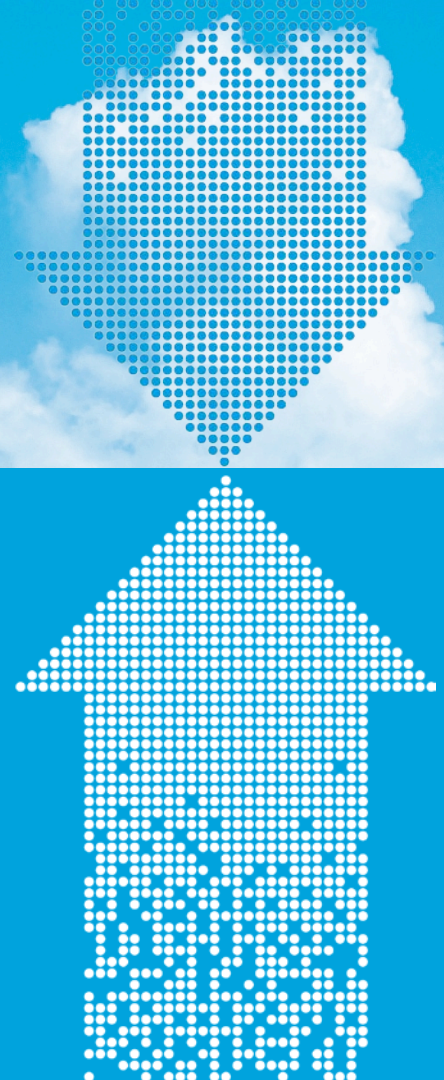




# Co-founder issues

Rob May  
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# About Backupify

- New emerging market of cloud-to-cloud data protection
- Founded in 2009
- \$25M in capital raised from Avalon, General Catalyst, Symantec, First Round Capital
- 7,800 customers
- Fun fact:  
Our conference rooms are named after college basketball teams



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# Why I took a co-founder

- Backupify was supposed to be a side project
- My co-founder was a long time friend, and interested
- Wanted some help
- Initial split was 75/25
- No vesting



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# The problem: Different life situations

## MY SITUATION

- One newborn
- No other focus
- Willing to move anywhere
- 100% focused on build a successful startup

## HIS SITUATION

- Two kids in school
- Wanted to stay in Louisville
- Existing business
- High disposable income



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# Raising money was problematic

- VCs wanted to buy him out
- He wouldn't take founder vesting
- Complicated the process
- Couldn't / Wouldn't commit to the company full time



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## Post funding, things got worse

- He wanted to be involved, but as we grew that was difficult.
- Trying to be helpful sometimes made things worse
- Very concerned about “co-founder” title



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# The bright side of a co-founder

- Having someone in the trenches, who cares as much as you do
- A different perspective from someone with just as much as stake
- Expanded network of contacts



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# Lessons learned

1. Vest equity. Always
2. Manage expectations
3. Have difficult conversations
4. Make the hard calls
5. Don't do a startup if you don't have the stomach for it





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