

Women in Venture Capital – Tristen Langley, Draper Fisher Jurvetson

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Tristen Langley recently led Skype's Business Development and Marketing efforts in North America. Prior to joining Skype's US operations, she was an Analyst with the premier early-stage venture capital firm, Draper Fisher Jurvetson (DFJ), a firm with a network of affiliated funds with over \$3 billion under management. While at DFJ, she completed the investment due diligence and worked closely with portfolio companies, Skype, Visto, Santa Cruz Networks and Xfire. Before DFJ, Tristen was Manager, Operations & Planning at Wedgetail Communications (now Quest Software), and Senior Associate with the Australian venture capital firm, Allen & Buckeridge. Tristen graduated with a Bachelor of Science, Honors and the University Medal from the University of New South Wales, Australia and completed graduate studies in Software Engineering at the Fraunhofer IESE in Germany.

Q: Tell me about your background.

~ My undergraduate was in Information and Software Engineering. After I completed my undergraduate degree from New South Wales, I did my graduate studies at the Fraunhofer Institute in Germany, after which I took a software engineering role with a company called DimensionData.

Q: How did you get your foot in the VC door?

~ To be honest I was just out there talking to people in industry, which is what I would encourage all women to do. Just take the time to take someone out to lunch and ask where's the action at? What's happening? I had a strong interest in technology, and it was an area looking for bright, energetic people, as well as people interested in starting their own business, so my mentor from college suggested interviewing for an associate role at a VC. I was 23 at the time. I quit my job, which was a resume no-no, and joined Allen & Buckeridge in 2000. I spent most of my two years at Allen & Buckeridge on a company called Wedgetail Communications, after which I actually joined the company as the manager of operations planning reporting to the CEO. I made several visits to San Francisco while I was working for Wedgetail and fell in love with the Bay area; I then moved to San Francisco and joined Draper Fisher Jurvetson.

Q: What would you look for in a VC fund if you were a candidate?

~ I look for a combination of the people, their philosophies, your willingness to work with them on a day to day basis, and their outlook for the future. If you find a firm where something resonates on all four dimensions, then you know that's the right firm to be. VC is an intimate environment – it's you and 10 other people in your investment team. You have to get along with everyone. I also like early stage VCs. I loved the fact that DFJ was doing something new in nanotechnology and going where no other firm goes.

Q: What do you think is most challenging about your job?

~ I think the most challenging part is about the people – making judgments about people and handling very different personalities. You've really got to learn how to size up the CEOs and entrepreneurs you meet. Is this person difficult to deal with or not? Can I trust them with \$2mm, \$5mm, \$10mm? It all comes down to can this person be a winner? The other challenging aspect is there are so many businesses to look at every single day. Opportunity knocks about twice a week, I like to say, and you have to learn what I call information inflow prioritization. The final thing is just dedication and perseverance. There are companies that have hit the wall it takes a lot of patience and perseverance to keep them going.

Q: What do you love most about your job?

~ I think the most fun part of the job is that you are constantly meeting people who are living out their passions and you get to invest in them and help them with their dreams. You're helping an entrepreneur, you're helping a customer. You're helping your investors make money. And in general, you're helping the economy put it all together. It sounds very noble, and I think that's how some VCs see themselves, that they are participating in a noble cause. We help to maximize the allocation of a scarce resource – money – and make astute decisions based on experience, based on a framework of trying to see into the future and what it takes, from a people and physical execution standpoint, to get this product to market.

Q: Anything downsides to being in a VC?

~ I get really gutted when a company is about to miss payroll. Three out of ten deals never make it. I would stay up just tossing and turning being stressed out almost feeling physically sick, because twenty people will lose their jobs and you know all of them. You're involved with the Board, and laying off people is not easy. It doesn't ever get easier. It's an unspoken thing that people fail, and it happens regularly.

Q: What do you do on a day-to-day basis?

~ On a day-to-day basis, my time is broken down between doing deals, probably about 50% with new companies, 35% with portfolio companies, 10% on internal projects, the other 5% being events and networking and participating in events to get yourself out there. The day to day on the new company side is a lot of responding to entrepreneurs, reading business plans, talking to other people, inviting them to meet, explaining their idea in more detail. Once we get excited about a company and at least a couple of people are interested in looking into it further, then you dive in and ask: does this company have the potential to be a winner?, who is their competition? what is defensible about their technology? who are these people and are they backable? You spent a lot of time on the phone, talking to people about technology and asking them about recent trends that the technology may fit into.

Q: What would you say are some common traits VCs share?

~ I would say what they have in common is confidence and ego. I think what distinguishes female VCs is confidence. Building confidence and self-esteem is a very personal thing, but that's one thing you need in the boardroom, when voicing your opinion, because you'll get shouted down, you'll get "No, that's a stupid idea!" Constantly, you'll have to show confidence in why you're thinking a certain way.

Another characteristic is insight or innovation in thought. You need to have way of looking at something to sniff out whether it's going to be successful, or whether it's going to be a winner. It's really about vision and the ability to predict the future. All the VCs I know are naturally curious. VCs read a lot, and it's about how every incremental piece of reading contributes your overall view of the investment landscape.

Q: What advice would you give women who are interested in VC?

~ VC is still a relatively young industry versus banking, consulting, and other service roles. Very rarely do you have recruitment firms dedicated to VC like they do in private equity. So what I encourage young women to do is to go and start their own company. We don't see enough women CEOs. And I wouldn't recommend this always, but why not invest your own money? 5k, 10k? Invest into a venture on your own. I did this personally with a friend of mine. It helps you understand the process of thinking about investing and judging the opportunities. You'll find yourself asking, is this what I really want to do with my money? Is this someone I can trust with my money? If there's something you've done from the ground up, built something from nothing, or did it on a shoestring, then you're someone that will appeal to venture capitalists because you exemplify their philosophy. And when you approach a VC, have something to pitch them. Don't go there and say I want a job. Go say that I've got an idea you can invest in. Say, "Hey, invest in me."

~ Here we would like to congratulate Tristen and DFJ on Skype's \$2.6bn sale to eBay as well as her acceptance into the MBA program at Stanford's Graduate School of Business, where she is currently studying.