

URL: <https://stvp.stanford.edu/clips/gaining-global-perspective>

DFJ Managing Director Tim Draper talks about how his firm first began to see new opportunities across the globe, based on the interconnectedness of people in an ever shrinking world.



## Transcript

I started to think about the globe, what it could do for us and how it would expand when I was actually failing in my venture business.. We had a little SBIC and it didn't really, wasn't really working out very well.. There was no public market like today and I was just struggling along trying to figure out what to do and some guy from Alaska said oil is now \$5 a barrel.. You know what a barrel of oil costs now? It's like \$100 or something.. It was \$5 a barrel and they were starting to panic because all of their economy came from oil and they said we need something else.. We need venture capital, entrepreneurship and it got me thinking that you could actually do this in other places.. Anyway lot of global opportunities, there is global warming, global finance, global communications, global health.. So we started to think, wow we ought to really think globally and part of it was getting a little window.. When we funded Hotmail, the founder Sabeer Bhatia sent an email to his friend in India and within three weeks we had 100,000 registered Hotmail users in India, and there weren't even 100,000 computers in India at that time.. It was, all of a sudden we realized we could do commerce all over the world, we could spread information all over the world..

Lot of great things were going to happen around the world and so at DFJ we made this decision to start setting up offices around the world.. And we knew that it used to be the Silicon Valley required, when I was an electrical engineer, you had to start your electronics business in the Silicon Valley because the disc drive manufactures were here, the processors were here, the memory devices were here.. Everything was here.. So you had to, if you were starting a business you had to build here.. All the printers were here, everything was here.. But then all of a sudden there were these companies that didn't require any hardware.. So we thought, oh my gosh those could be done anywhere.. You can start a business no matter where you are.. You've got the same information now, and Google and Baidoo and whatever as everybody else in the world.. So if you are creative enough you can start a business that spreads all over the world and it doesn't have to be here in the Silicon Valley..