Interview by Howie Rhee.

Our Conversation with Mike Tarullo

**Duke I&E:** Tell us about your time at Duke. What did you study and what were you involved in? Did you do anything entrepreneurial while you were here?

**MT:** I think I took every class with the word "entrepreneurship" in its name while at Duke - and that was about three classes at the time. They were in MMS, which was definitely what I enjoyed most - getting some sense of real world application out of my classes was extremely motivating, and helped boost the commitment level of an otherwise average student. A lot has changed since then, and it’s been exciting to hear about.

I probably should have looked harder to find some of the cool things getting started in Durham and the Triangle, but at the time I was focused on being very College.

**Duke I&E:** You worked at Obama for America after graduating. Tell us about that experience.

**MT:** That was an interesting way to kick things off. Two days after graduation, I flew to Reno, NV for my first day of work, doing Advance work for Barack’s ‘08 campaign - it took me to a few places in New Hampshire and New York, as well as Nevada. I loved the mission of the campaign, but I couldn’t figure out how this was going to connect to anything I wanted to do next. When a buddy of mine said he was starting a company, I hopped bid the campaign adieu and hopped on. We messed around for awhile and even convinced an investor that we had promise, but ultimately realized it wasn’t gonna work out. We had fun and learned a hell of a lot, including just how hard it is to start a business. Now he’s cofounder of a 200 person company, so in retrospect, odds are decent that I was the problem:)

**Duke I&E:** You helped start Venture for America. Tell us the story of how it got started.

**MT:** I was working at a startup in NYC that had scaled from five to about twenty employees in my two years there. It was always a roller coaster, but also a tremendous learning experience - every six months I felt like the old version of me was a dummy - and that was, in my opinion, the best way to know that I was in the right business.

So, I caught wind of VFA right after its launch from the blog of a fellow Duke alum and entrepreneur I was friendly with - Mark Davis - and wrote VFA’s founder Andrew Yang what is in retrospect an email equally parts passionate and cocky about how excited I was to help and how important VFA could be. It was the experience I wanted to have right out of college. Andrew started VFA because he felt too many talented young people were going down the road of business services like
law, finance, and consulting in NYC and SF, and not enough were creating value and jobs by building/joining new companies. We figured if we could help create a brightly-lit road towards entrepreneurship, we could change people’s careers and trajectories, turn them into company builders, and develop a new generation of socially-minded entrepreneurs.

Our first year, we were making up everything on the fly. We traveled around the country - in Andrew’s case, pitching potential supporters, and hitting campuses and convincing talented young people that there was a better path than the well-trod banking and consulting routes; in my case, posting up in five cities (Detroit, New Orleans, Providence, Cincinnati, and Las Vegas) and meeting with the entrepreneurs who were building great companies but needed talent, and in the case of our COO Eileen Lee, pretty much holding everything together and pioneering all the diverse programs that we’d later institutionalize. It was pretty scrappy - Andrew was basically paying us out of his own earnings from selling his last company. During our five-week training camp with the 40 crazy Fellows who were drawn by the mission of our fledgling organization, we developed a real identity, culture, and set of shared values. Soon after, donors recognized the value of what we were doing, our Fellows started kicking ass at startups around the country, and VFA was off to the races.

**Duke I&E:** The company has done well and you have been in business for three years. Tell us what your business is like these days. What do you spend your time on, and who is your target customer?

**MT:** So far, so good. We’ve grown from three to 22 team members, and our budget from $200k to $4.5m a year. We had 40 Fellows in that first class in 2012, and we’ll have ~140 in 2015 across 16 emerging US cities. I manage a couple of our teams, but they’re pretty awesome and don’t really need me, so my primary focus is on helping our Fellows start companies as they graduate from the program. Seven teams from our first class completed the the two-year program and started companies of their own - Banza, Slope, Zest Tea, and Castle among them (we invested $30-50k in each of those four). This year, we’re launching an accelerator program in Philadelphia and helping seven new Fellow companies get rolling.

We’re always looking for high character, entrepreneurial, well-rounded people to join the program - that’s our real target audience. Duke is our #1 feeder school, but it’s a narrow lead over Georgetown, Cornell, Penn, Yale, Michigan, and a bunch more, so if all of you seniors would apply, I’d be much obliged. Also, we exist by the grace of our donors and supporters - from successful entrepreneurs to corporate philanthropies, so we’re always on the hunt for more people who believe in our mission and want to get involved.

**Duke I&E:** As you reflect back on the years since you’ve started, what are some of the things you’ve learned that you wished you’d known when you were starting.
MT: Three principles that I wish I’d lived by earlier. To be fair I’m not exactly a wise old man just yet, but here’s where my head is at today:

- Find the headroom. Make decisions based on the opportunity you’ll have to stretch yourself, learn, and grow. I wrote blog posts on how to think about launching your career and finding the headroom.
- No FOMO. Everyone’s Instagram feeds look way more fun than their real lives - this is true of work, too. So don’t worry too much about what other people are doing, and don’t stress if you’re not running a $100 million company by 25 - a statistically insignificant number of people have managed that. Stay optimistic, take pride in what you’re learning and doing, and recognize that in startups, good things normally happen to good people.
- Stay focused. Hang out with the friends you actually like. Exercise and cook. Don’t get distracted by networking or taking on too many projects. Get really good at exactly two things. Doing more things usually means accomplishing less or burning yourself out.

