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Our Conversation with Vadim Polikov

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?

VP: Oh boy - I was at Duke for 10 years so that's a big question. I studied biomedical engineering during undergrad primarily because I didn't quite know what I wanted to do and that gave me a path to medical school, finance, consulting, or grad school when I finally did figure it out. In my junior year I got an investment banking internship at UBS Warburg in M&A. That taught me that I didn't want to work on Wall Street, but that I DID want to start my own company (and now I had a financial tool set to do it). After undergrad, I decided to stay at Duke for a PhD in Biomedical Engineering because my girlfriend (now wife) was two years behind me at Duke and I thought the PhD would be a good way to create intellectual property to start a business with.

You get a lot of freedom as a PhD student, so during grad school I took some core classes at Fuqua, participated in the Duke Startup Challenge with a medical device company (we won 2nd place) and then started my first significant business called American Journal Experts (AJE) with Shashi Mudunuri, a friend from my Duke undergrad days. AJE helps foreign researchers publish their work in English language scientific journals by finding native English speaking grad students and professors who will fix the grammatical mistakes but leave the content untouched. When I was finishing up my PhD and starting Astrum Solar, I sold my stake in AJE so I could concentrate on my new venture. AJE is now a ~150 person company based in Durham and still run by Shashi.


VP: In 2006 there was a lot of talk about renewable energy and solar to help fight global warming, but nobody was actually DOING anything. I'm passionate about fighting global warming and so I decided to start a residential solar company that would market, sell, and install solar on homes across the US. The companies offering solar at the time were small mom-and-pop electricians or roofers who were not treating solar as something new and unique and only going after ultra-environmentalists and DIY hobbyists. I thought we could do better by appealing to regular people with a great financial proposition and a fantastic customer experience. We had start-up capital from my sale of AJE, operating company experience from AJE, and I brought on two cofounders with complementary skill sets (my Duke college roommate Ben Davis and my childhood friend Josh Goldberg). We spent 2008 in stealth mode doing friends and family installs, building the website and software tools, building out the executive team, and preparing for launch. We launched in summer of 2009 to consumers and by 2012 had been named the 2nd fastest growing company in the nation on the Inc 500. We raised several rounds of financing and by the time we were acquired in 2014 we were operating out of 7 offices across the country with 250 employees. It was a wild ride (up and down) all the way.
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?

VP: The biggest lesson I learned was the importance of capital and fundraising. For a high growth company like Astrum Solar you have to invest heavily into growth so you need to raise money from the venture capital and private equity communities. We didn't take fundraising seriously enough early on and that put us at a disadvantage against competitors who raised a lot more money (and were able to grow much bigger as a result). The flip side to that is that lack of money makes you efficient whereas a large capital cushion makes you inefficient. The trick is to stay lean and hungry and maintain that kind of entrepreneurial culture internally even as you raise large sums to grow externally.

The other big idea I learned was the incredible value of a strong team. A strong team can do anything regardless of the odds. My proudest accomplishment was putting together a brilliant, cohesive, persevering management team that was the best in the industry.

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?

VP: I would have probably taken more computer science classes and fewer engineering classes, but generally I think I got the most out of my freedom as a student. I had internships at small entrepreneurial companies, I learned finance at an I-Banking internship, I took classes in the business school, and I participated in the Duke Startup Challenge.

Classes aren't really that useful, but the freedom of being a student at Duke is very valuable. I would encourage any aspiring entrepreneur to go through the Startup Challenge at a minimum.

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?

VP: Work in a smaller, fast growing company (>50% a year growth), it doesn't matter the industry (but preferably one you care about). Stay away from large companies if possible, they tend to develop cultures that stifle efficiency, innovation, and risk taking. There will never be a "best time" to strike out on your own, and in fact the longer you wait the heavier the golden handcuffs feel.

Duke I&E: 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?

VP: It's completely the wrong way to look at entrepreneurship. Unless you are licensing a specific patented technology out of a university lab, ideas are a dime a dozen, execution is what matters most. Nobody is going to be as passionate or as good at your idea as you
are, so nobody is going to steal it. It's much better to tell EVERYONE you meet your idea to test it against as many people as possible.

Watch:
"I've got a great idea - researchers around the world can't publish their work in English well and would be willing to pay a lot to have that done, while grad students make no money and like reading research papers for fun. I'm going to marry the two, nobody else is doing it!"

Do you have any desire to start a competing language editing company? Do you really think you can do it better than me, who stays awake every night thinking about this idea? Are you ready to quit your job to try it? Of course not! And if you are, maybe you can join me as a cofounder!

Execution matters most, that's why VC's invest in teams (execution) and industries (growth), not in ideas.

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

**VP:** My role consists of recruiting the management team, managing the management team, setting the strategy for the company (this basically comes down to making decisions on difficult issues), setting company culture through example, fundraising, and cash/financial management. Many companies have a CFO to manage the financials, but I kept that role myself.

**Duke I&E: Tell us what it’s like to live in Maryland What’s the vibe like out there for a young alum?**

**VP:** Maryland is a great place for young alums. DC is one of the most interesting places to work in the country and the federal government is a big client for many types of businesses. Baltimore has become a hip place to live in the last 15 years and between Johns Hopkins and University of Maryland there are lots of new startups and opportunities for entrepreneurial people. Its also a great place to raise kids with one of the best school systems in the country once you put down roots.