



ROCKSTAR AUSSIE FOUNDERS

Living in the US



About the Aussie Founders Network

The Aussie Founders Network (AFN) is a member-driven community of Australian founders, investors and industry advisors. The AFN creates a soft landing for Aussie tech founders where they can access advice, share knowledge and support each other while expanding into the USA market.

Started in Silicon Valley, the AFN had its origins in the form of regular Founder Lunches in mid-2015 and was formally founded as a Public Benefit Corporation in August 2016. AFN's mission is to support, build and elevate the role and impact of the Aussie tech community, globally. You can become an AFN member: aussiefounders.org/apply

About ACS

ACS is the professional association for Australia's Information and Communications Technology sector. More than 40,000 ACS members work in business, education, government and the community.

ACS has a vision for Australia to be a world leader in technology talent, fostering innovation and creating new forms of value. We are firmly vested in the innovative creation and adoption of best of breed technology in Australia, and we strive to create the environment and provide the opportunities for members and partners to succeed.

ACS works to ensure ICT professionals are recognised as drivers of innovation in our society, relevant across all sectors, and to promote the formulation of effective policies on ICT and related matters.

Visit acs.org.au for more information.

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ROCKST★R
AUSSIE FOUNDERS
Living in the US



Foreword



Yohan Ramasundara
President, ACS



Andrew Johnson
Chief Executive Officer, ACS

For a small nation, Australia has always punched above its weight when it comes to technology. Even though it's not the first nation that springs to mind when the subject of technology innovation comes up, Australia has quietly been the source of some of the world's most important inventions.

Medical ultrasounds, the bionic ear, Google Maps, the black box flight recorder, the technology behind Wi-Fi – all had their genesis in Australia before being adopted by the wider world.

What people perhaps fail to realise is that there is an incredible wealth of technology talent to be found in Australia. As revealed in ACS Australia's Digital Pulse 2018, we lead the world when it comes to digital literacy. We have one of the best education systems in the world, an entrepreneurial spirit and a rapidly growing start-up scene.

Innovation districts are popping up all over the nation, while venture capital and private equity funding in the nation continues to grow. When it comes to assets under management, it's now 3.5 times higher than it was in 2005.

Many of the nation's innovators have gone even further, leaving our shores to take on the world's toughest crucible for aspiring tech companies. Silicon Valley is the world's most competitive arena for start-ups, a place where the brightest founders and companies from all over the world go to compete for investor dollars and global attention. It's the Olympics for tech start-ups, a place where only the

very best survive and thrive – and more than a few Australian start-ups have done just that.

ACS is proud to showcase some of those founders and companies that have made it in Silicon Valley and the US, and we'd like to thank Aussie Founders Network for compiling this report and highlighting some of our brightest stars.

These are the people who have gone to the US and shown the world what our ICT companies can do. They've shown that we have the talent and drive to be a major player in the world tech scene, capable of starting and managing companies with global reach.

At ACS we believe in the capabilities and future of Australian ICT. We have a vision for Australia to be a world leader in technology talent, fostering innovation and creating new forms of value. To that end, we have a focus on the innovative creation and adoption of best of breed technology in Australia.

People like the founders spotlighted here reveal just how much talent we have in Australia, and it's an inspiring reminder that, if we can create the right conditions for start-ups to flourish, that the nation has what it takes to be a major player in the businesses of tomorrow.

Although we may be located in a remote corner of the world, through people like these we can see that we have the talent and drive to succeed on the global stage. We want the world to see that as well.

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01

Adam Broadway, PlatformOS

What got you to where you are?

The genesis of my entrepreneurial career started when I was about 16, when I left school, left home, left it all and jumped out into the big wide world and it was then that I got this bug for being a self-made man.

I got into computers back when the XT [IBM's Personal Computer] just started – one of the very first 16-bit computers – and got the bug. By the time I hit 18 I started my own first computer hardware business, and within five years I sold that because computer hardware margins went from 300% to 3%. I got into software development, moved to Sydney and then that's when I met [co-founder] Bardia Housman. In 2004 we got together and kicked off Business Catalyst, because software you could build once, and sell it for one dollar to a trillion people, is a much more scalable model.

With Business Catalyst, from 20% of our clients being USA-based or global and 80% Australian, within about 18 months it flipped the other way. Bardia went to the USA to kickstart the USA office and we got a call early in that year from Adobe, and we got acquired and closed the deal in August 2009.

I stuck around, and was watching the evolution of the way that e-commerce and marketplaces were heading and also the way that the web was changing from browser-based to eventually just APIs for everything. That's why when I left Adobe and started another business.

Near Me was what we called the business, and PlatformOS is the rebranded version; we created an Airbnb for office space. It was started by some Aussie guys that built it over a weekend and we bought it off them because we wanted to do the same thing. Having succeeded with that, we then rebuilt from scratch the entire software architecture to be a many-to-many platform that catered for market places whether they be for people, for products, for places, or projects.

We now have our own channel partners who use the platform to build their own content management systems, learning management systems, accounting packages and CRM so that's where the evolution has ended up.

What does getting to the US look like?

We've got brands like Intel, Hallmark and UiPath (they're an overnight success, 12 to 13 years in the making, where they were valued at \$1 billion in March this year and then got valued at \$3 billion in October this year).

We're supplying them with our technology that's powering their marketplace, their job portal, their community site, the gamification modules, learning management, a whole bunch of things. So, it's great to be working with the high-end enterprise but we have a lot of mid-tier and entrepreneurs building on the platform as well.

In Silicon Valley you have a concentration of the best minds, in virtually every industry and vertical you can think of. Stand in a coffee shop in San Francisco and along the Bay Area and throw a stone in any direction and you'll hit an AI machine learning guru, 20 VCs, 100 different engineers across 20 different stacks. Just stand in Starbucks and listen to conversations going.

There is an addictive part of the typical entrepreneur that I've met, every one of them, particularly in Silicon Valley. Usually, addiction comes in threes, some of them are not good; you can say all addictions are not good but there's a drive and an addiction to succeed.

One of the problems I see in the start-up culture particularly in San Francisco is sex, drugs and start-ups. That becomes an addictive behaviour too, and then suddenly that exacerbates a mental health issue that may not have been there if you were exercising, eating a good healthy diet and just talking to a friend.

I definitely think it's the unspoken epidemic that happens in Silicon Valley. You can see the suicide levels that exist particularly in young people. For me, I go back to my team, AKA my family, that provides that level of trust and transparency and we lift each other up.



Adam Broadway

 **7** start-ups founded

 Lilydale, Victoria

PlatformOS

 platform-os.com

 Founded in
2014
by Adam Broadway

 Turn-key business
website solutions

 **25** employees

 San Francisco,
St. Louis,
Warsaw, Poznan,
Bucharest

 No fundraising

What should a first-time founder know?

You've really got to be genuinely passionate about the problem you're solving and until you solve it, you just keep going. That's that drive; that's what drove us to build Business Catalyst when our credit cards were maxed out and we were getting food parcels from the church. Well, I was: he [co-founder Bardia Housman] was single. I had kids to feed but that's the thing that pushes you along: you know you believe in it when you can see the proof points along the way and it's just that personal drive and determination.

Laser focus is a whole other part that is difficult to do too because you can have that drive and determination to solve a problem – and then you want to solve every problem. Sometimes you just have to go through it and fail along the way to realise "I really shouldn't have done those networking events six days a week."

If your customers are here then everything that you're doing should revolve around "I'm meeting customers", "I'm going to solve this problem." That can keep your focus, whereas when you're coming here to raise money or network then the purpose is nebulous and open-ended.

One of the things I think entrepreneurs sometimes miss out doing is proving a hypothesis in a very focused niche first, with a longer term vision to commoditise that.

My advice to anybody with a single founder start-up is find a co-founder. It makes a huge difference. Don't jump straight into that relationship; take your time. There needs to be some very clear guidelines on how you make that relationship work and, if it doesn't work, how you extract yourself from it without any legal wrangling.

02

Alex Flint, Zippy

What got you to where you are?

I began thinking about starting a robotics company while I was studying for my PhD in the UK. I was studying robotics and computer vision at Oxford, and I spent quite a lot of time thinking about the fact that in my lifetime I expected to see an emergence of robots into public spaces.

I was thinking about what kind of companies could be started in that space. I finished my PhD in 2011 and moved to New York to work for a visual inertial navigation company called Flyby Media. We were building an augmented reality system for the iPhone, and in order to do that we were building these computer vision systems to be able to track the position of the phone as it moves. I worked there for several years, worked with Google on Project Tango, a bunch of products of our own, and then Flyby was acquired by Apple in 2015.

I decided that I wasn't ready to go and work for a large tech company at that time, so I moved to the San Francisco Bay Area to work for a machine learning company called Kite. Kite was building an AI copilot product that would help with some of the tasks involved in software engineering. I was there for two years and then left at the end of 2016 to start Zippy with two co-founders.

What does getting to the US look like?

Early on we raised a seed round from a syndicate led by Playground Global (Andy Rubin's venture firm). That round gave us the capital we needed to hire our initial team and build the first few prototypes of our robot delivery system.

We looked at autonomous driving initially and saw the huge the amount of investment that was required to build an autonomous driving stack from the ground up, as well as the large and already well-funded players in that space. We decided not to build car-sized robots but instead focused on building robots for delivering food from restaurants out to homes. By focusing on moving food and goods rather than humans we could build smaller and simpler robots, which helped us get a product out early.

It so happened that in the San Francisco Bay Area at that time there wasn't a lot of explicit regulation of autonomous delivery robots. There wasn't anything that specifically allowed it, but there wasn't anything that specifically disallowed it either. We took the responsibility of deploying autonomous vehicles very seriously. It's very easy to operate robots in a way that causes harm or frightens people, so we took it upon ourselves to deploy these vehicles responsibly and safely.

We were very focused on the delivery problem and we worked hard to build a prototype and get a version of the robot out on the road doing delivery as quickly as possible. Initially, it was just driving along the pavement, then it was driving around the block where our office was, and then we went out and did our first deliveries.

On one memorable day we were out with the robot watching it operate, and the delivery was going smoothly, and it just so happened that my co-founder Gabe was on a call doing an early meeting with a venture firm. Without warning he decided to FaceTime me: "Hey Alex are you out on the road?"

I said yes, and then I turned the phone around to show the venture firm and there was our robot just driving down perfectly. I think the partners at the venture firm thought this was pre-planned and staged, but we actually hadn't actually discussed it at all, it just completely fortuitous that it worked out like that. It helped us to zoom out and see that we'd actually made a lot of real progress, that there was something very practical happening. That was very satisfying.

The team was around 30 people at the end of 2017, and we felt we had proved that the problem was solvable. We had built several prototypes, we had formed commercial partners and demonstrated we could do deliveries with these robots. We didn't want to just keep going in experimentation mode. We wanted to either raise a large round and move to a commercialisation phase, or else join a well-capitalised company where the team could have a home going forward. It turned out that Cruise was exactly that company.



Alex Flint



1 start-up founded



Adelaide, South Australia

Zippy



N/A



Founded in

2016

by Alex Flint, Chris Broaddus, Gabe Sibley



Autonomous delivery robots



31 employees



San Francisco



Undisclosed seed rounds

What should a first-time founder know?

As you're going through the entrepreneurship path and networking, meeting people, trying things out, maybe working in early-stage companies, look for the thing that feels like a burning fire within you. Look for that feeling and try to see where it's coming from or what it's related to. It's the process of creating passion, it's not finding passion, it's building passion. I think it's really important. You've got to have some deep wellspring of courage to sustain you. You've got to have some place to reach into, to make you want to keep going in a single direction.

When you're a founder, especially when there's a company where there's a lot of growth and there's a lot of things happening very quickly, almost every day is starting from the beginning. You find yourself asking: "OK, what is our long term goal? What is our medium term goal? What do we need to accomplish this quarter in order to get to those goals? What are we missing? What do we need to do every day – like what are the little nudges that we need to make today in order to move us one percent closer to be able to execute on our goals?"

Almost every day I would go through some version of this and try to figure out the little unexpected considerations that I'm not thinking about. I noticed that this kind of thinking really carried over into other parts of my life, and I started having a period of time blocked out every week, two hours, to surface considerations in my life that I was missing.

03

Alisdair Faulkner, ThreatMetrix

What got you to where you are?

In 2006/07 we were working on the core idea of how we take a reputational network around IP addresses and then evolve to not just IP addresses, not just devices, not just the identities behind those devices but how they're behaving and then methods to authenticate them.

We built a large network of anonymised identity and transactional behaviour across global companies, with the aim to share intelligence to prevent online fraud specifically. And we were the first company to do that in a way that treats data and privacy as a core part of the product and not as an afterthought.

We serve the financial markets; they're about 50% of our customer base. Things like global banks, international tier one banks and also e-commerce are a very large segment of our market.

We moved to the USA in 2008. We spent a long time getting the technology, a long time getting product market fit, and then once we managed to land a few lighthouse customers like CyberSource, one of the largest online payment gateways, and another couple of security companies as OEM-type arrangements that was enough for us to get the funding to make the move and transition to the USA.

We still have R&D in Australia. We have 50 to 60 people in the Australian office, a decent size. Similar, if not more, here in the USA, in San Jose but we also have a New York office. We have at least 15 to 20 foreign offices. LexisNexis acquired us in 2018 – they have operations primarily in Atlanta and also global offices.

We protect over a billion user authentication accounts, so at the scale of a Facebook or a Google in terms of the coverage of users. That's fantastic, those are the things that are exciting: it's having impact, it's having meaning.

We have a relatively small company: 300 people and I used to say we're the largest mobile security company you've never heard of, embedded in probably 500 million mobile device apps now. Those are the things you can have quiet pride in, you know those are the things that sustain you through those moments of self-doubt when you're thinking "what are you doing, will it get anywhere, and will it actually go anywhere?"

What does getting to the US look like?

Our first office was overlooking the garbage tip in East Palo Alto, sharing an office with Sensory Networks, an Australian technology company in the device communications space. We upgraded to a place in Mountain View, except that place had maggots that fell from the roof!

Now this office, it's ironic where we are now, in San Jose. You can see Adobe and you can see ThreatMetrix, as some of the name names in the skyline there. The move here was about five or six years ago and it's been the base ever since.

Moving to the USA I think is key, particularly if you're in B2B. The Atlassian folks might disagree with me but I certainly don't feel like we would have had the same level of success if we hadn't.

You have remote sales people and you have remote pre-sales people, but unless you have the founder in the very early days who can respond to an objection or have that vendor's passion, you'll find that it's very hard to turn that foothold into something that grows.

One of the proudest things I'd say from ThreatMetrix is: it started with a feature, that turned into a product that became a company, that is now a category.

We invented digital identity as a space and coined the term.

Being in the USA, other entrepreneurs became my best friends. I think that helped dramatically just because we all had similar stories.

One of my friends on the acquisition said "wow, congratulations none of your friends thought you were on the right track." And, in fact, many people in the Valley, some competitors would say "why not cut your losses, why haven't you had an exit and why are you persisting?"

I believe in the problem. I believe it was a necessary solution, whether it was my company or others.



Alisdair Faulkner

 **2** start-ups founded

 Darwin, Northern Territory

ThreatMetrix

 threatmetrix.com

 Founded in **2005**
by Alisdair Faulkner,
David Jones,
Scott Thomas

 Transaction, account and payment verification and fraud detection

 **280** employees

 San Jose (HQ), Amsterdam, Hong Kong, London, Munich, New York, Paris, Singapore, Sydney, Tokyo, Toronto

 US\$54 million

 Acquired by LexisNexis Risk Solutions for US\$830 million.

What should a first-time founder know?

What's interesting, or keeps you in, is the problem. I don't fall in love with the product per say; I fall in love with the problem. If it's big enough, if it's interesting enough – the product evolves and changes and fits based on what's needed to help solve that problem and then your understanding of that problem just gets larger and larger and larger – it gets more complete, if you like.

If you talked to any Aussie entrepreneur they'd say "oh, we'll just have this on our roadmap" or a product manager would say "if we just get this one last feature we'll be home and hosed", but you realise you've uncovered a whole other set of needs and wants that you're only just partially addressing and then the competitors come in.

So it's falling in love with that problem and when the times are tough I could at least wake up and go "wow I had a bad day but I saved 1 million people's identities from being used today without their knowledge and stopped a million people from having their credit card accessed or a million people from having their banking and private details accessed."

"What's interesting or keeps you in – is the problem. I don't fall in love with the product per say; I fall in love with the problem."

04

Andrew Lacy, Prenuvo

What got you to where you are?

I've reinvented my career a couple of times, but fundamentally law is about problem solving, consulting is about problem solving, entrepreneurship is about problem solving.

I've learnt the hard way the importance of figuring out how you can test your product really fast, because as an entrepreneur the most expensive thing you have is your time. To continue to work on something you can't validate the market for, or don't have a good sense of product market fit, for me is a wasted opportunity.

So I worked on six companies in total; I've sold two then the other three I never raised money for because I couldn't take money from someone without knowing the answers to these questions myself, and now I'm working on the 6th one.

With Tapulous [a mobile games company] we were very successful in the first couple of years of the iPhone. Some of that success was because iPhone was growing and we just placed a bet on the platform, some of that was because we were executing well and some of that was because we were lucky.

Every time you go to the market to raise money, you're always evaluating what's the right thing to do. We were in the process of raising our Series B funding and at that point in time Disney reached out to us and raised the possibility of us joining them. It was quite interesting because Disney has one of the biggest portfolios of brands and IP in the world, but they didn't have a mobile group at that point or any sort of leadership in the mobile space. It was a really cool idea – can we take these iconic brands that everyone grew up with and bring them to this mobile world? During the course of that fundraising we also were negotiating with Disney and we decided in the end that it was best to sell.

Then I moved to Europe for a while and I built a vertical search company that was focused on travel that I sold to a business over there, and I've been back in Silicon Valley now for a year and a half.

In the last four or five months I've been working on a really cool company called Prenuvo and what we

do is we use advanced MRI to detect cancer and major disease in asymptomatic people. We've designed an exam that's as quick as half an hour and it checks for any possible cancer you might have in your body or major disease. We already have a clinic in Vancouver where we have customers coming in every day.