Duke I&E: Thinking back to when you were a student, were there things you wished you’d done differently to prepare for being an entrepreneur? And what did you do as a student that you are glad you did?
MT: I wish I’d tried to start something - whether on campus, or a small consulting business, or working with a friend on a project. That’s the best practice. Start anything.

Weirdly, having a leadership role in my fraternity was great practice. Lots of ego management, lots of operating without a real playbook, trying to do innovative new things to make sure everyone’s got their shit together and is contributing.

Duke I&E: For students that are thinking of starting a company, but thinking about getting work experience first, how would you help them analyze that decision?
MT: You don’t know what you don’t know - and at 22, there is a lot you don’t know. The first thing you need to do is figure out all the things about building and running a company that you don’t know. If you succeed at starting something - cool, now you have to run it! Are you a good manager yet? Probably not. So, get a little work experience first. Apprentice yourself to someone smart. Learn what you’re truly good at, develop skills, and find someone who’s complimentary. Wait until there’s something you can’t NOT go full time on.

Corollary: start your company as a side project. Wait until it starts taking over to go full time - you’ll be collecting a paycheck which extends your runway, and you’ll also be gaining skills and building support, so you’ll be ready to do exactly what you need to do when you leave.
A lot of students get stuck on the idea they need to do something incredibly high tech like create the next Google or Facebook. And a lot of them think they need to keep their idea a secret. They might look at a business like yours and say "it’s not a technology innovation" and say "if I tell someone my idea, why don’t they just steal it and do it themselves?". How do you advise students that are thinking in this way? Both of these are great questions that students ask a lot. First, one of the biggest IPOs last year was Noodles and Co. This year, it’s Shake Shack. Those companies are worth hundreds of millions of dollars and are way more successful than most any photo sharing app. Technology supports all businesses, but not all businesses are technology-first. Build something you’re uniquely suited to build. As with the VFA Fellow companies - some of them are technical; some of them aren’t. Their core competency is in gluten free food, or video production; not manufacturing or software development.

"Stealth-mode" is super relevant if you have proprietary high technology, like a unique algorithm or a new cancer drug. If your idea is any good at all, there are probably several other teams working on it right now around the country, some of which will have more resources and experience than you. Your only chance is to learn as much as you can about your customer and solve their problem more effectively than the other teams do. No one can build a successful problem-solving company in a vacuum. I don’t mean go advertise to your competitors what you’re doing, just make sure you’re interacting with customers and galvanizing supporters. It always takes longer to do that than you think.

Plus! Startups aren't normally competing against each other; you're competing against the old way of doing things, against giant incumbents. To them, you're little more than a gnat for the time being.

Duke I&E: Tell us what types of things your role entails. What are you responsible for?

MT: Meetings, emails, and spreadsheets - what does any job entail?! But really, I spend a lot of time building our new Accelerator program, working with our seed-funded companies, and figuring out how we can support VFA Fellows and alumni in launching successful ventures, and then having the meetings, emails, and spreadsheets necessary to accomplish these things. I also spend time supporting the people on our company partnerships, marketing, and recruitment teams as the relative "old hand." Having worked at VFA since almost the beginning, I’m getting to work on a bunch of projects. Finally, it’s incumbent on everyone at VFA to just do what needs to be done that day, whether it’s counseling a Fellow about their job, moving boxes, or designing a new training program.

Reid Hoffman, founder of LinkedIn, is a fan of people working at startups, gaining operational, and then launching their own startup. Given your experience, do you think you are prepared to one day start something (or be a part of something at an
early stage)?
Yeah, exactly. I was the 5th employee at my last company, and am the 3rd at VFA. That's been an incredible experience. I'll go on to launch my own when the right circumstances come together; and be much better for the experiences I've had and people I've worked with. As a data point, the highest venture capital returns are from founders in their 30s (and 40s), so I'm not worried about taking my time.

**Duke I&E:** Tell us what it's like to live in New York City. What's the vibe like out there for a young alum?
**MT:** It's a great city for a young alum - lots of friends will be around, plenty of nightlife, etc. It's not the best if you like being outdoors and the late nights can kind of crush your productivity, but overall it's been a good fit for me. Now that I'm becoming a real adult, though, I've got my eye on somewhere a little more balanced.

**Duke I&E:** Anything else you would like to share with students?
**MT:** Feel free to get in touch if you think what I've said makes sense and if you have any questions - as long as I'm not on the road I'm pretty good about answering people. Oh, and apply to Venture for America!