

Chapter 1 Do More Faster

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Startups do almost everything at a disadvantage. Initially, most startups have less money than their competitors. They have less credibility and fewer customers. They have fewer employees, which means there are fewer people focused on marketing, sales, and product development. Resources are scarce at a startup.

But, as in the martial arts, the best startups use the weight of their opponents to compete more effectively. Bureaucracy slows down larger companies. People do less in larger companies because making a mistake can be politically costly. Risk takers who are wrong get fired or lose power internally. The larger the company, the more likely it is to be slow and fraught with internal politics.

If there's one competitive advantage that most startups have, it's that they can do more faster. And because they can do more faster, they can learn more faster. Startups can immediately throw things away that don't work, because no one cares, anyway. Nobody is trying to protect a brand that doesn't exist, and there isn't any reason to be afraid of small failures. Startups know that that's just part of the process.

If you ask CEOs of major companies what they're most worried about, one common answer is, "a couple of people in a garage somewhere." Why would a major company be worried about that? Because their larger and more established competitors have too much to

lose to try something radically different. There's too much at stake for these large companies to try to blow up the market to disrupt the existing players. Relatively speaking, startups have nothing to lose and everything to gain by trying radical or nonobvious things. Larger companies are often baffled at just how much a startup can get done—and it scares them.

One of the things we talk with startups at Techstars about is that they have to do more faster. This doesn't mean doing random stuff—they still have to be thoughtful. But if they're not hyperproductive as small, nimble companies, then they're fighting from a real disadvantage. There is no advantage to being a startup if you can't do more faster. I'm such a big believer in this that I originally named my own first angel fund Bullet Time Ventures. It's named after the move from the movie *The Matrix*, where Neo is so fast that he can easily dodge bullets. To him, his enemies move in slow motion, so he has an obvious advantage over them that can make all the difference in the virtual world he lives in. The same is true in the startup world.

When Occipital was in Techstars in 2008, they were faster than a speeding bullet. As a visual search company, they tried several products before having a runaway hit with RedLaser. All of their products were interesting, but what really paid off for Occipital was their ability to try their ideas quickly and throw away what didn't work while focusing on what did work. RedLaser was actually the fourth product Occipital worked on over a six-month time frame. On the surface, this may sound disorganized and random, but Jeff Powers and Vikas Reddy were deliberate about assessing progress at every step and vigilant about throwing away ideas and prototypes that didn't work.

There are multiple examples of Techstars companies that learned to do more faster. Next Big Sound built an incredibly beautiful and functional product in under three months. SendGrid figured out how to scale their email delivery infrastructure to 20 million emails a day in under a year. Oneforty rallied a community of thousands of Twitter application developers in just a few months. Intense Debate went from concept to being installed on hundreds of blogs in the course of a single summer. Companies that work seem to move at lightning speed. By contrast, the ones that don't seem to always be talking about releases and features that are coming “in a few months.” How do the fast companies do it? They focus on what matters and make massive progress in the areas that actually have an impact.

At Techstars and as an investor, I've been involved with startups that couldn't do more faster. They were just as slow to execute as larger competitors. They employed too much process too early, tried to convince themselves that they were absolutely right before taking risks, and thought too long at the expense of getting things done. Their great ideas couldn't save them. It turns out that giving up your one obvious competitive advantage often proves to be deadly. If a startup can't do more faster, it usually just gets dead faster.



The view leaving David Cohen's office at the Techstars Bunker. The founders will often jump up to slap the phrase on the way out after a meeting.

