

About Saeed Amidi

Mr Saeed Amidi is the chief executive and founder of Plug and Play.

Mr Amidi also holds the position of general partner in Amidzad, which has been investing in technology companies for more than 15 years.

Amidzad holds successful investments in more than 1,000 technology companies, including PayPal, Powerset, Danger, Bix, Powerset, Dropbox, Lending Club and Zoosk.

A serial entrepreneur and a seasoned executive with more than 28 years of experience in founding, operating and growing successful companies, he has successfully started and grown businesses both nationally and internationally.

Mr Amidi's current passion is inspiring and helping entrepreneurs and start-ups from universities. His objective is to identify great entrepreneurs with a passion to execute their ideas.

He is an active member of the technology community and a frequent contributor to numerous charitable foundations.

Mr Amidi is also an active member of the Young Presidents' Organisation, a world-class network of Fortune 500 CEOs, accomplished serial entrepreneurs and veteran financial executives.



Mr Saeed Amidi started Plug and Play - known in many circles as the world's biggest accelerator - in 2006, when he realised how valuable fostering young companies could be. PHOTO: PLUG AND PLAY

ST-SMU Nurturing Entrepreneurs

S'poreans need to think bigger: Tech investor

In the second of a four-part series, *The Straits Times* Senior Education Correspondent Sandra Davie speaks to Plug and Play accelerator founder Saeed Amidi

In Silicon Valley, where rags-to-riches stories of tech gurus are told in every cafe, the one about the carpet merchant who became a tech investor may have been overlooked.

Today, Mr Saeed Amidi is known as the founder of the Plug and Play accelerator, a company that invests in start-ups and also links them with corporate clients.

In many circles, it is known as the world's biggest accelerator.

Mr Amidi's background is not in programming, but he has a knack for sniffing out a good business deal.

After leaving Iran as a teenager during the revolution in the 1970s, he moved to California with his family. They rented a space in the up-and-coming Palo Alto area and sold rugs to newly minted tech millionaires in the 1980s.

Business was so good that by the early 1990s, he had saved enough to buy the building the shop was located in.

Mr Amidi knew start-ups were looking for cheap spaces to rent. With the tech scene growing out of infancy in the late 1990s, he went from landlord to investor.

The deal with the start-ups was for them to give him a small amount of equity in their business. One of his early tenants was PayPal, the online payment firm which was sold to eBay for US\$1.5 billion in 2002. That gave the Amidi family a multimillion-dollar payout.

When Mr Amidi realised how valuable fostering young firms could be, he started the Plug and Play accelerator in 2006.

He then bought a 150,000 sq ft vacant building in Sunnyvale, California - a 15-minute drive from Palo Alto - and converted it to a co-working space and headquarters for his accelerator programme and venture investment firm.

The firm specialises in running programmes for firms, including those in fintech, health and wellness, brand and retail, the Internet of Things and a 10-week Start-up Camp for pre-seed start-ups. It has a presence in 28 locations globally, including Singapore and Jakarta.

Plug and Play has hosted 6,000 start-ups so far. It provides active investments with 200 Silicon Valley venture capitalists and hosts over 700 networking events per year.

Companies in its community have raised more than US\$7 billion (S\$9.5 billion) in funding, with successful portfolio exits including Danger, Dropbox, Lending Club, PayPal and SoundHound.

Mr Amidi, 59, shares what it takes to succeed as an entrepreneur and whether Singaporeans have it in them to become the next Jack Ma.

Q How did you get involved in helping start-ups grow?

A I come from a family of entrepreneurs. We had several businesses in Iran before the revolution. When we came to the US, we bought a building in Palo Alto, California, that we called the "Lucky Building" because it had Google, PayPal and Logitech as tenants. It was great to rent space to these start-ups, but we wanted to play a

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larger role in their success through investing, introductions and mentorship.

We were fortunate to have an opportunity to invest in PayPal as we negotiated a full year of rent in the form of an investment. That was a good investment as the firm was sold to eBay.

We were inspired by the people we met at the "Lucky Building" and decided to build the idea into something bigger, and that is where Plug and Play began.

We bought the space we are in today - it was originally the Philips Semiconductor building - in the heart of Silicon Valley. Now, we have 180,000 sq ft with more than 400 start-ups under one roof.

Q What do you think are the strongest qualities of an entrepreneur?

A First is the energy or the feeling that they must be successful - so it is the drive and passion. It's even more important than the idea.

And, of course, the readiness to work hard.

Take PayPal co-founder Peter Thiel - he still possesses the same

energy, passion and hard work ethic that drove him to success back then.

Q What sort of educational background is ideal?

A I will put my money behind innovative engineers - people who are able to build the technology.

I feel the founders or, at least one, preferably two, of the founders, have to be very good, unbelievable engineers.

We don't mind if one of them has an MBA or is a business person, but at least one or two other founders must be great engineers.

Q Is it true that you are more likely to bet on teams, rather than solo founders?

A We have almost 1,000 start-ups that we have invested in and we have less than 20 that have a solo founder. So I don't believe in solo founders.

Quite frankly, we don't even believe in one founder having 80 per cent equity and two other founders having 10 and 10.

If ownership is not equally split and the founding team is not fully bought-in as equals, it's hard to avoid conflicts.

Q How important is it that a founder or founders are able to gather a team around them?

A One of the strongest measures of a founder's efficacy is the ability to find and motivate key hires to join the team, often having to convince them to work long hours for little pay until the idea takes off.

That is one skill that can't be replicated - it's an inherent quality that only a few possess.

Q You strongly recommend that young people who want to be entrepreneurs do a stint in Silicon Valley. Why?

A Because it has the right culture, and the investors and talents that you may require to build your business are there, as well as the success and failure stories. It is like a crash course in entrepreneurship.

You hear the war stories, the

rags-to-riches stories, and you think, "If they can do it, maybe I can do it too".

Q Do you think Singaporeans have it in them to become entrepreneurs?

A What I have learnt about Singaporeans is that they are very honest, very hard-working and very smart, but very square.

They like a road map to everything - their education, their life, starting a company - they are too organised, they want too much structure, whereas entrepreneurship is all about being a little scrappy.

But to me, the most important thing for entrepreneurs to succeed is to think big - to imagine you can be Larry (Page) or Sergey (Brin) of Google, you can be Steve Jobs of Apple.

Singaporeans are too humble - they don't think they can be like the founder of Google or Alibaba.

Look at Alibaba's Jack Ma, even though he was a teacher, he had the stamina, drive and the guts to think big.

I think, over the years, I have about 30 investments in Singapore, but none of them became even mid-sized companies.

I mean, they are worth \$5 million or \$10 million and the entrepreneur is happy. But I am not happy and it's not because I'm greedy, I just feel that you can achieve so much more.

It is what I call lifestyle entrepreneurship. As long as the company has revenue, they have 10 employees and they have a good lifestyle, they are happy and don't want to go further.

But having said that, the wonderful thing that Singapore people have is a first-rate education and they are not afraid of hard work. Those who go to Stanford and Silicon Valley and see the possibilities, like Carousell and TenCue founders, tend to go on to dream bigger.

So I feel there is incredible talent but I feel they need to think bigger, and it will come only with exposure to the outside world - in places like Silicon Valley.

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