

URL: <https://stvp.stanford.edu/clips/startups-with-friends>

Box.net CEO and Co-Founder Aaron Levie started his company with friends he had known since high school. Levie shares the dangers and benefits of starting an organization with close friends, including the positive "hum" and high level of trust that can build between group members dedicated to a vision.



Transcript

There must have been some tough times.. There must have been some really challenging moments.. And yet, you're still best friends and you're still running the company together.. Can you share a few more stories about how you got through some of what those tough times were and how you got around? Do you recommend starting businesses with your best friends? Yeah, great question.. OK.. So, the good news is my best friend wasn't named Eduardo.. That made things a little bit easier.. So, Dylan and myself and actually the third and fourth employees of Box, we actually all went to high school together up in Seattle.. And so, we knew each other extremely well.. We already knew each other's ticks..

Like Dylan likes to save money so don't ask to borrow money from him, right? That's just like a no-no.. And so, we had an opportunity where we had already collaborated for a very long time.. I realized that's extremely unusual in terms of starting companies in college.. But I think we both and even the third and fourth guys that we went to school with, we all realized that we're trying to have the most amount of fun.. We're trying to have the largest amount of impact.. We're trying to not let the things that happen in the business world impact our own relationships.. What's also interesting, though, to be fair is our relationships have over time transitioned to be more business-oriented relationships.. And so, we're often talking about business.. We're talking about the technology, talking about the product.. And so, it's sort of almost hard to separate the two at this point..

I shared a bedroom with two other guys for six months.. And this was like not a submarine.. This was like in a regular room.. When you get to know people that well, there is a certain kind of humming that can happen.. And so, everyone is thinking each other's thoughts.. There is a lot of excitement.. But it can be a risk.. There's a lot of situations where people have separated from their co-founders.. There's a lot of situations where people have separated from their partners in life that hasn't worked out.. So, there's really many ways that that can end up..

I would just recommend being as open, as communicative as possible.. Make sure that everyone is on the same page at all times.. The one benefit, not the one, there's many, a big benefit to starting companies with people you do know is there's a much higher degree of trust.. We have been able to, almost through peer pressure, sort of social in nature and subtle in nature, make sure that we're all in this together at all times.. And it's this level of bond which means that we know that no one is going to like leave if something goes wrong or there's going to be a problem.. That's the level of, I think, tightness that comes when you have a bigger and better relationship with people.. But over time you also have to build those kinds of relationships with the new people that come in to Box.. And so, we have tried to create that type of familiarity with everyone that we're working with..