What does getting to the US look like?

Moving to the US, there are two stages that make sense. One is: you know you want to be an entrepreneur but you don't really know what you want to do. Maybe you know the space and you have a general idea but you haven't started and I think that's the perfect time. Silicon Valley is this boiling pot of ideas and people that want to join up and do things together – so I think that's a very interesting time to move over from Australia.

The second is when the company is pretty well established and already has revenue. There the move to the US is as much about sales and marketing and "how do I scale out my business?"

I think the ones that struggle the most are the ones that are a bit in-between. So they've built something but they may not quite have product market fit, so they're moving into a market where there's going to be a lot more noise, and a lot of other folks that are doing similar things. I think it's kind of hard to build traction in this place where you don't already have sort of an established network. So I'd think about the stage that I'd want to move over.

When you're a small team you can move over for like three months every year, soak in the environment and start building a network that will be helpful down the track, but you're not really fully committed to being in the US 100% of the time.

What should a first-time founder know?

The most successful and impressive entrepreneurs can move effortlessly between different areas because they are just great problem solvers, right?



Andrew Lacy

 **6** start-ups founded

 Melbourne, Victoria

Prenuvo

 prenuvo.com

 Founded in
2018
by Andrew Lacy &
Dr Raj Attariwala

 Preventative medical
scanning

 **12** employees

 Vancouver,
San Francisco

 Undisclosed angel
round

When I started my first company it was just this leap of faith. I met someone and said, I don't even really know him very well, but let's just sit down and brainstorm. Let's see if we get on. I told myself, if I'm excited after a few weeks, if I want to wake up everyday and do that then that's telling myself that this is the right thing to do and at that point I finally got the courage to do it.

In Silicon Valley there's this well-held belief that if you fail at a start-up it only makes you stronger for the next one. So although on a day-to-day basis you feel like your life is sort of caught up in what you're doing, the reality is if you fail you're even more marketable for the next company. So you always have that sort of swirling around in the back of your mind.

In the US it's sort of ingrained in this idea of the American dream: this idea that you can build whatever you want or be whoever you are, and we don't really have that in Australia. So you're fighting your inner voice. You're fighting the people around you and your family and your friends who think you might be crazy if you want to go and do this.

The hardest part as a founder in general is how you calibrate the advice other people give you versus the passion that's burning inside you to do something in a certain area. If you're building something that's really transformational, by definition a lot of people are not going to believe in it. Nothing truly transformational happened where all the people initially exposed to it thought it was an amazing idea. Most people would have thought it was not.

But on the other hand, when you're young and inexperienced, there are other people you should be getting advice from, that have already built several companies themselves and can recognise patterns of success or lack of success much earlier than you can.

05

Anthony Goldbloom, Kaggle

What got you to where you are?

I was trained as a statistician or econometrician. My first job was at the Australian Treasury forecasting GDP, inflation and unemployment.

In 2008, I did an internship at The Economist (magazine) in London and I wrote an article about the use of predictive modelling and business. Doing the research for that article opened my eyes to all that could be done with statistics, outside of just economic forecasting.

The idea for Kaggle was to connect companies interested in doing data science with people like me interested in working on interesting data sets, and we started off with a model of running machine learning challenges. We've since branched out and we do quite a lot more now.

I was back in Australia and working at the Reserve Bank of Australia (RBA), and I was working on Kaggle at night, but it was just taking forever to get the website coded and live!

I was pretty passionate about it. I didn't really have a great business plan, but I thought it was likely to be viable enough that I could support myself with it and so in August 2009 I left my job at RBA.

Kaggle launched in April of 2010. I did my first trip to the USA in about November of 2010, and then I moved to the USA, raised capital and then closed the term sheet in August of 2011.

The funding round actually closed in November of 2011, and I moved to the USA for good in January 2012. I was spending quite a lot of time in the US. I had an engineer in the US, so I had an Australian employee and an American employee.

It's actually an interesting story: he's still with Kaggle, a really well-known developer. He had a big following on his blog and he started out doing a bit of contracting work and helping out on some projects and I thought, "wow your code is so much better than mine." I wasn't a great coder, enough to get the first version of capital out, but as we started scaling it needed to be hardened and he actually rewrote the whole site from scratch, and it's still the basis of the site that we use today.

Google was a customer of ours and they approached us about acquiring Kaggle, and we were also talking to another potential about buying us. In the end we sold to Google. So now we're owned by Google, but we still operate as our own independent brand within Google. We have a cloud-based workbench for actually doing analysis; we have a place where people share data sets with each other; and the community's really grown – it's now at 2.3 million users.

What does getting to the US look like?

You sort of get star struck by people with more experience and you think "oh gosh, am I really in this league?"

Early on I was inclined to get experienced people involved, who had "x number of years" experience and had been around for a long time to help with running Kaggle.

But I actually had a lot of the skills myself. It just took a while to develop the confidence to realise that I was more than capable of doing all of these things, and I'm a quick learner and decently intelligent. So it's just [a lack of] confidence that can hold people back. Everyone suffers from imposter syndrome. I don't think it's a uniquely Australian thing. I think everyone suffers.

The thing people struggle with is getting connected here. It's a huge ecosystem. The thing I did quite well, I think, was plug into the data ecosystem here, so I got to know a lot of the well-known data science people and they learned about Kaggle. They sort of respected what we built, and thought it was kind of a nice idea and they introduced us to investors.

I think Australia is in a really nice place now. You look at 'successfuls' like Atlassian, which is just enormous, there's also a lot going on in Melbourne, so you have more people who have start-up experience. I think the Australian ecosystem is much stronger now than it was, and also it's more acceptable for people to join a start-up. It's considered to be a more socially acceptable career path than perhaps it was.



Anthony Goldbloom



1 start-up founded



Melbourne, Victoria

Kaggle



kaggle.com



Founded in

2010

by Anthony Goldbloom & Ben Hammer



Collaboration platform for data science and machine learning projects



N/A

(part of Google)



Distributed across all timezones



US\$16 million (acquired by Google in 2017)

What should a first-time founder know?

In the USA, a lot of people go to Stanford and that network ends up being very valuable I find, so you have this advantage as a result of having gone to Stanford. On the flipside of that, as an Australian you have to work very hard in order to make it work, you really have to develop the muscle to hustle to get to know the people you need to get to know!

I think that ultimately meant that I've been stronger and tougher than I might have otherwise been, because you deal with a lot of rejection and a lot of setback and I think the fact you have to work so hard builds up a resilience and a bit of a 'can do' attitude.

I think it's often helpful if you're in a tough spot to engage with what the worst-case scenario is, because if you become comfortable with the worst-case scenario, it makes you a bit less emotional. If you can come to terms with the worst-case scenario, you can be a bit more clear headed and focus on solving your problem.

"As an Australian you have to work very hard in order to make it work. You really have to develop the muscle to hustle to get to know the people you need to get to know!"

06

Bruce Buchanan, Rokt

What got you to where you are?

I started one of my first businesses to pay my way through high school. I had a handyman business on the Central Coast and was employing friends at school. A lot of people had holiday homes and wanted people to go and check on them, clean gutters and check that no one had broken in. During university, I started working for a tech company that was helping manufacturing firms with high-end software. They had a small arm that was PC-based software for small businesses they were not really interested in, so I offered to buy that piece of the business and start a new business out of that. That was the second business I founded.

Then I went back to business school, and ended up working for the Boston Consulting Group which is a large strategy firm, working all around the world. I spent a couple of years in the US and led its consumer practice area, and then got asked through that to go back and write the business case for Jetstar.

Although I didn't own any of Jetstar, Jetstar was sort of the third business I founded. Working with a whole bunch of people, we ended up taking that from zero to just shy of \$4 billion in revenue over ten years. We did some experimentation in Jetstar and worked out that you could double the effectiveness of a business if you got much smarter about the digital interaction point, and we realised there was no technology to do that.

And that's really what the idea behind Rokt is – let's solve that problem. If we could solve it for Jetstar, with its potential to double Jetstar's profitability, imagine the potential for every ecommerce business around the world. That was the genesis of Rokt.

In 2012 I stepped out of that (Jetstar) and started Rokt. We see ourselves as wanting to change the competitive structure of the industries we serve and to really provide an enabler that allows businesses to do things they could never do otherwise.

What does getting to the US look like?

If you want to succeed globally, and the problems we are trying to solve at Rokt are global problems, then you have

to be in this [NYC] market.

I spent two years commuting from Sydney to New York to start this office and I would never recommend that. My wife said, "you've been jetlagged for two years".

There were two decisions in terms of where we located in the US. One was: where is the right place to be for clients; and the other was: where is the right place to be for staff. We started an office in San Francisco and we started an office in LA. One of my co-founders was in LA, and we started an office here and what we found was the type of person we were recruiting wanted to be in New York.

So the New York office flourished and the West Coast offices really struggled and so we decided it was better to double down and consolidate the team in here. The real advantage is people and talent. One of the most important things for our business is talent and the most important thing for getting great people is being in places they want to be.

Geographically it's a good place to be because we often find ourselves in London and Chicago, and trying to do that from the West Coast or Sydney would be a lot harder. Our two big offices are Sydney and here in NYC, so we do a lot of our product and R&D in Sydney, while our biggest customer centre is in NYC. We've also got small offices in Singapore, London, Tokyo and other places.

There's still a long journey ahead in terms of what we want to do and the ambition we have. This year we're \$130-\$135 million in revenue, so we're still relatively small in the global scheme of things, but we're quite big for a start-up that's been in operation for six years.

"It's about continuing to solve each piece of the puzzle as it comes in front of you and making sure you're always heading towards the ultimate objective."



Bruce Buchanan



1 start-up founded



Sydney, NSW

Rokt



rokt.com



Founded in

2012

by Bruce Buchanan
& Justin Viles



Customer
engagement and
recommendations



185 employees



New York, Sydney,
Melbourne, Auckland,
Tokyo, London



Series A + B
US\$34 million

What should a first-time founder know?

If you've got a clear vision and you're confident in your vision, seeing that through is tremendously powerful because it keeps you on the straight and narrow. People that don't have a vision about where they are trying to get to are much more likely to get distracted along the way.

It's just a long journey, you know you never get to sit back and go "we've made it".

The vision is so big that it's an ongoing journey. It's about continuing to solve each piece of the puzzle as it comes in front of you, and making sure you're always heading towards the ultimate objective.

Trust your instincts. Often we question ourselves, even when we're sure about where we're going to, and often that's around people or a key decision or investment or moving to the US. Trusting your instincts and moving fast against those doubts is a very powerful thing for someone to learn to do.

Building a strong team cannot be underestimated. You should always invest 12-18 months ahead of the curve in terms of talent and capability and say, ultimately, it will be a thing that drives growth and success. Spending the time to develop your network and making sure you invest in people are the two challenges to focus on.

The multicultural background in Australia is a big help in navigating the US ecosystem because ultimately decision makers come from all sorts of backgrounds here. For Australians there's also a tenacity that comes from the adversity of being geographically so far away from everyone that we tend to take on those challenges that others probably wouldn't take on. The ability to handle adversity is one of those interesting dimensions with people - the more we face it the stronger we get.

07

Carl Hartmann, Shortlyster

What got you to where you are?

I've always been entrepreneurial. For me, I think it's probably a nature versus nurture thing, coming from two entrepreneurial parents. I think it's also just a byproduct of the way I was raised, to think differently and always create opportunities yourself.

I came up with the idea of [previous start-up] Temando from my experience at my university job, where I worked at JB Hi-Fi and I saw there was a huge disconnect with respect to retailers being able to accurately predict shipping costs in both store, and later, online environments.

Similarly with Shortlyster now, this came from the challenges I faced in scaling Temando, and it was further validated when I asked other tech CEOs "what is the Number 1 challenge they are having?" After funding, of course, the primary problem everyone is having is acquiring talent. So that became my next inspiration.

When we started Temando, we had a focus on conquering the Australian market first, but always with a vision to end up as a global business. Australia afforded us the opportunity to be able to grow extremely fast in the early days, as we were one of the first in the e-commerce space, which allowed us to enjoy really good hyper growth.

The inflexion point was for us to sustain our growth curve at a triple digit rate, it was going to be literally impossible to do that as we reached a point of maturity in Australia, so we had to effectively fish in bigger ponds, to try and maintain that curve.

We had started to be dragged across shore by clients after our Series A, and from that we had a number of customer projects in the US and Europe where that started to just naturally happen, and it was really the basis of our \$50M Series B round in 2015.

What does getting to the US look like?

The mistake a lot of Australian founders make is they run to the USA and just think it's like doing business in Australia, probably not appreciating the geography and the scale of things.

For example, take Greater LA. The population of Greater LA is more than the entire country of Australia. Once you start to understand that America is more like 50 countries in one, and there are four or five regions where the style of doing business is similar, things get much easier to focus on.

The other point to mention is that Australians are a bit of a wild card, as the way we do business is pretty warmly received in both the USA, and also other English speaking markets like the UK. For example, we understand both USA and British sports, we understand little idiosyncrasies of language and jokes, and these little things go a long way to help to build rapport.

Where the style of business differs is that Australia is a very relationship-driven culture. America is more return on investment and total cost of ownership driven. In Australia, if people like you they do business with you, and you can build up a rapport to a point where they want to do business with you.

In America, you can have one sales meeting, present your argument, and a decision can sometimes be made straight up. The speed in which decision making happens can surprise a lot of first-time founders in the U.S. But on the flipside of that, if you're not ready and your product's too early, that may backfire.

"Australia is a very relationship-driven culture. America is more return on investment and total cost of ownership driven."



Carl Hartmann

 **2** start-ups founded

 Brisbane, Queensland

Shortlyster

 shortlyster.com

 Founded in
2016
by Carl Hartmann & Rudy Crous

 Intelligent hiring optimisation platform

 **10** employees

 San Francisco, Sydney, London

 Not publicly disclosed

What should a first-time founder know?

If I could give my founder self a single piece of advice ten years ago it would be simply: focus. Particularly when you start a company in your early twenties, you think every potential business conversation is the best idea ever and you're pulled in 20 different ways, and every person gives you different advice.

If you aren't careful you end up chasing lots of rabbits down many dark holes. Just execute one thing at a time, one idea at a time and just one market at a time and just do it sequentially. Don't try and do things in parallel because if you try and fight the war on too many fronts, eventually you run out of bullets.

The art of being a founder is being able to see the tree from the forest. If you ask 1,000 people for advice, you're going to get 1,000 conflicting pieces, so you need to distill out the 10% that's relevant to you, and it might be one in every 100 conversations there's a little nugget, and that nugget can transform you, and even transform the way you do business.

You've got to build the discipline about immersing yourself in networking and speaking to founders that have more experience in doing what you're doing, because particularly the Australian community is really good at paying things forward.

Learning from other founders is important, as the reality is a founder's journey can be exhausting, lonely and hard. So my advice here is, when you're on a down day, talk about it. Talk about it with a peer, a colleague, someone going through the same thing, but ideally a founder that's already done it. I can guarantee you whatever emotion you are going through, whatever end of world scenario you think it is, there's always a solution for it and you're not alone in experiencing it. That's why community is so important and organisations like the Aussie Founders Network are critical.

08

Casey Ellis, Bugcrowd

What got you to where you are?

I've always been really passionate about the idea of connecting latent value with unmet demand. I don't have a degree. I did six weeks of a science degree before I dropped out and got an apprenticeship in IT engineering.

Before Bugcrowd, the company I was running was essentially an outsourced security assessment company, so you could get someone who's really good or you could get a graduate student and pay the same amount for it.

Which ultimately meant that the end customer was not getting what they paid for. They were engaging in this to understand where their risks were so they could fix them, and what was being done didn't actually solve that problem. So I wanted to fix that.

So I was talking to banks in Australia, telcos, some technology companies, a very broad spread of organisations and they all thought it made sense, like this is actually a logical approach to the problem because really what we're tasked with doing is fighting off a crowd of adversaries that have different skills sets and a results-based incentive model on their side. So if we can balance that out with what we have access to on the defensive side, that just seems logical.

I started asking the question: well why aren't you doing it, and really the answer to that question became Bugcrowd.

It's like neighbourhood watch for the internet and you get paid if you help out. That's easier to understand than a firewall or a new virus or something like that.

So we decided that we're going to go out, we're going to build out a team and then a platform to connect our customers with the community that we also develop.

What does getting to the US look like?

The biggest challenge is that everyone thinks we just sit around on the beach and drink beer all day. There's this idea that "great you've done all these things in Australia, but who gives a shit? That's an island 8,000 miles away and not really relevant to things we see in larger western markets."

The work of people like us, especially the work Scott [Farquhar] and Mike [Cannon-Brookes] did with the RPO (recruitment process outsourcing) around Atlassian, there are some really good data points that prove we're a very good, smart country that punches well above its weight and works its ass off. We just look like we're having fun while we're doing it, so it confuses people.

The thing I had in mind with Bugcrowd was fundamentally a marketplace and marketplaces are difficult to defend. So if it moves quickly, we're going to end up with competitors that are in the San Francisco Bay Area and elsewhere. And if they have access to the resources and the early adopting market in a way that we don't – that puts us at a disadvantage. In hindsight that turned out to be very true, and leveraging the capital and the early adopters here in the Bay Area the way that we did has basically positioned us to stay out ahead of the market for the last six years.

I'd been in Silicon Valley for a week when I went to a start-up cyber security meet up in San Francisco, and one of the people speaking on a panel was Joe Sullivan, who was at the time the Chief Security Officer at Facebook. I walked up to him, meek and mild, saying "Mr Sullivan I'm from Bugcrowd. Can I have your email address please"; and he said, "yeah I've actually heard about Bugcrowd already, how about you come down to Facebook on Wednesday and we can have lunch?"

The funny thing about that story is if you tell it to people in the scene they say, "whatever, it's San Francisco, that happens all the time," but for me that flicked the switch in my mind about the true power and value of the community in this place. As a founder you need to be constantly, semi-irrationally thinking that everything is possible and that was one of those moments.

What should a first-time founder know?

Our job is literally to push into the unknown. If you're not capable of focus you'll fail. I was pretty disciplined about only working on and pursuing Bugcrowd and I think that was really helpful.



