

# Four Entrepreneurial Truisms

Andrin Bachmann



# Me, Myself and I

- **Glocalnet AB, Stockholm**
  - Co-founder
  - 3<sup>rd</sup> largest telecom service provider to Swedish consumers
  - Listed on Stockholm Stock Exchange, sold to Telenor
- **M/C Venture Partners, Boston and London**
  - Partner
  - Private Equity firm focused on the media and telecommunications markets
  - \$1.5 billion under management
- **Private Investor**
  - Numerous investments in privately- and publicly-held companies
  - Instrumental in repositioning QXL ricardo PLC, sale to Naspers for almost \$2 billion
- **Piton Capital, London**
  - Investment firm



# What the H\*\*\* is a Piton?

**Piton** | pea-ton |

-noun Mountain Climbing.

Pronounced pea – ton, a steel spike driven into a rock-fissure which anchors a climber and helps in ascent

*Origin:*

1895-1900; <F: ringbolt, peak (of a mountain)



# Piton Capital

- **Highly Focused Venture Capital and Growth Equity Fund**
  - Online businesses with network effects (marketplaces, exchanges, communities, etc.)
- **Funded by Entrepreneurial, rather than Institutional Money**
  - We are the largest investor in our own fund: Therefore, we truly care



# #1: Build a Business, Not an Exit Strategy



- **There Is Only One Good Exit Strategy**
  - **BUILD A GREAT BUSINESS** - profitable, large potential market, strong competitive position
- **Examples of Bad Exit Strategies**
  - Musical Chairs: You need to sell your business before your competitor does
  - Greater Fool: You need to sell your company to a fool greater than yourself before it becomes clear that there is no business



## #2: Experiment, Tinker, Adjust (and Still be Focused)



- **Focus on the WHAT**
  - Very clear and simple strategy and goals
- **Experiment with the HOW**
  - Try different ways to reach your goals: Run many small experiments (including some crazy ones)
  - Only allocate significant resources after successful experimentation: Fail small and early



## #3: It Is NOT About Technology



- **Who invented the Internet, the search engine, the computer operating system, the MP3 player...**
- **...and who made money out of them?**
- **It IS about the product/ market fit, the business model and execution**
  - What does the customer/ user need and is willing to pay for?
  - Focus development on “good enough” – minimum viable product
  - Expose to Darwinian market forces early and often – customer feedback, rapid iteration
  - How can you create an unfair competitive advantage?



## #4: Don't Worry, Be Happy (And Lucky)



- **Great Time to be an Entrepreneur**
  - Traditional advantages of big companies are being eroded by globalization and the Internet
  - Cheaper than ever to set up and run businesses
- **“Not Trying” Is the Biggest Reason for Failure**
  - You can only be lucky if you play the game







## **Andrin Bachmann**

Piton Capital LLP  
4th Floor, 14-15 Conduit Street  
London W1S 2XJ

T: +44 20 7408 0451

M: +44 7879 840 143

E: [andrin.bachmann@pitoncap.com](mailto:andrin.bachmann@pitoncap.com)

[www.pitoncap.com](http://www.pitoncap.com)

