advantages in this whoever execute the best and whoever actually can get the most money.. And so that's why I don't see that amongst similar startups as a bigger threat because if a large company decides to come and stump...