Casey Ellis

 **3** start-ups founded

 Blue Mountains,
New South Wales

Bugcrowd

 bugcrowd.com

 Founded in
2012
by Casey Ellis

 Crowdsourced
vulnerability testing

 **140** employees

 Sydney,
San Francisco,
Boston, London

 Series A + B + C
Total US\$50 million

Arriving here can be incredibly distracting, but part of what I talk to founders about when they're coming over to the US is the need to be very clear on what your vision is for your business. You need to know what your operational guardrails are in terms of what you're going to build when you go forward, and then you need to find a bunch of people that have done the things that you want to do next. Go out and buy them coffee and be humble enough to ask them really stupid questions, but then have enough conviction about your vision that you're probably going to end up throwing out about 90% of what they say.

I got to meet Elon Musk in Las Vegas, and he's not perfect by any stretch, but he's done a lot of stuff that looks like things I'd like to do, and he's an inspiration from that perspective. What he talks about is that it's very lonely. Any kind of leadership position is by nature lonely. But leadership as an entrepreneur and as a founder is even more so because really our job is to go out and prove pretty much to the entire world why we are not wrong.

There are two bits of advice I give people. First, always find community, find people that can relate to that. It's about the people you can talk to unguarded about all of the good, bad and ugly things that it means to be a founder of a company.

And then the other, which I have really started pivoting towards pretty hard, is to keep really honest checks on the state of your own mental health.

We're putting ourselves in these incredibly high stress, fast moving, dynamic environments, and that's part of what we thrive on, but it's objectively hard on the human mind and the human body. Acknowledging that, not actually calling that out as a point of weakness, but calling out that you're being mindful of it as a point of strength, and just doing what you need to do to make sure you can continue to go forward.



09

Chris Rock, SIEMonster

What got you to where you are?

I have always loved technology, and by the age of nine I had my first Atari 2600. Like most IT geeks of that generation, I upgraded to the Commodore64, Amiga and then to the IBM x86 series. After high school I started my first computer science degree at RMIT and dropped out and enrolled again the following year and dropped out again.

Information security was my passion and I worked as a full-time employee in the banking sector for 12 years. During that time, I met my co-founder and partner Dez who encouraged me to take greater risks in my career and looked for market opportunities to setup our own business. We took our first big risk and left stable employment to setup a penetration testing company called Kustodian. We saw a deficiency in the market for high quality pen-testing. We had clients from around the world, including Amex, Middle East investment firms and Australian companies Medibank and BlueScope. This was a great introduction to the start-up world, and we ran the business for over ten years.

In 2015, BlueScope shared its frustration with licensing costs of commercial Security Information and Events Management (SIEM) products. They asked whether we could build them a SIEM solution to reduce these annual license fees. We thought it was a great opportunity to pivot from service to product.

Enter the second big risk: to leave a perfectly good lifestyle business and run a new start-up at age 43. We worked 110 hours a week to run both businesses, operating on conviction, blind belief and stubbornness to succeed. On top of that, we were self-funded, mostly using our personal credit cards and personal loans to get it up and running.

That's how SIEMonster was born, and we quickly picked up customers in the US that included banks, universities, manufacturing as well as some big partners like HP who wanted to use it to monitor the next generation of printers.

We were then lucky enough to be selected for the 2018 Landing Pads program offered by Austrade and we packed up the whole family, including four school age

kids, and relocated to San Francisco. This was our third big risk as this move put us further into personal debt.

Still we believed in our product, and so we took our fourth big risk. This became the moment of truth for the business, our family and our partnership and we knew it would be make or break. I'd like to say it was my idea, but it was Dez who talked me into it applying for Techstars. So, I moved to New York to enter the NYC Techstars program for the next seven months alone, while my co-founder went back home with the family and supported remotely. This changed the course of our future.

What does getting to the US look like?

In Australia we were small fish in a small pond, competing against global heavy weights. In Australia we have established lives and networks, but when you arrive in the US you are unknown and have no network.

In 2018 we spent ten months out of the year in the US building our network and customer base as well getting venture capital. It's expensive, lonely and a struggle. You leave the comfort of home for a chance to make it in a global market, and at any moment you could come home with your tail between your legs.

It was our acceptance into Summer 2018 Techstars New York City, a world-renowned platinum accelerator, that would be so important for our company's US relocation as we secured mentors, advisors, friends and investors. It's a tough program with long hours, but by the end of it, you have a real blueprint for any start-up in the future. I recall leaving the office at 9pm one night and the staff asked me if I was leaving early for the day.

We thought Silicon Valley was the place to be. It turned out that New York had everything we needed. It has a high concentration of investors and skilled staff to hire. Major cities like Boston, Philadelphia, Virginia and Washington are at your door step.



Chris Rock

 **2** start-ups founded

 Macedon Ranges, Victoria

What should a first-time founder know?

Don't sit on the fence: are you an Australian company or a US company? Many investors will only look at you if you have a local US company registered as a Delaware Incorporation.

Speaking of investors, you need to brush up on the local lingo. You are going to be asked, what's your MRR, ARR, CAC/LTV ratios, defensibility strategy, net negative churn numbers. If you don't know what these are, you'll need to learn them. Investors are looking for a reason not to invest, don't give them one. Revenue is king, if you have revenue, things are so much easier. Focus hard on getting revenue even if you're giving things away at cost.

Prioritise networking with experienced entrepreneurs, preferably ones who have flipped companies. Don't be afraid to ask them outright to mentor you. Many CEOs and CTOs are happy to give their time to budding entrepreneurs. This is one of the perks of an accelerator like Techstars, as they introduce you to high caliber mentors that you can interview to find a good fit. We ended up formally recognising one of our mentors as a key advisor with stock options after closing our finance round.

Work out what sort of financing you want. Is it seed or series A? Do you want a price round or a note round? What valuation? Get a good lawyer who focuses on start-ups when you have offers coming in – they will make everything easier.

Be careful what you wish for. Do you want to live in the US full time and relocate? Realise now that your current role will change dramatically. Your time will now be spent hiring and firing people, giving investor updates, and pouring over sales metrics for marketing. You will have to step away from things you may have been doing for years and manage staff, clients, accountants, lawyers, investors and your advisors. Surround yourself with good people and don't be afraid to delegate.

SIEMonster

 siemonster.com

 Founded in **2016**
by Chris Rock & Dez Rock

 Security event management and threat detection

 **16** employees

 New York

 US\$2 million seed round

10

Damien Mahoney & Peter Cassidy, Stackla

What got you to where you are?

Damian: We worked together for two years at Macquarie Radio Network. It was reasonably successful, we launched a news website. Then I left and Pete left a little bit later. I ended up at the National Rugby League doing some consulting, and then Pete ended up ironically at Telstra but working on an NRL project. So we started working together again, albeit a little bit separated.

Then I won a contract to provide services back to the NRL and by that time Pete had left his job at Telstra, and I gave him a call. I thought if I can get Pete on board to help me deliver this body of work back to the NRL that would be a good solid foundation team (for the agency), and Pete said yes!

Pete: I literally had got back to base camp after doing Kilimanjaro it was the first email I opened after escaping off the planet for seven days. It was an email from Damien about this [NRL project].

Damian: Pete agreed to come back. We started delivering this work, this was 2011. Then we started investing in design and development at the start of 2012. We spent six months building the prototype. Peter managed all the build with an external developer, and I was funnelling all of the profits from the agency into the development of this MVP. It paid off – we won our first customer, SBS, in 2012 to help it provide coverage of the Tour de France. That was the catalyst for us to continue the development of the product. We bought all of the engineering inhouse and then we just went about building out Stackla.

What does getting to the US look like?

Damian: We set up a satellite sales office and they kicked off operations probably six to eight months before we actually got here. We had a couple of deals and we had people on the ground starting to work. They had very specific expertise around sales in the USA; they had come out of another start-up that got acquired, so they had expertise they were going to bring into our organisation. They were junior people, but they were trustworthy and worked quite hard. It wasn't a huge investment for us – we had these two guys and then we gradually built a team around them. I got here in January 2015, Pete got here in May, and then we started to make some further hires here. That gradual increase in headcount was not a bad way to go.

Pete: A challenge we didn't anticipate was trying to build a team in San Francisco. It's the most hotly contested pool of talent anywhere, and it's also just outrageously expensive. We're seeing a lot of founders even re-locate now out of San Francisco into the tier two hubs: Salt Lake City, Denver, Portland, Seattle, those kind of places or even smaller towns as well and being able to compete for talent. We set up a mini headquarters in Austin, where we recruited a lot of junior sales development reps coming straight out of university.

We came here thinking we had to be in San Francisco. It has got lots of strengths but it's also got a lot of challenges that come with it.

There are other things that came up in our thinking too. We looked at New York pretty heavily back then. We were working with sports and media organisations and a lot of that's out of the East Coast. But little things come into play. We wanted overlapping time zones with Australia and the USA. You get that to quite a decent extent on the West Coast, it makes a difference.

“If you can bring on customers and generate actual revenue that's far better for you in the long run.”



Damien Mahoney & Peter Cassidy



2 start-ups founded



Newcastle,
New South Wales
& Sydney,
New South Wales

What should a first-time founder know?

Damian: When we were going through our toughest period, which was two years ago now, we were just about out of cash and hitting the red line for getting on some new capital. I would always exercise a little, but at that time I started doing it every day. And Pete's always exercised as well, we'd often train together if we went on a business trip.

Pete: A lot of founders I've spoken to talk about being burnt out and completely smoked after two or three years and they're doing 12 hour days and stuff that's not sustainable. It's a long race; it's a marathon not a sprint, right? We've been doing this for six years. I am a big believer that you're only really productive for four or five hours a day. Those hours you should prioritise and then the rest you should be exercising, spending time with kids, getting out spending weekends travelling because you've got to be in it for the long run.

Damian: Resilience. You've just got to be resilient otherwise you'll just get kicked from pillar to post once a day, twice a day, four times a week, by people who should be supporting you like Board members or investors or staff or anyone – customers. You've got to have a thick skin and just get up and go again. It's the consistent and regular pursuit of making things better. It doesn't matter how well you do something, in six months or whatever amount of time it is, it needs to change again. You've got to continue to evolve.

Pete: This "customers before capital" approach, I still believe that. If you can bring on customers and generate actual revenue, that's far better for you in the long run than diluting and having to go through multiple fundraising rounds. There are negatives to that approach, you won't grow as quickly as you could if you raised a huge amount of money, but your future's in your own hands.

Stackla



stackla.com



Founded in

2012

by Damien Mahoney
& Peter Cassidy



Platform for
user-generated
content



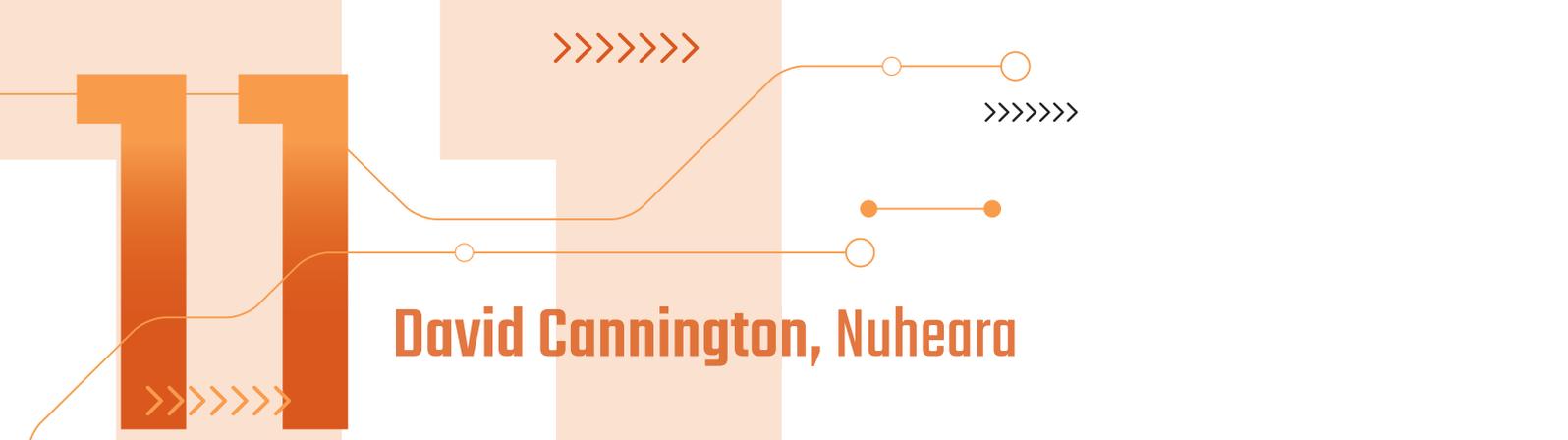
65 employees



San Francisco,
Sydney, Austin,
London, New York



AU\$20 million



David Cannington, Nuheara

What got you to where you are?

We had a powerful motivation to change people's lives. We knew how to build technology and products to be able to do that. We are an outstanding example of why Australia is a great place to build a technology company, even in Perth, one of the most isolated cities in the world.

We have incredible talent here [in Australia]. We have six PhD's working in our company. Some of the world's best audio digital signal processing engineers work at Nuheara. Now we don't pay them anywhere near Silicon Valley salaries; I mean they're very well paid, but it's not out of control the way it is in the Valley as you well know at the moment. We get 42 cents in the dollar for every dollar we spend in R&D down here [in Australia] and there's an exchange rate benefit so the cost of building our business, which is very heavily research and development orientated, is significantly less than what any other company could do in Silicon Valley.

A good example of that is our largest competitor in the first three years of our life was a company called Doppler Labs, which had 100 people on staff. They raised \$60 million and they were out of business within three and a half years by just spending a lot of money and just building the business in Silicon Valley. We were further advanced than them and probably had spent one third of that!

We also went the route of a reverse listing on the ASX, which was a way for us to raise money because we couldn't find any Australian VCs that would be able to give us that kind of risk capital in that early stage, particularly as an Australian hardware company. We're a unique breed in Australia because we are a hardware and a software company, so it was really tough to raise capital, but we had a burning desire to build this business, and so we went where the capital was.

So, I would say my motivation was to build something and build something really successful. Rather than start a company so I can make a shitload of money and exit eventually, I would love to think that Nuheara's going to be around for many, many years, and hopefully one day it will garner the same kind of respect that Cochlear

does in the hearing space, just that it's a different end of the market.

We've just been accepted by the National Health Service in the UK as a product that people can go and get if they suffer from mild to moderate hearing loss through their program. So, it's been an interesting journey and it's been a challenging one, not an easy one but a very fulfilling one.

What does getting to the US look like?

I'm a big believer right now that Silicon Valley may not be the perfect place for an Australian company to land. It's an expensive place; talent is really expensive, and they don't have any loyalty. Silicon Valley is out of control at the moment from my perspective. I mean you're competing against the big tech companies who offer really big salaries and benefits – it's hard to compete if you're a start-up.

So my advice to Aussie start-ups is to have an open mind as to where you land in the USA. There are other tech centres in the USA that are way more affordable and you'll find great talent, whether it's Seattle or Boston, Austin, San Diego, or Denver. There are a lot of really interesting tech hubs in the USA that aren't just Silicon Valley.

I think Australian entrepreneurs and Australian businesses bring a different mindset to the challenges of doing business in the US. You know culturally we have a unique ability to make things happen, and make things happen quickly, to break down barriers, to not accept "no" for an answer, to not overthink things and act, to be more action-oriented than thinking-oriented. There's got to be a combination of both, and I've always believed that you can't pick up half a dozen Aussies from Sydney and bring them to Silicon Valley and expect that they will get immediate traction.

I'm a big believer if you're an Australian start-up you need to find some USA people to work in your company here in the USA. Having those Australian innate characteristics with USA knowhow and experience is an awesome combination.



David Cannington

 **3** start-ups founded

 Melbourne, Victoria

Nuheara

 nuheara.com

 Founded in
2015
by David Cannington
& Justin Miller

 Intelligent,
customisable
wireless earbuds

 **45** employees

 Perth, San Francisco,
New York, Glasgow

 AU\$30 million

What should a first-time founder know?

The best advice I can offer is get out and network, build your network, surround yourself with really smart people that believe in what you're doing and you trust and have faith in.

When we started Nuheara, we were essentially in the wearables space and I didn't have a strong network, so I got involved in a wearables incubator and built a network of people. You've got to surround yourself with people who understand what you're doing and you can learn from and you can share war stories with but ultimately find people that can give you great advice and you trust.

We've had many instances where people didn't believe in what we were doing. We actually tried to list on the ASX twice; the first time we tried to list on the ASX it was basically stopped within 24 hours of actually listing because some regulatory authorities down in Australia didn't think that we could build the product that we said we were going to build. We proved them wrong.

I think as an entrepreneur you have to accept that people will tell you that you can't do it, or you're crazy or you'll hear 'no' plenty of times. You've just got to believe in what you're doing, and that's why there's got to be a bigger purpose around starting a business than just making money, because if it's just money making you're probably not going to get through those really hard times.

“My advice to Aussie start-ups is to have an open mind as to where you land in the USA.”

12

David McLauchlan, Buddy Platform, Ltd

What got you to where you are?

I was working for Price Waterhouse Coopers in Melbourne for a year when I was offered a job at Microsoft at its headquarters here in Seattle. I moved over here at the very end of 2000 when I was 24 years old. I was at Microsoft for 11 years, where I had the most amazing experiences. I could talk ad nauseam about the things that I saw and did, like working on projects with Bill Gates.

My job towards the end was to find technologies that would allow us to take Apple apps or Android apps and recompile them to work on Windows phones. It was actually a pipedream. There was no way you could do that because screen resolutions are different, and the phone hardware is different, and everything is different. But what we realised was the hardest part was all the cloud services behind the app.

I started Buddy in September 2011. I finished at Microsoft on a Friday, I had farewell drinks, and the following morning at 8am Saturday I was at my home office desk and we were off! My business partner had left Microsoft three months earlier in order to get started on the technology. So we hit the ground running.

