



**JOHNSON**  
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# Startup Myths

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Myth: Being your own boss  
means flexibility

Truth: Being your own boss  
means you have no free time



Myth: Being your own boss  
means I can set my own salary

Truth: Being your own boss  
means you might have no  
regular salary





Myth: A startup is a constant uphill battle



Truth: It is an endless roller coaster



Myth: You need an exit strategy

Truth: You need a business that  
will scale





Myth: Starting a company =  
building a product

Truth: A product is not a  
company b/c of the other 50% to  
deal with (recruiting, space, team  
management, fund raising, taxes,  
insurance, bank accounts . . . . .)



Myth: You need \$\$ to start a  
business

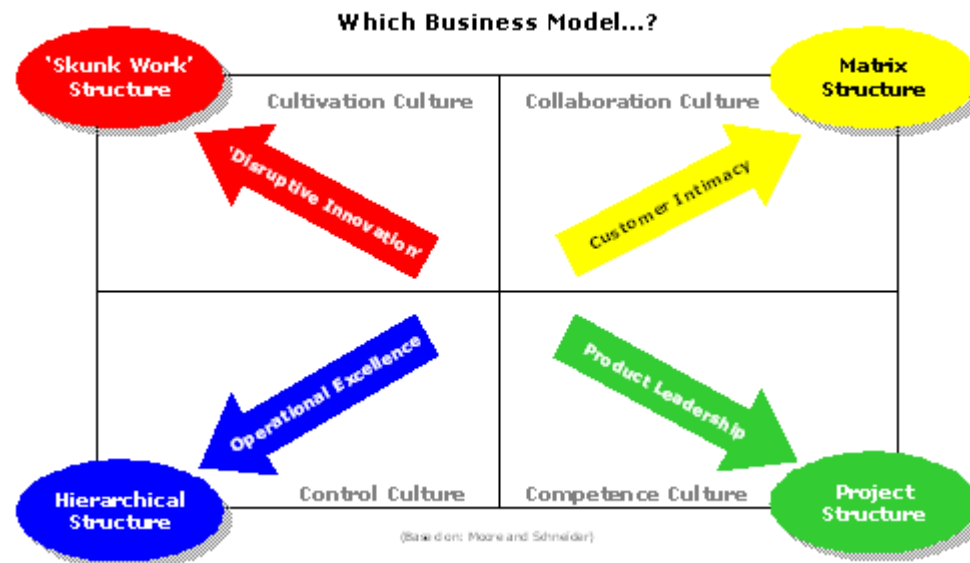
Truth: You need an opportunity,  
creativity, resourcefulness  
and tons of  
willpower





# Myth: You need a written business plan to raise \$\$

# Truth: You need a business model to raise \$\$







So, you need a product/service  
that you can provide at a price  
that gives you a profit



Myth: Growth rules

Truth: Profit rules





Myth:

Stealth = awesomely cool

Truth: Public wins the race b/c  
of customer driven iteration



Myth: Finding the solution to the problem is the hard part

Truth: Finding a problem that the customer cares about is the hardest part by far





Myth: I need a product before I  
can start talking to customers

Truth: Always be selling to and  
informing your customers; some  
customers like to be a part of the  
building process



Myth: You know your product best and know what is best for your product

Truth: Only the customer knows





Said another way:  
It is not about your  
great  
idea, it is all  
about your customer



Myth: I don't need a marketing plan b/c the product will sell itself



Truth: Marketing rules; know the customer





Myth: I can rely on government  
grant programs

Truth:  
Bull@#\$\$%





Myth: Hiring smart people is  
enough

Truth: Hire Rockstars





Myth: Conflict is bad

Truth: Conflict moves the ball  
when handled properly



Myth: You can learn “startup” in  
a book or blog

Truth: You learn “startup” by  
doing



**OK**



Myth: Great startups happen  
overnight

Truth: “Twitter was an overnight  
success that took 5 years” Biz  
Stone



Myth: Verbal is OK!

Truth: Verbal is Worthless





Myth: I need to enter a market  
with no competitors

Truth: If no one is making money  
doing it, you probably won't  
either





Myth: I have first mover  
advantage because I thought of  
it first!

Truth: Most misapplied business  
advantage ever





Myth: I'll quit my job and start the business as soon as I get the funding

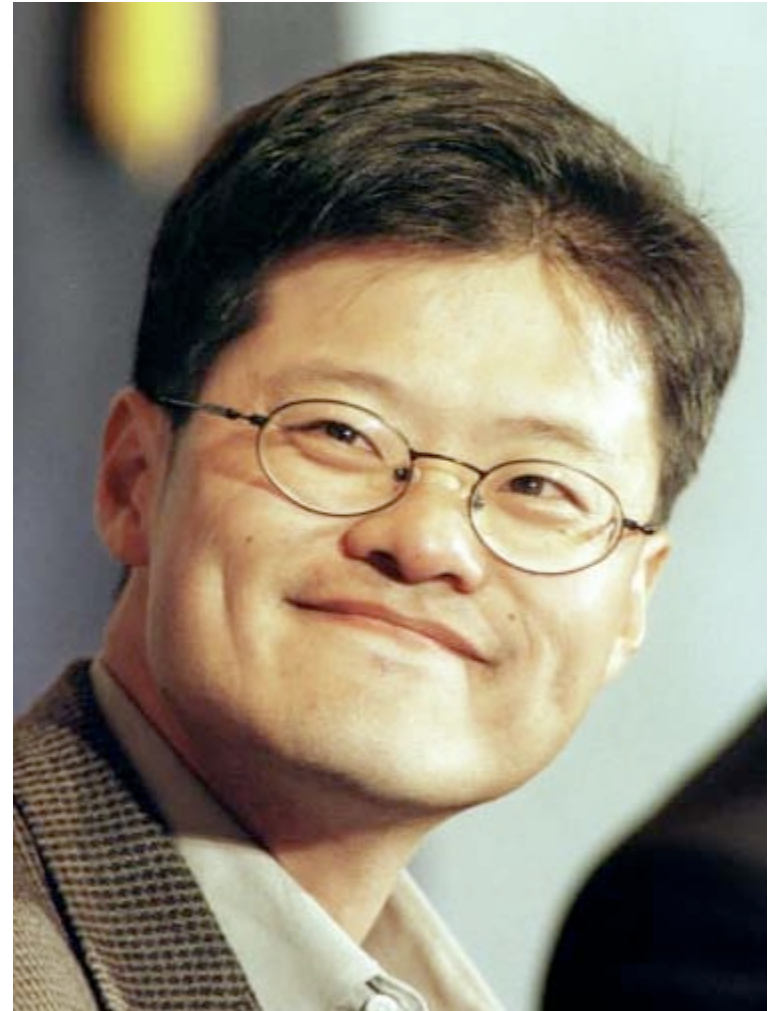


Truth: If you're not willing to commit, why would investors?



Myth: You need a  
NDA for advisors  
and investors

Truth: Ask for it  
and you lose  
credibility





# Myth: VC's give you money

# Truth: VC's invest money





Myth: Taking outside  
capital is the  
holy grail



Truth: Only take  
outside capital if  
you really need it



Myth: I've got a great idea for a business, I'll just hire some cheap engineers in India to code it

Truth: You need key technical talent in house







Myth: We don't need a business person on the team yet

Truth: You won't be a business until you do





Myth: As a business guy/girl,  
you don't need to know the  
technical side

Truth: you need to understand,  
not necessarily build, the  
ins/outs of your product so you  
can speak intelligently about  
your business



# Myth: Contacts are everything



Truth: Execution is everything





Thanks !

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