We started the business on the basis of a backend cloud service for people building apps for phones, but what we realised was it wasn't just phones that were going to be sending this sort of data to the cloud. We had an 'Aha!' moment where we said what we're doing for mobile phones is interesting, but we should be doing that for any device that wants to connect. So we expanded our scope. Microsoft approached us and said, "this is interesting, we'll put some money in". So Microsoft invested early on and off we went.

In December 2015 we listed on the ASX as Buddy Platform Limited. After that first year we decided to focus on smart cities and particularly on the measurement of energy consumption in buildings. We built a product called Buddy Ohm, which is in effect a Fitbit for buildings, measuring how much energy a building consumes.

What does getting to the US look like?

One of the challenges is that our product has different value to customers depending on which US state they are in. That presented a pretty unique challenge, and it's very interesting developing the product here [in Washington state] where we're very green and very environmentally aware, but the market forces aren't there yet. Building owners are not terribly impacted by the costs of leaving lights on, as they would be in Hawaii or in Australia.

We're selling the product more easily in other markets outside the US, which relates back to 'know your market, know your customer'. Part of what we're doing this year is rolling out products and features that relate more to this market and it is less about saving energy, but more about understanding what your footprint is and making your space smarter.

In this market, these are decisions people often don't even have a dedicated budget for, so we're having to figure out where this fits into their overall structure. Across the board, whether it's government or commercial enterprise, we've found people just take a long time to make purchase decisions.

“Entrepreneurs should not be afraid to build something in Australia and then scale it in the US, rather than the other way around.”



David McLauchlan



1 start-up founded



Adelaide, South Australia

Buddy Platform, Ltd



buddy.com



Founded in

2011

by David McLachlan & Jeff MacDuff



IoT data management platform



37 employees



Seattle, Adelaide



Pre-IPO: US\$4.7 million + GBPE400k;
Post-IPO: AU\$15 million

What should a first-time founder know?

Failing fast is the most important skill that you can bring to the table. If you don't have it, or you're not comfortable with it, get comfortable with it quickly or go acquire it. That applies at all levels. I'm not just talking about the business failing fast, and that's a pretty significant thing but: test, check your result, if it's not what you want or not the right result, try something different and try that quickly. But fail fast at every level of your organisation, process and strategy.

I was definitely not good at that early on; of course as a public company you have to be measured in what you do, and by law you have to communicate what you're doing and you have to continuously disclose what's going on. But one of the hallmarks of being a private start-up early on is you can navigate your way through and find where you can be successful and then double down on that.

Build a business that can be successful in Australia and you can bring it to the states and be successful here. There was a perception you had to come to the States to be successful and I would argue now that's not at all the case. Yes, there's the glamorous funding and it's super cool to be in the Bay Area where everyone's a founder.

Too often there's a mindset that "Australia's too small, I've got to go to the States". No. Prove that what you've got can work there because that carries enormous weight over here. A lot of American companies will use Australia to launch or test products. If those companies think Australia is similar enough to the US that it's worth trying products down there first, Australian entrepreneurs should not be afraid to build something in Australia and then scale it in the US, rather than the other way around.

13

Deb Noller, Switch Automation

What got you to where you are?

I come from a whole line of people that started their own business, so I think I was always destined to start my own. I met my co-founder in 1992 and he and I have had this phenomenal relationship where we have built four businesses together.

I was born in the 60s, so my formative years were the 70s. What drives me is my memory of the environment and what we've done in the last 50 years, and I think I can impact this one thing and it's a big thing. Buildings use 40% of the world's global energy and they are very wasteful, and I think we can make a difference here.

In 2012 I came to an event in the USA and I watched the General Services Administration, Walmart, and Microsoft all talk about how there were no enterprise operations platforms for building data and that was my 'aha!' moment.

Up until then, I considered us a little itty bitty building systems business in Sydney. I questioned whether we could we possibly take on the US, and I was sitting there thinking "that's three of the world's largest organisations articulating a need for what we have built," and I need to come to the USA.

I literally went back to Australia and said, "forget everything I ever said, this is our strategy, we're going to the USA, and we're going to crack this market, I don't know how but we're going to crack this market!"

Within one month we had established our presence in the USA.

Switch Automation was developed entirely on Microsoft technology, so we are an entirely Microsoft stack, right from our gateway all the way to our cloud. We made some nice friends at the Microsoft campus in Redmond and they walked us into a Smart City Project with Seattle 2030. They gave us a small amount of money to do that and that was our founding project in the USA. It was two high profile partnerships that kind of gave us our first foray in here.

What does getting to the US look like?

Focus. You have to focus on exactly what you've got

to do to get to that next milestone and it's all about finding that first customer. Nothing else matters except finding that first customer. You've got to convince somebody because nobody wants to do business with a company, no matter how successful you are, unless you've done some business in America.

If you're Australian and you're coming in, they love talking to Australians. I don't know why but they love our accent, which is so funny because I don't know of any other nation globally that thinks the Australian accent is so awesome, including Australians. But they do they love talking to you, and so you can get mixed messages about being successful and getting meetings. Those two things are not the same. Everyone will give you a meeting, people are very generous and very polite here and so it's no problem at all to get a meeting. However, it's very hard to close those first pieces of business.

The other thing Americans like is to do business with entities that they recognise. If you are an enterprise you are not going to be able to do that without USA legalese, USA contracts, and a USA entity and a USA bank account and everything has to look and feel like a USA thing. Otherwise they think you're going home on the next plane and they're not going to do business with you because that's too risky for them. Their procurement is all around risk, much more so than anywhere else in the world.

What should a first-time founder know?

Survival is the first thing, because you have to go through all this hard stuff and still be standing at the end.

My go-to book is *The Hard Thing About Hard Things* by Ben Horowitz, and his quote that keeps me going is somebody asking him: what's the number one skill that a CEO and founder has to have? He says: "the only skill you need is to find a way when there are no ways."

When you win a major enterprise customer, you know these customers are years in the making, a year or more of discussions, a year or more of negotiations and then a year or more of getting through procurement.



Deb Noller



4 start-ups founded



New Zealand born
and raised in Australia

Switch Automation



switchautomation.com



Founded in

2012

by Deb Noller
& John Darlington



Platform for smart
buildings



45 employees



Denver, Sydney,
Manilla



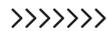
US\$6 million total
funding to date
(seed + Series A
rounds)

They are long slow hard deals, but when you win one of those deals and you celebrate that with the people that contributed to the sales and marketing efforts that's fantastic.

When you've closed your funding round with an investor who totally understands that this is a really big problem to solve, they understand deep tech and they write you a cheque and close your round in two weeks, that is awesome. When you look at your panel of investors and say "I love these investors" that feels good even though the fundraising process is the hardest of the hard things. But the thing that I love the most is when I look at my team and I see them working with our product and our customers and winning on a daily basis.

Being a founder is a total rollercoaster. The highs are so high and the lows are so low. And when you go into one of those low moments they can last a long time and they are so lonely you can't share those lonely moments with anyone. You can't let your team understand that you're going to run out of money; you can't let the development team know that their product has not been meeting the market; you've got to take all of that and keep it to yourself because otherwise you're going to literally destroy the very thing that you've set out to create. So it's very isolating, and lonely and there's a lot of writing around depression and founders, and I can totally understand that.

You can feel like you're alone when you're a founder and you feel like you've got to do everything yourself and you can't. Particularly women, they never feel like they can ask for help. But it's incredible how many people want to help. So be specific, if you're having a coffee with somebody, they want to help. Be specific about what they can do to help, ask who they can introduce you to. Women are unbelievably generous with their networks, and will happily make introductions and help other women, don't be afraid of asking!



Emma Weston, AgriDigital

What got you to where you are?

AgriDigital was founded in late 2015 with two co-founders. We had about 85 years' experience in agriculture between us. We're all farmers as well. The three of us had successfully exited a couple of other businesses so we found ourselves with the space, in terms of time, but also the runway to look at what we really wanted to do next.

In Australian agtech, in contrast to many other countries, founders tend to come from the industry, and have years of experience in the way we build and deploy tech. There is recognition that Australian farming, farmers and our agrifood systems are world class. I see a deep respect in the US for Australian R&D.

We sat down and said: "do we want to go again? If we do, what do we want to do?" The previous businesses had been getting increasingly more technology focused, so the process of using technology to solve problems was really what we were focused on.

The question we asked ourselves was, "what kind of emerging technologies could we use to solve age old problems in agriculture?" We really settled on the agri supply chain as the area we wanted to focus in on, and realised the problems there have all got to do with the fact that agriculture's the least digitised industry in the world. So there was an element of having to digitise this industry in order to offer up some solutions.

We had a bit of a laundry list to begin with, to be honest, and then settled in on three problem buckets.

One was around transaction and payment security: making sure farmers and indeed all sellers get paid for what they deliver when they deliver in the supply chain. It sounds so simple, but it actually doesn't happen, and the consequences of non-payment are catastrophic.

The second problem was realising there was a real credit crunch coming, that banks were withdrawing finance and traditional sources of finance are not available in the supply chain. So we knew access to finance was going to be a real issue, particularly for the SME market.

The third area was around data fragmentation and knowing data is completely fragmented across the supply chain; it's siloed.

We thought "ok supply chains are really trade flows, finance flows and data flows. How could we bring that all into one pipe or one platform and then deliver that back up to a network of users?" That was the thought process and the planning that went into creating AgriDigital. It happened over many, many sessions and it took us about six months to really find our purpose.

What does getting to the US look like?

We have networks in North America from our previous businesses, so we have some familiarity with the market. We've also been pretty extensive in terms of our research on the market and then we had to validate that research. During the last 10-15 months I've been validating in the US and Canadian markets.

I've been really dividing my time between North America and Australia, making sure that the problem that we're solving is understood here and we're bringing the right kind of solution to the customer base, understanding who we're going to partner with, what the initial pilot structure will look like and how we bring on those initial customers and what rate of growth we can expect.

It's undeniable that our Series B will come out of the USA, so that's the other part that we started engaging around with the USA very early on, to understand where we sat from an investor perspective and how they regarded us. We were founded in 2015, and I'd say by late 2016 we were engaging with North America.

The other thing I have been doing is a lot of speaking gigs, conferences and taking opportunities to actually put our brand out into market so that we can get a soft landing when we get here. We did Austrade's Landing Pad in San Francisco that gave us the three month base. That was fantastic in terms of just having an office space to go to. Our market is more Midwest, so I spent most of my time flying around the country, but it was a good way to talk more easily with some of the West Coast investors.



Emma Weston

 **2** start-ups founded

 Sydney,
New South Wales

AgriDigital

 agridigital.io

 Founded in
2015
by Emma Weston,
Bob McKay, Ben Reid

 Cloud-based
commodity
management system
for agriculture

 **50** employees
(approx.)

 Sydney, with some
staff working in
regional areas

 AU\$5.5 million

What should a first-time founder know?

The biggest thing for us, in terms of being able to work out where to land, has been trying to work through time zones and remote working and trying to understand how to build a culture that is cross-cultural and make that effective across continents.

You don't have to land in San Francisco necessarily. The right thing to do is to land where your business is going to get greater support and probably where you're closest to your customer base. But that needs to be articulated well to investors. There's still a bit of an investor bias to West Coast or East Coast, but increasingly they are understanding, particularly in our game with agtech, that it may not make sense to be on the West Coast.

There will be hard times. Founding a business is incredibly exciting and challenging. Having one or more co-founders makes it easier. If you are not a technical co-founder, see if you can find one to share the journey with you. The combination of technical skills, commercial know how, customer focus and domain expertise will be central to your success.

None of this is relevant if you're not solving a problem that matters to a significant number of people. Start with the problem and work out early how to articulate it and why your solution is compelling.

It's true that agriculture and technology are still male-dominated, particularly at leadership levels, but I have found that both sectors have been incredibly welcoming to me personally and I know a number of other female founders in the agtech sector. I don't see being a female founder as a limitation or a challenge beyond the usual founder challenges.

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Francis Vierboom & Rory San Miguel, Propeller Aero

What got you to where you are?

Francis: Rory and I met at the very end of 2013, because we both joined a start-up called Flirty that was working on drone delivery and that was a really exciting idea. We went through the Startmate accelerator at the start of 2014 and we had a lot of fun building drones, programming drones, making them deliver bricks from one end of a farm to another, and falling in love with the technology. We decided to start a new company together in May 2014 and our mission statement at the time was “making drones a thing.”

We wanted to be part of the story of drones growing up and getting commercially applied. We believed it was going to be in industrial and mapping applications where it seemed like drones were going to have an impact quickly and where business would be able to grow up and build customers quickly and develop new exciting product opportunities.

Propeller Aero today is a company that helps construction and mining teams to measure and aid what they are doing. We help those teams understand earth moving on their sites - and there are millions of cubic metres of dirt moved all around the world every day. It turns out that drone technology is one of the fantastic ways those companies can start to understand what they're doing on a daily basis and Propeller's online platform helps those companies see what's happening.

“You've got to be able to have a strong opinion and then change it really fast.”

What does getting to the US look like?

Rory: One, everyone is so much better at selling in America than in Australia. Two, is that everything is a lot more expensive here, even in Denver. The actual costs of running an office here are not to be underestimated. On top of what are already Australian salaries, plus the exchange rate, minus the R&D tax credits, plus health care you end up – I don't know – if it's 2x an average per person in Aussie dollars that you end up spending, but there's a big difference in that. The third thing is just the personal challenge of getting a second office spun up whether it's in America or elsewhere. Having a co-founder is critical.

Francis: The USA office is one and a half years old, but there were some pretty key factors around our decisions. Point one was time zone. It's good not to be too far from Sydney and we knew that we'd be living with two offices for a long time. A really important point, and probably the most important one, was a partnership with Trimble.

Trimble has a big product office just out of Denver and partnerships are a great way to build your company globally. It's great to have a way to understand and access the market, and that's what Trimble does. There's also a lot of work you've got to put in to actually making a partnership work. You have to be there in their face on a regular basis, if you're really going to make anything of it. Denver also really suited us as a talent and hiring hub: its got a good history with tech companies and sales organisations; it's a good central location. As a sales organisation, if you need to be flying around the country Denver's a really good place to be based. It's a great place to live and it's affordable compared to San Francisco.

What should a first-time founder know?

Rory: Learn to say “no”. Just decide that you can focus. Chase the money especially when you're trying to figure that out, but then stop chasing all of the money and just chase some of the money (which is the good money)



Francis Vierboom & Rory San Miguel



2 start-ups founded



Sydney,
New South Wales

Propeller Aero



propelleraero.com



Founded in

2014

by Francis Vierboom
& Rory San Miguel



Drone visualisation
and analysis for
worksites



61 employees



Denver, Sydney



US\$14 million

and then have a slightly longer view on having access to customers.

We had this weird set up where we started selling to a subset of customers that lived in between us and who we really wanted to get to. So we ended up having this potentially good business that was selling to these middle people and then quickly realised although that was growing well, we needed to have access to the end customers. It would have been hard to get here without doing that but we had to figure out how to cut out the middle people and do that in a way that didn't piss everybody off. So just watch out on your 'go to market' strategy.

Working here in Denver, Francis mentioned a big partner we have called Trimble and that literally started off with just a cold email to one of their employees, Jim Greenberg, who was using our software. It was 100 calls and just the endless grind to turn that into a partnership. Now more than half of our new revenue every month comes through the distribution agreement that was formed, which is for Propeller to sell its products through Trimble's global channel of dealers.

Francis: You've got to be quite agile in your thinking around people and around what you're doing to make it work as a founder. You've got to be able to have a strong opinion and then change it really fast. Always trying to unlock the next level, like the next good thing that you can update.

We really don't let the ups and downs get to us very deeply, and I think both of us are like that. It's some pretty fundamental stuff, get up and go for a run in the morning, keep up with your friends, stay real and stay close to the tools that you have for doing that. It's definitely an asset as a founder to have those things and cultivate those things and I just refuse to underinvest in that.

16

Geoff McQueen, Accelo

What got you to where you are?

I dropped out of university three quarters of the way through a telecommunications engineering degree and I started a classic digital agency. We ended up becoming one of Google's first partners internationally for its Google Analytics product, and basically over time came to realise that the biggest challenge in growing that business wasn't necessarily marketing, getting leads or closing the leads. The real pain was running the day to day of the business.

There are very few businesses that can tell you, on a per-project or a per-team member basis, what their margins are. They just don't know. They can tell you what the scoreboard was at the end of a month or the end of a quarter, but they don't know what's going on.

So they make decisions based on a wing and a prayer and charge enough so that they can cover the cracks for the mistakes and patch things up. But in a competitive market, where business is always accelerating, you can't get by with just this mentality of 'cover up the cracks'. You really actually have to increasingly solve this problem.

We started working on what is now Accelo in 2009 as a part-time project, the four co-founders, and then we got serious and got it to beta and focused on it full-time from 2011.

So, we were in public beta and we had people using the product and giving us feedback. We had a sense that we'd hit on something because the beta was pretty poor but Google invited us to exhibit at its Google IO conference in 2011 in San Francisco. While we paid for our flights and accommodation, Google set us up with a plum booth right in the middle of its biggest developer show of the year and didn't charge us a cent.

It was off the back of that trip in May of 2011 that I realised "OK, there is really something here, and if we're going to do this right there are a couple of things that we need to do that I can't do from Wollongong" – at least not at the time, when it came to business development, where we needed to integrate and partner with these other platforms that had millions of users and we hundreds of users. So, we needed to cosy up with those folks.

So, in July I moved out of my apartment, put my stuff in storage or sold it and started a process of actually moving to the States which took me about four months all told.

What does getting to the US look like?

You don't have an alumni network, and that is an incredibly powerful thing in the US. One of the first questions you will get asked is "where did you go to college?" It is the opposite of a meritocracy in this respect. Culturally the place is generally very welcoming and not bigoted or exclusionary. But there are whole lot of other prejudices and clubbiness and anti-meritocracy nepotism that goes on – and that's a topic for a whole other day – but realise you're coming in with a massive disadvantage, so that's where things like Aussie Founders Network are critical.

Plug into what is your substitute alumni, plug into a community and make the most of the advice and help and be prepared to pay it forward because you're going to need help. No one makes this happen alone.

What I'd been doing as an entrepreneur in little old Wollongong, a small town in a big but sparsely populated country a long way away, was not in any way Silicon Valley standard, but it was within reach, through hard work, a lot of reading, and a lot of hustle. There was no reason that I as an individual, as an entrepreneur, as an engineer couldn't play the big game.

Sure there's a setback here and there and you know it's really difficult in many ways, but making progress towards our vision, no matter how incremental, small and hard won, is what I would consider to be success for us and for me personally. I don't care about a bank balance. I still rent my house, I don't care for a lot of those things, part of me thinks delayed gratification, if we do the right thing and we keep succeeding, then I won't have to worry about those things anymore, but it's definitely not a priority. There's no scoreboard. There's no "I want a percentage of market share" or "I want to be on the cover of Fortune." None of that shit matters.



Geoff McQueen

 **3** start-ups founded

 Woollongong,
New South Wales

Accelo

 accelo.com

 Founded in
2009
by Geoff McQueen,
Glenn Fowler,
Christine Higgins,
Eamonn Bell

 Cloud-based service
operations automation

 **100** employees

 San Francisco,
Denver, Woollongong

 AU\$15 million

What should a first-time founder know?

Listen a lot but don't fall for the crap. Basically, we'd be further along with our journey and have helped more companies and be more successful if I hadn't been as much of a weather vane in the early days around what we should do and what we should prioritise. I was too quick to take advice and take it to heart. I spent too long looking for a silver bullet.

Make sure you read Simon Sinek's book: Start with Why, and think deeply and honestly to yourself about why you do what you do, or what you are seeking to do as a start-up. Then ask yourself the next question of why now and why you. Understand those things, once you've got those things they're your rock, that's your North Star and whatever analogy you want to use. Then you can take all the advice in the world, which you need to take on as much as you can, then you process it against that foundation, and you're going to discard a lot of it, because it's not applicable.

My sense of the defining characteristic of an entrepreneur is that they have a much higher tolerance for uncertainty than almost anybody else. You've got to be comfortable with that uncertainty, which means be comfortable in yourself and know whatever comes out – because you can't be certain of what's coming out – that you're going to have to find a way to deal with it and you'll get through it.

17

Jessica Ruhfus, Collabosaurus

What got you to where you are?

I started out in fashion publicity, pulling together media launch events for fashion clients and scrambling together things like venue partners, goodie bag products, catering partners, photographers and collaborations with businesses that could make our events more engaging and interactive. It was time-consuming and frustrating. A lot of opportunities were being missed because of a culture of 'who has free stuff?' rather than exploring win/win, strategic collaborations that were cleverly leveraged.

After that job, I worked in small business marketing education and saw brand collaborations from the smaller business side. These weren't just events: we were educating founders on referral partnerships, social media competition collaborations, product collaborations and popups and activations. Often, SMEs weren't successfully doing partnerships because they weren't sure where to start, or had been taken advantage of in the past (often by large corporates) and were sending out long-winded pitch emails that didn't hit the mark.

The idea for Collabosaurus came from my own experience. At first, we launched a matchmaker for business, or 'Tinder for brands', aimed at publicists in April 2015.

Three years on, we're an end-to-end platform for sourcing, negotiating, leveraging and tracking brand-to-brand collaborations in events, social media and products. We've attracted over 5,000 businesses, big and small, and help marketers save 33 head hours per collaboration, with a solution up to 25 times less expensive than other digital advertising.

Australia is a fantastic place to launch a business. It's enough of a market to successfully road test and iterate a product without the world watching. It has allowed us to launch into the USA in 2019, confident in our product and (currently) with no direct competitors in the USA.

We had a huge USA brand become a client on my last visit, and this was without any pitching. It was incredible validation and I really got to get across the pain points of our users in the USA market, knowing that we're on track with our expansion plans for Collabosaurus.

What does getting to the US look like?

Getting to the USA wasn't what I expected at all. I couldn't believe how well networked Americans are, and everyone is quite genuine in their 'here to help' attitude. I knew the opportunities to grow in the USA were huge, but it's hard to fathom until you get there.

I landed in New York with wide eyes and met business people in the bagel line and literally walking in the street. It was incredible. It's worthwhile getting caught up in the bright lights to begin with. You can get your bearings, meet all sorts of interesting people and observe how deals get done. From here, I think it's important to guard your time and ensure your time is spent only on things that directly relate to key goals.

Coming from Australia, arriving in the US is a bit overwhelming and exhausting in terms of the hustle, but I didn't want to miss a thing and I'm so glad I hopped on a plane. Being in San Francisco for three months was one of the best things I could have done for Collabosaurus.

The biggest challenge was starting again when it came to building a network. In addition to being able to financially support the expansion, considering the additional management required in our Sydney office, and the increased cost of doing business in the States. The first was fairly simple to solve, especially when you start by tapping into the large Australian network based in the USA. There is no shortage of networking events, and people are more often than not willing to meet you. A solid block of three months was a great time frame to kick off a network build, for sure.

The second challenge is definitely harder to solve as we've never brought on outside capital. We took advantage of the R&D tax incentive, and the EMDG grant, which were invaluable in allowing us to pursue the USA. We're soon to release our enterprise subscription plan, which will help cashflow the next steps in the USA. In addition, we're looking to raise a seed round of capital to assist with market penetration in New York and Los Angeles. The market size is more than ten times that of Australia, and we're more vulnerable to competitors.



Jessica Ruhfus

 **2** start-ups founded

 Newport,
New South Wales

Collabosaurus

 collabosaurus.com

 Founded in
2014
by Jessica Ruhfus

 A tool for connecting
and collaborating
between brands

 **8** employees

 Sydney

 None yet – company
run on profits

What should a first-time founder know?

If it were easy, everyone would be doing it! I pull through tough times by prioritising sleep and having a few mentors I can lean on for advice and pep talks – a big thanks to my mum and partner Matty for this.

I think persistence is really under-rated and a lot of businesses fail purely because it's too hard and people give up prematurely. I'm quite a positive person, which has really served me well. Running a business is super hard, so being positive even in the hardest times has been an asset – I'm only realising it is such an asset in these last few months.

I remember being told "it takes twice as much money and ten times the time you think to grow a business" and thinking "no way." I was so certain my business plan and financials were solid from the start and I was absolutely wrong. I think a lot of founders get started, totally naive to the realities of running a business. I was. To be honest, it's not a bad thing. You build grit and creativity as you fight yourself out of financial corners and hustle to grow your customer base, one by one.

Founders should absolutely do everything possible without money first, so they know where to spend money when they have it.

"Don't wait for opportunity, create it" – I love this quote and it's so true. Business wise, set up as many meetings as you can in advance – they always lead to more introductions, and Americans prefer warm introductions over cold reach outs, by far. Scour events websites to find ones happening around you too, don't be shy!

18

Karl Redenbach, LiveTiles

What got you to where you are?

I'd been in technology for about 15 years before LiveTiles. Even though I worked as a lawyer briefly, I went straight into tech.

LiveTiles is trying to solve a problem of the cloud making the workplace more confusing and actually harder to do your work in some instances.

There are a lot of fantastic apps out there that are helping enterprises and businesses, but the problem is there's no simple way to access all of them and we thought there's got to be an easy way to do this without code. Let us control the chaos and bring everything into one single pane of glass.

So it doesn't matter what app you were using, you can personalise it to every individual and bring that real – what I call the Apple experience – that user experience, and we're doing it in a way now with AI which we call intelligent user experience, which we think is a world first.

We have three core values in our company, which are: we get shit done, we're decent human beings, but most importantly we create unforgettable experiences.

Even more important to me is our people. I think if you're creating this vibe, and this energy where people love coming to work, they love seeing what they do, it actually resonates with customers.

What does getting to the US look like?

One of the things we often get asked is why didn't we go to Silicon Valley or San Francisco. Why did we land up here in New York?

One of the main reasons is we work very closely with Microsoft. We asked the Microsoft guys, "should we go to Seattle or come to San Francisco?" They all agreed when we weighed it up that New York was the best place for us, mainly because there are a hell of a lot of customers here.

You can walk up and down ten streets and pass thousands of very large companies in just a few hundred metres, and from my perspective that's great. It can also be overwhelming, but one of the things

we've done very early on is get great people. We've done a fantastic job of combining USA-based resources and also people from Australia to come in and support the team and that's really fuelled the growth. It has also fuelled our cultural understanding and helped disperse any of the angst that can be generated from being overwhelmed in such a large market.

I think having been taken out of the western suburbs of Melbourne and then launched out here into the USA and into New York City there are certainly some life skills you can bring and apply them into this crazy metropolitan Manhattan city.

Even though we're headquartered here in New York, we're a very proud Australian company. We have regional offices in Hobart, we've got a regional office in Geelong but we've also got offices in Sydney, Brisbane and a few other parts of Australia where we've got people supporting this overseas operation. A lot of business comes here in the US, but it also comes out of Europe, and whilst Australia is on the other side of the world, we've been able to really successfully drive jobs and job growth back in Australia, so that's one of my personal passions.

What should a first-time founder know?

Firstly, don't be scared. I arrived here with three kids under four. I now have four children and it was scary. I had nobody other than a few contacts that I'd made here and was starting from scratch and it seemed scary at the time but one of our customers – Nike – has the best saying of all, which is "Just Do It."

Those that are a little scared, saying "I'm not sure if I should do it" or whatever, just jump on a plane, there's no harm in trying. My view on it is that it's such a large market; I think what people don't truly understand in Australia is just how big. We're selling in the 'enterprise software as a service' space, so we sell to medium and to large enterprises like the USA Defense Department and Pepsi and Nike and those sort of customers, and in Australia it's great there are a lot



Karl Redenbach

 **2** start-ups founded

 Melbourne, Victoria

LiveTiles

 livetiles.nyc

 Founded in
2014
by Karl Redenbach
& Peter Nguyen-Brown

 Intelligent intranet
portal

 **205** employees

 New York City,
Hobart, Geelong,
Sydney, Brisbane

 AU\$53 million

of companies there and it's a great market to be in; however, the USA market is literally so much larger it's actually hard to explain how many more companies there are in this space. That's why it's exciting and that's why in a lot of ways it's easier to set up a software business here in the USA than even in Australia.

You can be comfortable or courageous, you can't be both – and that's the saying I live by. If you're in Australia you can be comfortable but if you want to be courageous, jump on a plane and get out here and that's a lot more an exciting life to live, even though it can be stressful.

From our perspective, we think we're sitting on the largest commercial opportunity that's ever happened. That's regarding artificial intelligence and the information worker – you are going to see the way that any sort of job is going to be augmented by AI. It already is to some degree, so we're calling this next phase the intelligent revolution, not the digital revolution.

We're in a unique phase of our life where we're going through hyper growth, so we're sort of breaking new ground in a lot of ways and for us the market opportunity is large. We're keen to see other Aussie companies follow us and join with us in this journey to making some huge Aussie success stories.

“You can be comfortable or courageous, you can't be both.”

19

Leisl Yearsley, Akin

What got you to where you are?

Tech was my first love. I was coding when I was 13 and into artificial intelligence (AI) back then. Getting into STEM and tech early was very much driven by me. Growing up in Zimbabwe and surrounded by the civil war, which I would not recommend as a learning journey for most entrepreneurs, it literally taught me courage under fire. The ability to stare risk in the face and go, "yeah I could die but I'm just going to suck it up and not curl up in a ball." As an entrepreneur that's really what you're doing.

My first start-up was in Africa when I was in my early twenties. I was a solo parent, I had a Cognitive Science Degree and I started an education franchise. It was a really good learning ground because I was a franchisor so it was really good to understand the mechanics of business, systematisation and scale. I exited the company with a management buyout.

My first tech company was Mooter. It was a search engine. We did research and development in Australia, we had about six million users and then I won a massive distribution deal with Yahoo across Asia. On the back of that I raised venture funding and the company went public. I left about the time the public listing happened.

I took every cent I made out of the listing of Mooter and poured it into my first AI start-up, which was Cognea. Cognea was an eight-year journey and acquired by IBM. So I've had three exits from three companies.

Akin is my fourth start-up. We're building complex AI that is able to solve complex problems for people and actually build a trusted relationship with them. We're very much anticipating this future of personal AI and trying to figure out: what does an alternative to Amazon's Alexa look like?

What does getting to the US look like?

We [Cognea] were generating more revenue and more interactions in the USA so I moved over to the USA in 2012. We were working early on with large commercial partners who were co-funding development and I scaled it from there.

The size of the deals and the uptake was growing in the USA, but we also had a hostile takeover attempt so I came to the USA to deal with that. AI was busy turning a corner then. Siri had come out and I thought, "I've just got to be here!"

Silicon Valley and San Francisco is a very interesting collaborative community. When I landed people would look at me and say "how can I help?" and they really meant it. Get out there, everything's about relationships. Go to events where VCs are speaking and say hello. Seek out top-level mentors. You just don't know until you try.

As a female founder, you have to carve out your own way. For example, the classic pitch advice is "tell a personal story." I've watched female founder after female founder stand up and say "my kids were having this problem... and then my nanny didn't show up ..." and investors step back and go "argh chick problems!"

I walk in and I go "I've listed a company and my last company was acquired by IBM and I have four patents," then I go into my pitch. I don't story-tell until after I've done credibility establishment.

In the Valley you have to learn fast that you're either chasing growth or you're chasing enterprise cheque books – you cannot chase both. That was the biggest adjustment I faced.

The first six months I was in the Valley, I'd say "look at our technology and look at our revenue growth" as opposed to "we're going to transform this market." You have to ask yourself "can this change a billion lives?"

Whether it's how many users or what you're going to raise, whatever number you're thinking times it by ten, and embrace that because that's what Silicon Valley's about. It's about that billion-dollar scale.

What should a first-time founder know?

People think it's easy – get rich quick – it's just not! It's about shaping reality and you'll do it whether you're paid or not. The thing that got me where I am was that ability to really stare down risk. Even if landmines are



Leisl Yearsley

 **4** start-ups founded

 Born in Kitwe, raised in Zimbabwe, homes in San Francisco and Sydney

going off, you just suck it up and you turn that into energy.

It's also walking the line between brutal pragmatism and collective delusion. You're saying: "in five years' time the world is going to look like this because I've thought about it and here's the confluence of the social and technical trends". The flipside of that is a lot of entrepreneurs fail because they get too caught up in their own self-delusion. Your product line might not be working, there might not be product market fit but you hang on.

Stamina. You have to get up, doesn't matter how good or bad things are. It's interesting on both sides of the coin. When things are rough you've got to pivot your company, and sometimes when things are good people you trusted start to act badly, and as if money matters more than the company. Either side of it – you've just got to keep very focused.

As a female CEO, we have some challenges that are different, but in the end we are all technologists and entrepreneurs transforming the way the world is shaped. The more we make differences invisible, the better.

Probably the most annoying unique-to-women things I faced (apart from the obvious one of the huge gap of us receiving less than 3% of the VC), are the different ways we are framed.

Research has shown that women will be asked defensive questions, like "how will you protect your niche," versus growth questions like "how do you intend to take the whole market?"

So simply kick heads and turn the framing around. When I was younger, I would routinely have "me too" moments. I wasted a good quarter of my energy wading through this.

There is no good way to handle it, no way that is does not end with you being marginalised or losing a deal you have worked hard on.

I learned to simply avoid people who were unable to see me as a person first, female second.

Akin

 akin.com

 Founded in **2017**
by Liesl Yearsley & Travis Giggy

 Problem-solving and relationship-building AI

 **8** employees + additional researchers

 San Francisco, Sydney

 Two seed investors (undisclosed amount)

20

Mandy Salomon, Mentia

What got you to where you are?

I think my history as an entrepreneur is a very long one because I've always been in creative media. In the 2000s I needed to refresh and I went to university and did a Masters in Communication. After that, I was invited to join a think tank at the university called Smart Internet Cooperative Research Centre, so I became a full-time researcher, thinking about digital transformation.

It was a very creative canvas and in the course of that I started exploring game worlds and found that inside these worlds there were lots of people with physical disabilities. I wondered whether there was anyone with cognitive disabilities in these worlds and found that there were none. So, I thought "what would we need to do to those worlds to make them acceptable to people with cognitive impairments so they could use them?" because we talk about universal design but universal design invariably does not include people with dementia.

It turned into a PhD and I had the seeds of building something out of this. I formed the company in my mind in 2014 when I was building a prototype as part of my dissertation. In October 2016 I came to a conference here in San Francisco for the organisation Aging 2.0 and did a breakout session about digital engagement for people with significant age-related impairments. I met people, and there was a guy running an incubator [Launchpad Digital Health] but I thought nothing of it and went back to Australia.

Then I joined Ageing 2.0 and I was reading the newsletter and it talked about Launchpad Digital Health starting a new round of its Ground Zero program and I thought about Mentia. So, I applied with my co-founder and we got in.

After that there was an invitation to apply to the partners of Launchpad Digital Health, to their portfolio company selection process. We were the only ones doing this sort of work. We worked hard on our pitch and we had a minimum viable product and we got there.

What does getting to the US look like?

I left Australia thinking I would be away for a maximum of six months. I'm going to do this Ground Zero program and sniff the air to see what I can learn and find out, and probably be back [in Australia]. We're still here and now, 18 months later, we've got customers and so it's very exciting.

The fact that the market is big was a factor. It was also the excitement of being in the Valley and feeling like we could learn really quickly. I think it was that idea of being able to accelerate quickly. We would never have got the pre-money valuation that we got for our company had we stayed in Australia. Having said that, even in the short time we've been away – I left in March 2017 – even in that short time there's been an amazing shift in mindset around supporting start-ups in Australia.

I think the hardest thing for us has been we're in an industry that's had very little digital transformation, so we're pulling the industry kicking and screaming into this new environment and it's happening quickly, but it's happening really late.

Longevity is a \$7.8 trillion market globally, it's exploding, but at the same time consumers have very little money to fund their retirements, especially in America where the cost of health is enormous.

For us as a company it was like "how do we fit into this, where's the product market fit?" We've got a product which is really cool, but we've got a challenge to bring people into this different mindset which is that you can create dementia therapies for people digitally. I'm not talking about brain health or brain exercises. I'm talking about the sorts of therapies that you get in a high-end assisted living community but you can't get easily without paying a lot of money.

We face two big challenges. First: how to get those products to people and feel that they would accept a digital version. Secondly: how does it work with the end user being an individual impacted by dementia? Then also how does it fit into this burgeoning longevity ecosystem of health, insurance, value-based care, Medicare/Medicaid and the cost of growing old?



Mandy Salomon



1 start-up founded



Melbourne, Victoria

Mentia



mentia.me



Founded in
2017

by Mandy Salomon
& Serge Soudoplatoff



Virtual worlds for
dementia patients



7 employees



San Francisco,
San Diego, Melbourne



Angels & portfolio
company of Launchpad
Digital Health

For us, it was about trying to understand the ecosystem.

You have to understand what caregiving means in this country, which means you have to understand that care at home is a bigger interest to people than it ever used to be. Home is the new hospital, but how does it interact with electronic health records? How do you work with a caregiver who earns \$10 an hour and who's a refugee from Haiti and suddenly arrived on the doorstep of the USA and is about the only person who is prepared to do the work at that rate and does not have an education and doesn't understand the digital world. You've got all these things in the pot and that is hard if you don't spend a lot of time here.

What should a first-time founder know?

I heard someone say, "just keep going until you are at the airport with your last cent in your pocket and that reserve ticket that you just put aside – just on the basis that things weren't going to work out".

Until you're at that point where you're heading home with nothing, nothing to build, then you just keep going, because you can, just one foot in front of the other.

You've got to have a mission. You've got to have a desire. For me, the driver is that I've worked in a lot of disparate channels and threads and this is a way for me to bring multiple skills to one project and drive it, so it's right for me at this point in my life.

I'm older than most female founders. I've already raised my family. I've done the lunches and the tennis classes and all the myriad things, so this was my time and I'm very aware of how lucky I am.

21

Maria Sipka, Linqia

What got you to where you are?

My story begins back in Australia, straight out of university. I studied communications. I was working for a politician and I got tapped on the shoulder by the Lowy Family to do consulting projects. I was young, 18 or 19, and I quickly realised that I was out of my depth and that I needed to build a team of experts in order to maintain this amazing customer. So, by default I became an entrepreneur and had this thriving content and marketing agency and built up a roster of about 100 clients.

By the time I was 27 I had this thriving agency. I bought about 50 properties – I didn't own them outright but used a pretty smart formula – and got to a point where I thought "I don't want to do this, for the next 10, 20, 30 years."

I left Australia in search of my purpose and I travelled around the world for two years. What I discovered on that journey is my passion for storytelling.

In early 2000 I met a couple of guys in Germany that were building a social network and I didn't even know what a social network was. I moved to Germany and they hired me as I understood customer acquisition and retention. That's where I came up with the idea for Linqia.

It was 2004 and the key moment was when Dove came out with its self-esteem campaign. I took that video and I put it in the hands of a number of women group leaders and said I want you to spark a conversation around beauty. 25% of the members watched the video and started to pour out their heart and soul for weeks. No ad could ever do that.

I'm like, this is the future of how brands and businesses and organisations will connect with the people – by putting it in the hands of real everyday people to then tell their stories, sharing on their social networks and the results will be so much greater than anything that these brands have ever seen before through their traditional models. Most importantly, there's social impact in this entire ecosystem. I'm going to go build a company around this.

What Linqia does is connect brands and businesses with real everyday people that have audiences across social networks, where they're engaging around a specific topic of interest.

What does getting to the US look like?

America is like a speeding rocket. You arrive and it's expensive and the market moves fast. You end up immersing yourself in an ecosystem. You end up developing all this FOMO because everyone's raising money and doing this and you end up being like a deer in headlights.

I hadn't figured out even the blueprint for the business I was going to build. I was pioneering an entirely new sector: influencer marketing didn't exist in 2004.

I made a conscious decision to go and incubate my company in a city where I wouldn't be distracted. I moved to Barcelona, and that's where I incubated Linqia. I had a team of ten people and we just figured things out. We had time, we had space and we could focus. I thought I would be there for one year and I was waiting for the right time to move to the USA, because I knew as soon as I set foot into the USA that I would be on this rocket ship and there was no going back. I wanted to be ready for that.

I read a book about market timing. If you don't get your market timing right, you're screwed no matter which way you look at it, so I really took that to heart and I was looking for the signs that would indicate to me that it would be time to come to the USA and I could join the movement, this pilgrimage in what we call social advertising, social marketing.

It took five years. In late 2011 I came to the USA on two trips. The first trip was five weeks. I got an Airbnb in San Francisco, started meeting with people in the ecosystem: potential investors, potential hires, customers, other entrepreneurs. I just did a scoping tour to go "do we even have a chance to be here?" I went back to Europe, I went to my board and I said we've got a chance. I've spoken to all these people and they said it's going to be hard but if you do this, this and this then you've got a shot.



Maria Sipka

 **3** start-ups founded

 Sydney,
New South Wales

Linqia

 linqia.com

 Founded in
2012
by Maria Sipka
& Nader Alizadeh

 Influencer marketing
platform

 **75** employees

 San Francisco,
New York, Chicago,
Cincinnati, Los Angeles,
Bentonville

 US\$3.4 million

I came back a second time to find a co-founder. All people care about is America. It's: where did you study, where have you worked, who do you know? I was so far behind, so the only way that I could see coming to the USA being feasible is that I'd bring a [USA-based] co-founder onboard, and that made all the difference.

What should a first-time founder know?

Just accept that it's going to be really, really hard.

When you know that it's going to be treacherous it makes it so much easier to just accept and surrender to the idea that it's going to be a tough journey.

The second thing is having a phenomenal network around you. The partner I have in my life is my rock.

I have a group of women and I call it the light tribe: four women that are on my wavelength and we communicate on a daily basis via a WhatsApp thread. When you feel loved, supported and you've got people around you that believe in you, and when you need to pull the cord and say help, and they're all calling you or coming around or taking care of your kids, makes all the difference.

I never thought of myself as a "female founder" and I never really went to these women networking events. Not that there's anything wrong with them; those communities are unbelievable, but again it's a mindset. I just developed so much confidence in myself and what my gifts were that I always had a seat at the table. Whether I was a male or female it didn't matter. Understand what your superpower is. You've really got to develop your voice, and that requires courage, then speaking from your truth. That moves mountains.

22

Michael Dunworth, Wyre

What got you to where you are?

I used to work in financial software in Sydney, and I had a start-up in Sydney that was like a restaurant reservation booking platform. I was doing it after hours with two buddies of mine and it ended up getting merged into a bigger platform. After we sold it – it wasn't like a bajillion dollars or anything – but it was "oh cool we invested this much time and money and now we've built something amazing." It was really rewarding.

That was fun, but you don't want to do a start-up in Australia because it's just 25 million people. Actors go to Hollywood, nerds go to San Francisco, so I was like, "alright let's hit it. Roll the dice."

I moved over here April 2013. I got on a plane and came over and straight into a hacker house that was 20 people with bunk beds and stuff like that.

One of the people I met in that hacker house, he was on the bunk bed above me, had moved over here for a data encryption company from Baltimore and we just hung out and hacked on different projects and we got along really well. We were like "let's do this," so he quit his job. I stopped working on the iOS app that I was building, and we basically went headfirst into solving problems relating to money.

I'd been into Bitcoin probably for a little over a year already. Originally it was about spending money or one-click checkout, so you can press one button and it's all done for you: better UX, faster conversion rates, things like that. We added Bitcoin to it and Bitcoin ended up becoming the number one payment method.

We interviewed with Boost VC, which is heavily focused on cryptocurrencies. Boost was amazing, an incredibly great way to plug ourselves into the network in Silicon Valley because it's not easy. We went through Boost in 2014 and we raised our first round of funding, which was \$1.5 million from Tim Draper, who was the first investor in Tesla, Hotmail, Skype, PayPal, etc. Next thing you know, we started building a network and hustling and we were focused on cryptocurrencies.

We kept chipping away at it, and we survived what's known as Crypto Winter. There was a big boom in 2013 but then in 2014, 2015, 2016 it was lights out. 80 to

90% of the crypto companies shut up shop or they got an acquisition headline, but it's two cents on the dollar.

We moved forward very strategically and as a result we felt we would be more successful as the infrastructure for the big companies that already have the distribution.

What does getting to the US look like?

We had to build a lot of this cryptocurrency related stuff ourselves and it was very challenging with regulatory issues and full money licences to move money and play with money. It's so regulated in North America and a lot of people don't want to do that, so they try and find someone else who's already done it and they can leverage it.

We moved out of the hacker house and into the office. The office was three rooms, one of which was the boardroom, which was literally our bedroom with two mattresses on the ground. We shared a bedroom for three and a half years, and then we moved into our current place two years ago.

We expanded last year. As a team size, with contractors and everything we've been as high as 42 people, but now the market's consolidated and we're just shy of 30. We need to survive and assess the market, when the timing is right we're going to put all the chips in but we're not going to rush it because people just don't understand how big this is.

We provide this [cryptocurrency] infrastructure to many of the top names in the world. We process billions of dollars, work with billion dollar companies – publicly listed companies in North America, China, Australia, EU – and the core proposition for us is to be very developer friendly and also offer security, as we sit on huge amounts of assets.

We've had acquisition offers in 2015, 2016, 2017, 2018. It has gotten bigger and bigger every time, and this year we had four of them – four different huge companies – which is really validating in a sense.



Michael Dunworth

 **2** start-ups founded

 Sydney,
New South Wales

Wyre

 sendwyre.com

 Founded in
2013
by Michael Dunworth
& Yanni Giannaros

 On/off ramps for
teams in fintech
working with
cryptocurrencies

 **30** employees

 San Francisco

 US\$18 million in
angel, seed and
Series A

What should a first-time founder know?

Get out of your comfort zone. I find inspiration in exploring how we can fail, every single way. Let's pick it apart as aggressively as possible. Some people like to bury their head in the sand, "don't ruin my chi", but I'm the complete opposite: plan for the worst, hope for the best.

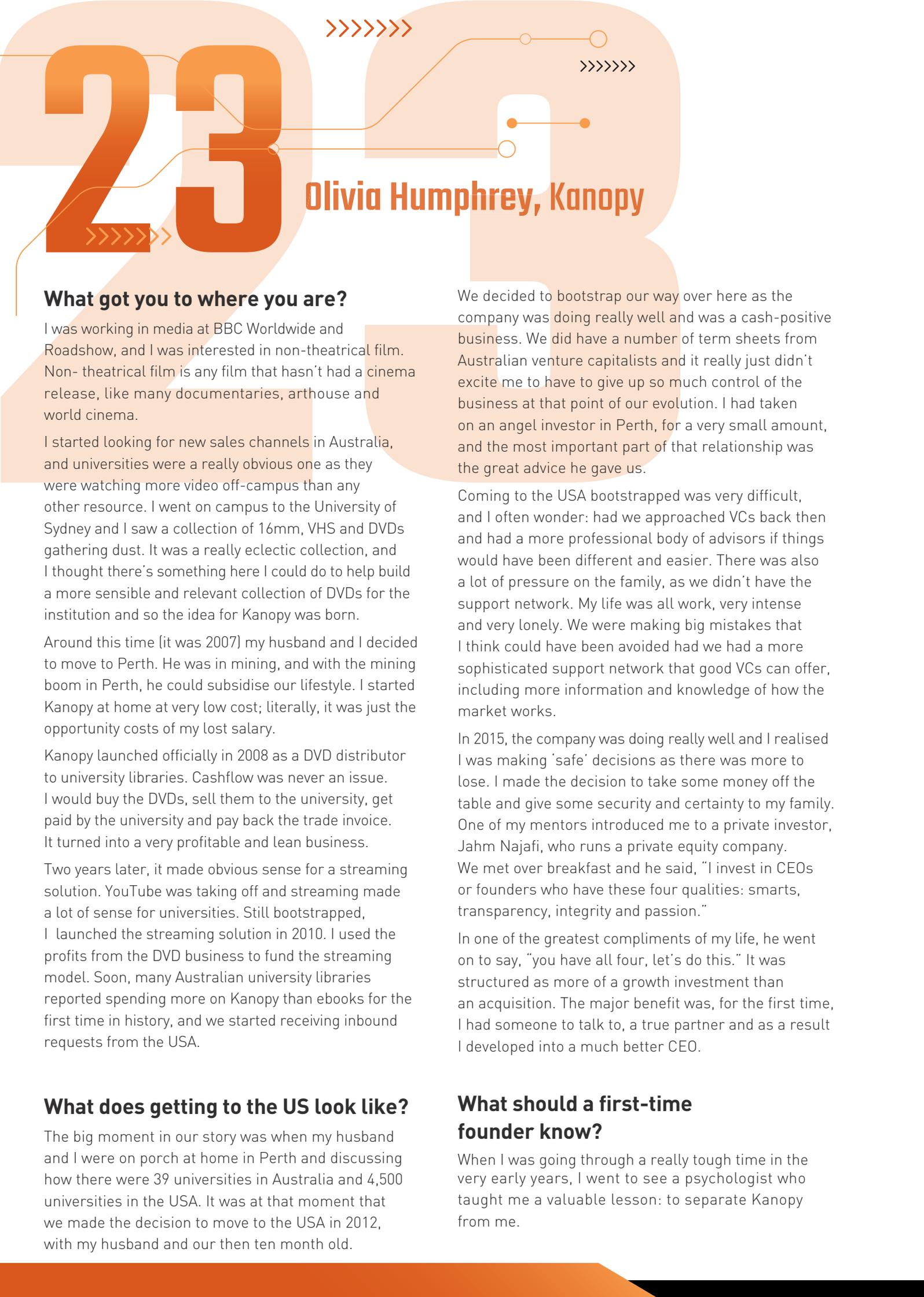
Start-ups have almost statistically a 95% failure rate. Coming here it makes it a 92% or a 90% failure rate. It's not easy, you're still going to grind. With my seed round in 2014, I sent 2,300 cold emails, I got 800 replies, that turned into 100 calls, which was 25 meetings and two cheques.

I think this year has been a really pivotal year for us as a company and you do what it takes. I wouldn't do this forever because it's not sustainable. You might get in to work really early because you're swamped or you can't sleep or you might get in really early because there are not enough hours in the day. A big saying that we have here as a team is "the big don't eat the small - the quick eat the slow."

Everyone's like-minded, so if you have an hour-long conversation in Sydney, ten minutes of that is allocated to tech but if you're here 55 minutes is allocated to tech. Everyone is speaking the same language, so you're coming to conclusions, problems, iterations, much faster, and I think that's really important if you're really serious about levelling your game up.

"With my seed round in 2014

I sent 2,300 cold emails, I got 800 replies, that turned into 100 calls, which was 25 meetings and two cheques."



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Olivia Humphrey, Kanopy

What got you to where you are?

I was working in media at BBC Worldwide and Roadshow, and I was interested in non-theatrical film. Non-theatrical film is any film that hasn't had a cinema release, like many documentaries, arthouse and world cinema.

I started looking for new sales channels in Australia, and universities were a really obvious one as they were watching more video off-campus than any other resource. I went on campus to the University of Sydney and I saw a collection of 16mm, VHS and DVDs gathering dust. It was a really eclectic collection, and I thought there's something here I could do to help build a more sensible and relevant collection of DVDs for the institution and so the idea for Kanopy was born.

Around this time (it was 2007) my husband and I decided to move to Perth. He was in mining, and with the mining boom in Perth, he could subsidise our lifestyle. I started Kanopy at home at very low cost; literally, it was just the opportunity costs of my lost salary.

Kanopy launched officially in 2008 as a DVD distributor to university libraries. Cashflow was never an issue. I would buy the DVDs, sell them to the university, get paid by the university and pay back the trade invoice. It turned into a very profitable and lean business.

Two years later, it made obvious sense for a streaming solution. YouTube was taking off and streaming made a lot of sense for universities. Still bootstrapped, I launched the streaming solution in 2010. I used the profits from the DVD business to fund the streaming model. Soon, many Australian university libraries reported spending more on Kanopy than ebooks for the first time in history, and we started receiving inbound requests from the USA.

What does getting to the US look like?

The big moment in our story was when my husband and I were on porch at home in Perth and discussing how there were 39 universities in Australia and 4,500 universities in the USA. It was at that moment that we made the decision to move to the USA in 2012, with my husband and our then ten month old.

We decided to bootstrap our way over here as the company was doing really well and was a cash-positive business. We did have a number of term sheets from Australian venture capitalists and it really just didn't excite me to have to give up so much control of the business at that point of our evolution. I had taken on an angel investor in Perth, for a very small amount, and the most important part of that relationship was the great advice he gave us.

Coming to the USA bootstrapped was very difficult, and I often wonder: had we approached VCs back then and had a more professional body of advisors if things would have been different and easier. There was also a lot of pressure on the family, as we didn't have the support network. My life was all work, very intense and very lonely. We were making big mistakes that I think could have been avoided had we had a more sophisticated support network that good VCs can offer, including more information and knowledge of how the market works.

In 2015, the company was doing really well and I realised I was making 'safe' decisions as there was more to lose. I made the decision to take some money off the table and give some security and certainty to my family. One of my mentors introduced me to a private investor, Jahm Najafi, who runs a private equity company. We met over breakfast and he said, "I invest in CEOs or founders who have these four qualities: smarts, transparency, integrity and passion."

In one of the greatest compliments of my life, he went on to say, "you have all four, let's do this." It was structured as more of a growth investment than an acquisition. The major benefit was, for the first time, I had someone to talk to, a true partner and as a result I developed into a much better CEO.

What should a first-time founder know?

When I was going through a really tough time in the very early years, I went to see a psychologist who taught me a valuable lesson: to separate Kanopy from me.



Olivia Humphrey



1 start-up founded



Sydney,
New South Wales
& Perth, Western
Australia

Kanopy



kanopy.com



Founded in

2008

by Olivia Humphrey



Curated video
streaming platform



50 employees
plus 10
consultants



London,
San Francisco



Angels followed by
undisclosed Series A
and acquisition.

I still use the tools she gave me, and now I have the ability to look at the business and say “yes, I am doing my best and I will do what it takes, but it’s separate from me and I can carry on and I can get through this no matter what the business is doing.”

What has also really got my family and I through these tough times is going to Tahoe. We love Tahoe – we have a little hut there and we get away and we get out into nature, to detach ourselves from the day to day of running a business, and remind ourselves why we’re working and reset priorities.

In June this year [2018], Kanopy was acquired by L² Capital Partners, a PE firm based in Newport Beach, California. This has allowed us to continue growing in more strategic ways. It is proving to be another fantastic relationship – more of a partnership than anything else.

The LSquared team are regulars at Kanopy HQ and join us at off-sites and other planning or social events.

A benefit of being a female founder comes into play with the very healthy and diverse team we have at Kanopy. Half the company is female, including the senior management team, and we have a great team that really reflects who our audience is, how they look, think and believe. This really helps Kanopy as we truly understand the people we are streaming to.

The thing I struggle with the most is the push and pull between being mother and a CEO. It’s something I struggle with every day – yesterday I nipped out in my lunch break to see my child’s Christmas Concert and had to creep out half way through to race back to the office to make a meeting. I love my family life. I love my job. I love both but there’s constant conflict.

It has always been important to me to do the right thing. If you do the right thing it always works out. That really is my mantra.

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Rachael Skinner, Zuus Workforce

What got you to where you are?

We founded the business in Australia. It all came about because we were talking to some Subway franchisees about the problems they were having trying to accurately staff to changes in customer demand, meet budgets, but also deliver customer service and then balance out staff needs as well.

People that work in that industry had multiple jobs; they study or might care for someone, so there was the budgeting side of it but also the people management side of it as well. I was asked to come and help the restaurant managers understand the numbers that they needed to hit in terms of meeting a labour cost percentage budget, to understand customer-to-staff ratio and we couldn't believe how manual the process was for a company as large as Subway, so we thought there must be an opportunity here.

I love solving real world problems. We got involved in this because we felt like the expectations – initially for restaurant managers – were high and there just really weren't the tools that they needed to solve that problem.

So it's solving a problem in a unique way, and coming up against things that feel impossible and that moment when they actually aren't impossible anymore, you know is fantastic.

Late in 2014 we were thinking: "do we want to get Australian funding? Do we want to get USA funding to expand in the USA?"

We decided we should do USA funding. Starting to talk to customers, it seemed to be a bit of an issue that we were an Australian entity. So we created a USA entity called Zuus Workforce Inc and we flipped the shares into the USA entity – so now we are a USA entity, and our Australian company we started with is still in existence and that's a subsidiary.

In 2015 we started pitching for investments, that's when we started to explore what we needed to do about our business structure as well. Now we run things out of the USA, but the Adelaide office is still a big hub. It's where all of our development is done. The majority of our support is still done from Adelaide, which is awesome,

and we have mainly a couple of support staff and sales people over here, in the USA in Denver.

What does getting to the US look like?

The biggest thing is, whether it's customers or investors in the USA, they don't regard anything you have achieved outside of the USA. They don't care how much revenue you've made outside of the USA, they don't care how many customers you've got outside of the USA.

We had built a successful profitable business in Australia, but we had to forget about that. So if that's where you're at in your business, you need to kind of get your head in a space of really "I'm starting from day one again."

The thing is, people tell you these things but until you experience it yourself it's really challenging. All of the other Aussies that had come before me told me it would take two years and I was like, "no way, it won't take two years to get established" – but it did. So it was really two years to the day when we hit the sales target that we believed we could.

Keeping that in mind, you've got to have the runway, that's why we took the investment. We still hoped we would move faster than we did, but it really does take a while because it's that small market - big market thing. The customers you come into contact with have had so many experiences where "they're here today and then they're not tomorrow," and so when you're from another country that's a bigger barrier for you. So you've really got to convince people that you're really, really here and you're here for the long run, otherwise they won't give you a go.

Physically being here obviously makes that easier. Trying to expand a business in the USA from Australia would be nearly impossible, I think.

What should a first-time founder know?

Physically being present seems to be a big thing. We never found trade shows as important in Australia. Just being present at a trade show and going to as



Rachael Skinner

 **2** start-ups founded

 Macclesfield,
South Australia

Zuus Workforce

 zuusworkforce.com

 Founded in
2008
by Rachael Skinner
& Jake Skinner

 Dynamic workforce
management and
scheduling systems

 **20** employees

 Adelaide, Sydney,
Melbourne, Denver

 US\$3 million
Series A funding

many events as you can is important, but not really expecting sales necessarily out of those events early on.

I think in terms of advice for someone who comes to the USA it's: don't be discouraged that you don't get to have much traffic or heaps of sales out of your first few trade shows. It really does make a difference to be consistent and go back and people will come around. You've just got to keep hitting them from different angles really. It can be tough, you think this is waste of time and a waste of money but it's not, it's a bit like advertising.

We did a bit of a tour of different places in the US to see what would make sense for where a good customer base would be: good price of living and expenses and salaries and things. We looked at San Francisco, we looked at some areas outside of LA, New York and a couple of places other places on the East Coast. We thought about Austin as well, and then I had some partner opportunities and a customer opportunity here in Denver.

I came to Denver and it had three things. There was a good customer base, but it was a much younger growing tech scene, so there was a lot more community and energy around wanting to help start-ups, and a growing city. The cost of living wasn't as bad [as San Francisco] and the mountains were right there. There seemed to be a slightly better work life balance here than there was in San Francisco. That was important to me but, I was also bringing one of my key sales people and he had a very young family and I just thought, "this is a place you could have a family, it would be so difficult and expensive in San Francisco" so that was what happened. We fell in love with the place and it made a lot of business sense too.

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Rob Castaneda, ServiceRocket

What got you to where you are?

I was working in the USA in 2000 during the dotcom boom, and I was working as a trainer for a USA company and learning a lot and working with another entrepreneur. The market here crashed, and I went back to Sydney to get married.

The companies that we were training for in the USA had offices in Australia. So, rather than sitting down remotely waiting for work, I proactively approached them and there was work to do as a trainer in the Asia Pacific region, so I created a company in 2001. I started the company in Toongabbie [in Sydney], at Mum's house where I grew up. We're probably the largest ever software company to come out of Toongabbie. We're a self-funded company, which has its own benefits and challenges.

We renamed to ServiceRocket in 2012 after we had moved back to the USA, and moved our headquarters to the USA.

I think the market here in the US has definitely changed since 2000. Technology is so ingrained in the way people live and work, and when we moved here, Facebook was a two year old company, not where it is now.

There are definitely challenges in terms of competing for talent with the biggest companies in the world, who are paying a hell of a lot of money for the people that they want.

A couple of years back Facebook approached us saying "we're going to move to the enterprise space, and the enterprise company we admire the most in B2B is Atlassian, and you guys have done a lot of work behind the scenes. Can you share some knowledge and see how we can do some work together?"

So we've been building some product and some services with Facebook, and together with Atlassian there's been some three-way collaboration happening.

What does getting to the US look like?

I always had an affinity for the USA. The pace of things over here in California was very different than Sydney. I always knew I would end up back here one way or another, so going back every six months reinforced that, and then around the time of the global financial crisis, it was a really good time for us to make the jump back.

Leading up to moving to the USA I had basically moved my hours to work California hours. I put my sales rep hat on and I would get up at 4am or 5am in the mornings and respond to emails, do calls and I'd sold a million dollars of business and delivered a million dollars of business before I went to the USA.

So when I went to the board and said, "hey we've got to move there now. It's the right time, and here is all the data to support it."

I was very blessed in that we've always been a cashflow-positive profitable business, so it gave me the time to decide "hey this is what I'm doing." I don't need to get someone else's money to do that.

What should a first-time founder know?

You have to get out and meet people, get lots of different input and advice. For me, the USA market is very accessible, remotely, over the phone. Atlassian, us, we are all from Sydney, we're selling in the USA before we had a presence. It's totally viable to sell from Australia to USA companies.

Our CEOs have a reputation for saying and calling it as it is, and not talking it up ahead of time, and that sometimes works against us and I know it works against me, because the American market wants to know the vision and where you're going. It's not that they're overselling: they want to know where you're going because they're thinking six to twelve months ahead.

In Australia, you know, I was brought up to only talk about what you've done, which is usually six months behind. So, you really need to get yourself leaning into the future and talking about where things are going,



Rob Castaneda



1 start-up founded



Sydney,
New South Wales

ServiceRocket



servicerocket.com



Founded in

2001

by Rob Castaneda



Speeding the adoption of software with smart apps, training, support and services



250 employees



Sydney, Kuala Lumpur,
Santiago, Palo Alto,
London, Singapore



None

but keep humble and keep yourself grounded so that you're able to deliver on your commitments.

Be deliberate about what you're trying to do. Be clear on the finite-infinite concept, that I think is important. Understand what you want to get out of life and where your success and confidence comes from. It has taken me 15 years to work out the difference between a finite game and an infinite game. A finite game is like a game of basketball or cricket, there's a winner or there's a loser. An infinite game is one that you play to keep playing. Most examples of infinite games are passions, or religious causes or things that are driven from the human spirit.

I think overall Australians are viewed in very high regard as people that are hard working. I know talking to VC's and talking to finance people, especially on the back of Atlassian and other companies that have come out of Australia, there is a perception that companies that make it out of Australia are very solid and have very robust foundations.

From a founder point of view I have been too quick to delegate some things and not worry about them, and I think the details matter. So there is this underlying narrative that non-founders will give founders about micro-managing, and I've never seen a founder give another founder advice that told them not to worry about the details of the business. Look at what's happening, targets, cash flow, all those things that are basic business. Sometimes in the tech or start-up area we tend to forget that stuff or we cave into employee pressure, but really it's your business.

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Sarah Eathorne, Insightly

What got you to where you are?

Insightly started in Perth back in 2009. Anthony, our co-founder, has a lot of experience with implementing CRMs and he started a notebook, just writing comments on these different CRMs and just some of the shortfalls they had. He ended up with a notebook full of ideas or shortfalls, and then decided to write his own CRM.

He came up with the idea, started working from home and writing it. I run the infrastructure of the business in terms of accounting, HR policies, the general admin and all the non-product facing general operations for business. I'm a chartered accountant and he is a software engineer.

In 2010, we got accepted into Google's G Suite Marketplace. We were the first CRM and we were and still are the number one rated CRM on the G Suite Marketplace. From that we started getting a lot of VC attention. So that was a great platform because it took away the marketing aspect because the G Suite Marketplace brought the customers to us. So we were getting up at 3am, 4am to do phone calls from Perth to the USA.

I came on board in about 2011 full-time. We did five trips to the USA that year, meeting with various VC firms, and that made it a bit hard to hold down other work, amongst setting up a business plan and getting all the basic structure of the company set up.

"It's certainly wonderful to meet fellow female co-founders. In general, building networks in Silicon Valley is really powerful, and if you can draw strength from fellow females out there, do that."

What does getting to the US look like?

Our Series A closed in January 2012, so that was when we jumped on the plane and got here. The company was just the two of us, so we built everything from here [the USA].

We were deciding between San Francisco and New York. We were talking to a couple of different VC firms, one on the East Coast and one here. We ended up settling on San Francisco because we were just being sold through Google at the time, and it made sense for us to be close to Google, to build our network and our relationships.

It's certainly wonderful to meet fellow female co-founders. In general, building networks in Silicon Valley is really powerful and if you can draw strength from fellow females out there, do that.

I don't think we need to change the way we do business to be more like men. I think we bring our own set of skills and our own way of doing business, and we need to have a lot of confidence in our values, in our strengths, what we bring to the table, and be really powerful in terms of our product and what we believe in and what we see the end goal to be.

Australia and Australians are such a novelty for the US. We're so lucky that we're so well received. People are so happy to work for us, we bring a laidback approach where we're not from a litigious culture so we're very much about rolling up your sleeves, getting stuff done.

If you have a setback you just keep on going through. The con of that is that sometimes there are things someone can raise and you think "they just need to get over it" and that's not the way it works here. However, the pros outweigh the cons tenfold.



Sarah Eathorne



1 start-up founded



Perth,
Western Australia

What should a first-time founder know?

It's a really open community, everyone is so willing to share ideas and put you in contact with people that they think that can help you, and I think the best piece of advice is as soon as you get off that plane start building your network. Reach out to people doing similar roles.

I'm doing a Chief of Staff role now at Insightly. It's a new role that we created when I came back from maternity leave with my second child, and I just cold called and emailed people on LinkedIn – fellow Chiefs of Staff in the Valley – and said: "do you mind, I've got a company, it's a new role for us can I talk to you about how you do it and what works for you?"

People are more than happy to share their knowledge and what they've learnt, what they think works. There's no shame in asking someone how they did something or if they can suggest a relationship or an idea in terms of how to get something done if you're struggling with it. Sometimes you've got to come clean and say, "I actually don't know, can you take a step back and please explain it to me?"

Everyone handles it in different ways. When it's your own business it's hard not to take things personally, and especially because you can feel a huge sense of responsibility to all the people you employ. We employ over 120 people, so that's 120 people that rely on us for their livelihoods, their pay cheques, supporting their families, and that's a huge burden to bear.

I try to engage with as many people as I can across the company, take an interest in people personally, as well as professionally and draw strength from that. In all aspects of life, it's "try not to sweat the small stuff," which is easier said than done.

Insightly



insightly.com



Founded in

2011

by Sarah Eathorne
& Anthony Smith



Lifelong customer
relationship
management



120+ employees



San Francisco,
Vancouver, Denver



AU\$50 million

27

Scott Farquhar, Atlassian

What got you to where you are?

I loved computers when I was a child. My family couldn't really afford computers when I was growing up, as they were quite expensive. I do remember my dad brought home old Wang hand-me-downs, these computers that they were throwing out at work and were kind of useless.

As a kid, all I wanted to do was play computer games, but it turned out these Wang computers were slightly incompatible with every computer game that was out there. It took me about two years to work that out. I think that was my introduction to computing.

I didn't know what I wanted to do after school. I accepted a scholarship at the University of New South Wales to study a Bachelor of Information Systems. It was actually a combined business science degree, business IT degree.

As part of the degree, I did industrial training at three different big companies. When I was going to graduate from UNSW I thought, "What do I want to do?" Getting a job offer from one of those three companies wasn't really high on my list, just from the experience I'd had as an undergraduate.

These days, it feels like start-ups have a bit of an allure and mystique; a lot of people are interested in it. Back then, there was no career path. I didn't know anyone that had worked in a start-up. I didn't know anyone from venture capital. I couldn't name any start-ups.

For us it was just a matter of not wanting to get a real job somewhere else and thought, "if we can earn \$48,500" – which was the graduate PwC salary at the time – "if we can earn that much and don't have to wear a suit to work then we'd be doing pretty well." We did a few different things and eventually produced our first product called Jira which has been quite successful, even 17 years later.

I met Atlassian co-founder Mike [Cannon-Brookes] at university. I went to James Ruse, a public school in Carlingford and he went to Cranbrook which is one of the most prestigious schools in New South Wales. We met each other because the open source software I used when I was working with PwC was similar to something he was using and so we conversed a lot. I've still got the email when he said, "hey, let's not get a real job when

we graduate university and let's do this other thing."

It probably took us three to six months to build our first product, Jira, and another three to six months to get our first customer after that. I think our first sale was for \$800, but we thought that was a lot of money, so we gave an early adopter discount. It was \$600. That was two weeks salary back then. We were kids. That was a not lot of money but seemed a ridiculous amount of money for people to pay for something written by two university students that technically hadn't graduated by that stage.

What's the most important aspect of running a business?

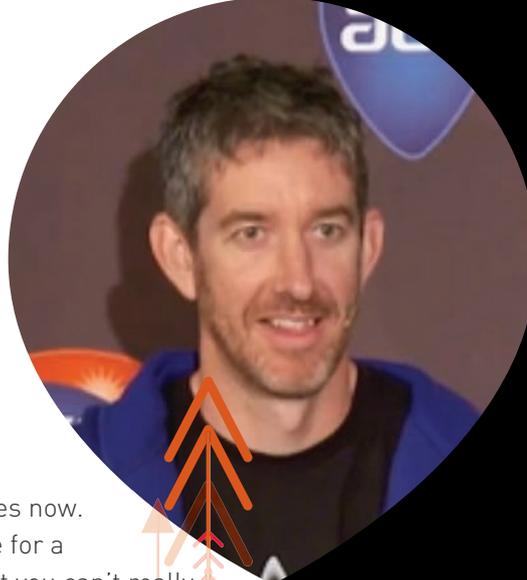
Culture is the most important thing in my mind. Your brand is the sum total of what the rest of the world thinks about your company. That's every employee interaction, everything you do as a company ends up with your brand. Culture is similar.

Culture is every single thing you do internally, from what you recognise to what you tell people is not okay, to the rituals you have, the types of people you hire. We were quite lucky.

Every day we think about what we do Atlassian. We have a cultural interview in the hiring process where there is someone who's just looking at "did this person fit?" It's harder to scale that and make sure you end up with diversity. Actually, you need to do that very specifically so the culture interview doesn't end up with a, "do you look like me, sound like me?" aspect. We think about it a lot. We have traditions around it.

I don't think as a company that should ever really change. Culture is how work gets done. The culture of a ten-person start-up is I walk to your desk and I say, "do this" and you do it and then I turn around, it's done. That's culture to start-ups.

Culture to a multi-thousand person company is, "I want to get this on your quarterly goals for next quarter." Work gets done in a different way. That changes as you grow and scale, but your values should never change. I really want to have the best culture for every size.



Scott Farquhar



1 start-up founded



Sydney,
New South Wales

Atlassian



atlassian.com



Founded in

2002

by Scott Farquhar
& Mike Cannon-Brookes



Workflow and
collaboration software
(Jira, Confluence,
Trello)



2738 employees



Sydney, San Francisco,
Mountain View,
New York City, Manila,
Bengaluru, Austin,
Amsterdam, Yokohama



Total US\$210 million

We're at about 2,500 employees now. I want to have the best culture for a 2,500-person organisation, but you can't really compare it to a ten-person or a 100,000-person company.

If you were to start again, how would you decide where to be setting yourself up and where you would be looking for funds?

You've really got to be genuinely passionate. I think if you'd asked me that five or six years ago, I would say Silicon Valley. It's the place to be, because it is the epicenter of capital and software development. These days, I do know we have got a thousand people in Silicon Valley, give or take. It's really difficult to find and keep talent there, because everyone wants it. Capital these days is a global concern.

Maybe you have a 10% more efficient market over there than here, but it's not enough for you to upend your family and your connections and so forth to raise money to go overseas. Generally, businesses can start from anywhere. At the starting phase, you've just got to find a product market fit.

You need a start-up team that can get to a certain stage. Once you've got that you then need to find senior people who have done it before to help scale the business, because the stuff you're doing is really unique, the scaling part. Actually, I was probably pretty naive to think that we had a unique experience. Everyone has the same bumps on that road. That's the bit that's hard to find in Australia. That's the reason we import a lot of talent in Atlassian – not because we want to.

*Excerpts taken from Spark Festival event 24 October 2018 'Ask Me Anything: Atlassian's Scott Farquhar'.

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Sean McCreanor, Assignar

What got you to where you are?

I had an opportunity in 2007 to start a construction company and I had exited a tech company a few years earlier, so it was something I thought would be an interesting challenge.

That company got to 130 employees and I could never get a straight answer on operations: what was going on, how busy were we, where is our equipment, should we buy more equipment, should we sell some of it, retire it – all of those kinds of operational things.

It was embarrassing because I was a tech guy and I had not put tech into my business. So I went out to market to look for a platform and only found a lot of software that had been built in the 80s and the 90s. So I built us a prototype, an inhouse tool, and I thought there might be an opportunity to commercialise it.

I put it into my business in late 2013 and started showing it to other contractors. I had a large tier one contractor ask me to present at one of their subcontractor forums. They asked “can you show the other subcontractors how you run your business?” That was a great opportunity to showcase the product and I signed up five customers and I was kind of in business at that point.

From June 2014, [co-founder] Marko and I basically went into product mode. We hired some engineers and really built the product for a year and a half. At the end of 2015 we were a team of eight to ten engineers. Marko and I felt like we might be ready to launch this thing. We hired a couple of sales guys at the end of 2015 and we were off to the races.

We’ve got customers that range from the NSW Government right through to large tier one/tier two contractors that build a lot of heavy infrastructure around Australia and North America, and we’ve got a lot of subcontractors with 50 to 500 employees.

What does getting to the US look like?

The size of the market is something you have to really focus on – who your target market is. You can be distracted quite easily and end up trying to sell your platform or product to verticals or industries that may not have relevance. Because Australia’s such a small market you sometimes have to be all things to everyone whereas here you can afford to be very laser focused.

Another challenge, at least for our target customer, is that they can be very benefits-driven so you don’t necessarily have to walk them through every single feature in your product. In Australia it’s very feature focused. So there’s a difference in the way that you sell. References, referrals, case studies, just help so much. It’s really common for us to have a USA company start the engagement and very quickly they want to talk to other customers like them in the USA. They say, “if a company like mine says that your product is really great and I trust and respect them, you solved the problem for them, I bet you can solve it for me.” There’s almost a sort of implicit acceptance there, so that’s the mindset you have to shift.

I moved to the USA in January 2018, but since the beginning of 2016 I’ve been travelling here four or five times a year. Really the purpose of the early exploration was to get that product market fit, talk to customers, talk to prospects, contractors, really make sure that what we were building would work – and not just from a technology perspective: a product really needs to solve a pain point.

“You’ll always have setbacks. I love that about the US, they embrace failure, and really celebrate it. I don’t think we do enough of that in Australia.”



Sean McCreanor

 **5** start-ups founded

 Sydney,
New South Wales

Assignar

 assignar.com

 Founded in
2014
by Sean McCreanor
& Marko Tomic

 Field operations
platform

 **39** employees

 Sydney, Denver,
Prague

 US\$6.2 million
Series A

What should a first-time founder know?

Selectively network. Set yourself some realistic goals and stay focused on them. You can spend a lot of time getting advice and opinions from people that really won't move the needle for you. That's a trap you can fall into. For me, we would set a goal quarterly or annually, and use that as our North Star. So, for example, it might be you want to have 100 customers by the end of 2019, or 1000 sign ups or whatever it might be. Stay true to that, focus on that as your measure of success and everything else should plug in around that.

You always hear "get a warm introduction to a VC if you can." Have the conversations with them, make the time, but qualify them first. Make sure they're really a good fit because there are so many of them you can burn a lot of time. I only went out to 14 or 15 in total so you don't need to spread far and wide, but it's good if you're thinking about raising capital. Do your homework on them, engage early and build the relationship. You're going to have a partner that's part of your business for a long time.

You'll experience failure and unless it's fatal, work through it as best you can. You'll always have setbacks. I love that about the US, they embrace failure, and really celebrate it. I don't think we do enough of that in Australia. It will take time to be successful and build a successful company. It won't happen overnight.

You've got to remind yourself that it won't always go to plan so having a good support network is important. Mental health is definitely front and centre. I think as a founder and as CEO there are very few people that are in your shoes that you can really talk to. Your board is a really important part, and obviously having a great partner you can bounce things off is really nice to have. My network personally is other CEOs or co-founders or founders of companies, that are at similar stages to us.

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Tan Le, Emotiv

What got you to where you are?

In August 2011, I had sold a software business and I was looking for an answer to this question: what should I spend the rest of my life doing? I realised I really wanted to devote my life to something that would be a lifelong endeavor rather than another five-year stint.

I was very purposeful in looking around and the brain was something that really attracted me, both from the standpoint of it being intrinsically interesting, because it's essentially the way that you perceive and understand the world, it defines who you are; but also because there are lots and lots of neurological impairments and disorders that affect billions of people on the planet and yet we have very few ways to really make a massive impact on understanding those conditions.

I felt that there was a really tremendous opportunity to start working in this field, and that's how I got hooked in the first instance.

Starting Emotiv was very exciting because it gave me the chance to really reframe how to think about brain research. The traditional methods of doing brain research are: you go to a lab, or you have someone come to a clinic, or you collect data from 20 to 50 people. Then you publish a paper and you learn something from those findings. Most people don't think about brain research at scale, where you have a distributed platform for research where all the data gets back to a central repository where you're constantly learning and building new algorithms about how the brain is adapting and changing. I thought there was a really massive opportunity that was unmet.

We've created an ecosystem around hardware, algorithms, software as well as ongoing data analytics, to help understand the brain using EEG [electroencephalography].

What does getting to the US look like?

I was here already, in the San Francisco Bay Area. In fact, we have a Harvard Business School case study about one of my previous ventures, and I had been asked to give a founder talk to Berkeley students.

On this particular presentation one of the students' questions really struck a chord with me: "what really keeps you up at night right now?"

I thought about the question, but it remained with me for a lot longer because the gist of my answer is that I feared becoming a manager, managing growth rather than focussing on disruptive innovation.

I had already had an exit from my first business, and it gave me a lot of opportunity to start again without having to take on external investors. We've done it in an unusual way by Silicon Valley standards, where we built the business and we did a crowdfunding campaign which was really fun.

We saw the crowdfunding campaign as an opportunity to really understand the market for a new product and to build an early adopter community around it, so it was not purely around raising money.

The raise itself was just over \$1.6 million on Kickstarter. When we started we weren't planning to do hardware. I was hoping to stay well clear of hardware, but it's really hard to build an ecosystem when you're dependent on other people's hardware to wrap the business around, so we decided that we would need to do hardware. We started working on the hardware at the beginning of 2012, and then started fundraising September 2013.

What should a first-time founder know?

It's not for the faint hearted. It's not something that you can do on a whim because it's really hard and it's taxing; it's financially difficult, and there is a huge amount of responsibility, legal and financial, that you have to shoulder that no one else can shoulder and it is a very lonely place most of the time. I have an incredible executive team but at the end of the day if a hard decision has to be made they rely on my leadership to make that call and I know that's my job. When push comes to shove you cannot delegate that.

I think the most important thing is to cultivate and develop your inner voice and then learn to trust it,



Tan Le

 **2** start-ups founded

 Melbourne, Victoria

Emotiv

 emotiv.com

 Founded in
2011
by Tan Le & Geoffrey MacKeller

 Bioinformatics using electroencephalography (EEG)

 **50** employees

 San Francisco,
Sydney, Hanoi,
Ho Chi Minh City

 US\$1.6 million
Kickstarter

because you are really ultimately responsible for the business. I remember when I was younger I was second-guessing myself a lot. You know the reality of the business, more than anybody else. I've always been very selective when it comes to advisers and mentors and I still apply the same lens. That's not to say I didn't get mentor whiplash when I came out here, but I think experience plays a massive role in listening to your own inner voice.

The most jarring thing that I learned was the assumptions I made about language and culture. Coming from Australia, you think we speak the same language and have a very similar culture, but in fact the business culture in the US is very different, to Melbourne especially. Melbourne is a very relationship-oriented community, where you nurture relationships before you pitch something to someone.

In the US its very transactional, that's what people expect. If you set up a meeting they expect you to come, not to build a relationship with them, but to have something to offer and to have a very clear idea of what you want, and what the ask is. The benefit of this transactional nature is that you can come back three months later and say, "hey thanks for all the feedback. Here's what we've done: we fixed it all and what do you think about it now?" and it's really refreshing.

I also found that there is a benefit of being first in the US. You don't really get that in Australia because of the very strong early adopter community, but also the whole 'tapping off' to get the mass market. There's that first adopter, the influencers, the mass and then the laggards, which is very clearly defined here in the United States - there are clear groups of people that you can target. Whereas in Australia, because the market is smaller, the first mover advantage is not really there.

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Tania Yuki, Shareablee

What got you to where you are?

I established Shareablee because I saw a big opportunity in the marketplace around shedding light on social media. I'd worked for a company for a couple of years and I'd worked on a product that measured online video, when video was growing really fast. I started to believe that something much bigger was happening and at the time it was just Facebook and Twitter.

I got active and started pulling some light data sets about Facebook and figuring out what I could do with them. When I started to show marketers what I was coming up with, they seemed pretty excited about it and were interested in buying it, and that gave me the confidence to think "there's something here." So I quit my job and started Shareablee here in New York.

When I first started Shareablee we were tracking about 500 companies and today we track well over one million, close to 10 million influencers and creators and I think seven or eight platforms.

Social [media] has changed 180 degrees every six to nine months. Platforms like Vine have risen and gotten completely shut down. Not that long ago I was worrying about how we track Meerkat and other platforms, so it's a really fast changing environment. What I had to get comfortable with pretty early on was the fact we would build redundant things. When a new format takes off, it takes off so fast that you can't possibly keep up! You almost have to overbuild on things.

What does getting to the US look like?

I've been in New York for just on 12 years. I came out to New York on a film shoot and I just loved it, the energy was ridiculous. I got an immediate sense that being here would push me to be the best I could be, at whatever it was that I wanted to do.

The great thing about being in the United States is people are generally really helpful. They love ambition, they love talent, but you need to be in it. The best thing to do early on is to become a part of the industry as quickly as you can. When I first arrived in America I didn't have any contacts whatsoever. You can either feel bad about that or you start showing up at low-

powered events and meeting people and then maybe one person invites you to a slightly less low-powered event. Eventually, provided you have a vision for what you want to do, you start to make your way through.

When I was attending local meetups, there was this guy who would show up with this mini suitcase and his DVDs for this thing called Wine Library TV – this guy called Gary Vaynerchuk who you've probably heard of now. He was at every single meetup in his dowdy sweater and jeans. It's about showing up and putting the work in, meeting people, trying to add value, trying to contribute to the space that you're in and have an opinion. The faster you get off the balcony looking down and get into it, the quicker you'll start to make those connections and connect the dots.

The biggest shift I had to make was how big you go. If something's wonderful in Australia you'll say "it's ok." In America you will say "it's the most wonderful that has ever existed on earth." You have to change how you pitch investors and how you pitch clients. No one in the United States wants a solution that's "ok." That want something that's life-changing and the most exciting thing that has ever happened.

As an Australian that freaks you out a bit because no one really expresses stuff like that. You have to turn the volume up and get used to creating and experiencing stuff at that level. I go back and forth between Australia and America quite a bit and it's funny, you're not quite enough here and you're too much when you go back.

What should a first-time founder know?

One of the hardest things that you have to do as an entrepreneur is hold two very opposing thoughts.

Thought number one is: "this is ridiculous, this is absolutely impossible, this is going to hell, this can't be done." On the other hand, you've also got to go: "this is going to be amazing, it's going to be great, it's going to work out, this is going to be fantastic."

If you only hold one or the other, you can't do it. If you just think everything's going to be great you'll miss all your blind spots, you'll not see chaos coming.



Tania Yuki

 **2** start-ups founded

 Sydney,
New South Wales

Shareablee

 shareablee.com

 Founded in
2013
by Tania Yuki

 Social media insights
and analytics

 **70** employees

 London, New York,
Sydney

 US\$12 million

That to me is the big tightrope of entrepreneurship.

Let's face it: if you're an entrepreneur people are constantly telling you that your ideas are crap. You've got people telling you this doesn't work, that doesn't work, you're in this constant cascade of negativity. I think it's about how you react to that and how you bounce back and which parts of it you take as useful feedback and which parts you just throw out.

It really starts with what things you need to keep your head on straight. I work out, and that just kind of grounds me and it makes sure that I've always got a certain amount of time each week that I'm dedicating to staying healthy. If that's not right, then you're a little more likely to make a bad decision or react poorly to something

I read a lot of books, I listen to them when I go running. I listen to a lot of biographies because you might be going through something and think it's especially screwed up and you listen to other people's experience and you realise it's not even on the spectrum. It teaches you new strategies and ways of approaching the world.

I write articles as well and try to codify what works for me in the hope that maybe it's helpful to other people. Anything that gets you out of your head and starts to get you out there in the world and transforming what you're going through into something that's actionable for other people – rather than just having it be your own private pity party.

You have to be incredibly nimble. You have to have pretty good fault tolerance and I think it comes down to how much information and how much confidence you need before you can make a decision. If it's north of 80% you're dead, it's too slow. You might make the right decision, but you'll make it way too slow. Getting to that sweet spot of 80% confidence 1,000 times faster is I think the big challenge in this sort of environment.

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Vanessa Wilson, StorReduce

What got you to where you are?

I practised law at one or two firms. It was ok but it isn't particularly creative, so in my twenties I thought I'm going to try different things.

Back in the day conferences were put on that people paid a lot of money to go to. I went and did that in the IT and telecommunications sector, where I would create the topics, negotiate, get speakers, help with the sponsorship and all that. It was really profitable and it gave me good confidence for quick iteration.

One of my speakers was the guy who owned the company that rolled out the 3rd generation network around Australia. He headhunted me to start up his radio frequency business across Asia Pacific, and to start up his consultancy as the sales, go-to-market and strategy person. I got headhunted from there to start-up people's companies.

Then I was having kids and I said to my husband, "you're really good at coding, and I am good at setting things up myself from scratch, so you co-create something and if it's good enough I'll sell it."

The purpose was for small to medium-sized businesses to be able to back up their server over the internet to the cloud and recover them really quickly if they lost everything.

It was through Advance Innovation Australia that we got a mentor from the USA. This person owned about a \$6 billion market share at the time for backup appliances that all the biggest enterprises around the globe used. He said "if you scale that for enterprise, rather than sticking with SME, and go to market I'll never sell another one of these appliances".

We thought "this is even better, there's a \$6 billion market to go get and what we've got we can patent. Its unique."

Then at Heads Over Heels in Australia, which supports female-led companies, I was asking the audience: "can you get me interviews with your CTOs so that I can see if you would use this product?"

I almost got dragged off the stage by people saying, "can we invest, have you got an information

memorandum?" So we took about a million and a half of early-stage money.

During 2015 we raised funding a few times, at the seed stage and a convertible note top-up, and that was all from the same investors.

What does getting to the US look like?

We moved to America at the end of 2015. We set up as a USA C Corporation from the start. We didn't do a flip up, it was just time and money wasted from our perspective.

We thought it would be great to get Amazon's input on what we should add to our technology, so we got a meeting in March 2015 with the global head of Amazon's storage layer S3. He was really great. He said add this and that for enterprise. Before that meeting, we had arranged alliances with the biggest backup providers in the world like Veritas.

Just as we were launching, Amazon reached out and kicked our tyres technically and they really liked it so they offered to put it on their global Amazon blog and write up our product as it was launching. That blog goes to a lot of people, and then we started getting calls.

There's this company called Gartner that's well respected in the IT space. They started telling people about us and we got a resale agreement with Western Digital, the biggest storage company in the world by revenue. When Amazon launched their latest cloud tier they put us as one of the four companies on the Beta, then six months later Google did the same. They started giving us leads and was a little bit surreal.

Every sales call, I needed to start the conversation with "I know I sound Australian, but I live in the Bay area, we're a USA company, we've got support around the clock." You literally do have to say that, 90% of them went "oh fantastic, I don't mind that you're Australian but I'm glad that you're here." It was important.



Vanessa Wilson

 **2** start-ups founded

 Sydney,
New South Wales

StorReduce

 storreduce.com

 Founded in
2014
by Vanessa Wilson,
Hugh Emberson,
Mark Cox, Tyler Power

 Virtualisation for public,
private and hybrid
object storage

 Company acquired

 Mountain View

 None

What should a first-time founder know?

Firstly, have a USA entity; you can't have an Australian company where you're trying to sell. Do the flip up if you're coming here.

Secondly, if you're going to try and get your partner's sales teams to sell your stuff, live where they hub out of. You need to be going for drinks and dinners so you get those backburner calls. That is essential. Then it's just all about timing.

The biggest step you can take is de-risk as much as you can. I was lucky because my co-founder was my husband and we had a lot of control, and the other co-founders we knew really well. I was lucky with the investment: we kept the same investors almost the whole way through, so they were great and we kept board control as well.

For female founders, you want to be careful about not losing control of the company if you can help it, not losing control of the Board if you can help it, and really checking who your investors are. Double check that people are comfortable with you running the go-to-market.

With the advisory board, I tended to do one-on-one calls where I could get specific advice from advisers to me, rather than getting them all together because they'll just talk at each other. I think that helps a little bit when you're female as well.

"The biggest step you can take is de-risk as much as you can."







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