



# The Wing Manifesto, Part I

SEPTEMBER 23, 2014 PETER WAGNER ESSAYS

## Preamble

Wing is an extremely focused venture firm that helps to build billion-dollar companies in the business technology markets. We are company builders. We are not portfolio managers. We limit the number of investments we make so that we can dedicate our resources to the success of each. We also limit our investments to a select few categories where we have deep experience and relationships and see the potential to build consequential companies that are category-defining.

We believe that it's a great time to build a business technology company. Data, Mobile and Cloud are driving a wave of change at a scale that we see only once in a generation. It is bigger than anything we've seen before and creates massive potential for innovators with great ideas. We look forward to working with founders and their early teams to lead this change and build companies that matter.

This is the first in a series that will outline how we work with our portfolio companies, our view of the unprecedented transformation underway in the business markets, and where we see the potential for multi-billion dollar companies.

## A Different Kind of VC: Company Builders Not Portfolio Managers

We formed Wing because we believe in a different approach to building great technology companies. Our belief draws heavily on our combined 25 years of experience in two of the industry's premier venture capital firms, our work as operators and entrepreneurs, and our joint activity as individual investors. In early 2013 we fused these learnings into a fresh perspective. The

result is Wing.

Wing is a purpose-built venture capital firm. The purpose of Wing is to build truly consequential ventures – companies of enduring value that define product categories and sustain market leadership.

We are fortunate to have played important roles – as lead investor, board member and sometimes founder – in a large number of highly successful companies. To date, 16 of our companies have gone public and achieved market capitalizations in excess of \$1 billion. The names range from Redback Networks (which we founded and financed back in 1996) to more recent successes like FireEye, MobileIron, Nimble Storage and Opower. Our professional passion lies in the long and difficult, but ultimately satisfying, work that goes into the creation of companies like these. We designed every detail of Wing to maximize positive impact to founders who share this passion.

Wing is focused on active early-stage investing where our opportunity for impact is the greatest. We commit to our teams with a Series A or seed investment, and remain deeply engaged throughout the life of the company. Depth of experience and difference-making relationships are at the core of the work we do, so Wing maintains an exclusive focus on business markets where we have strong, reinforcing knowledge and networks.

Early-stage investing in business markets is quite different from other venture practices, such as investing in later stage companies, consumer markets, or international geographies. It requires unique skills and perspective that very few have had the opportunity or patience to develop. Will your opportunity support a real company, a product, or possibly just a handful of deals? Is your market-entry turbulence a speed bump or strategic weakness? Can your value proposition be buttressed to deliver long-term pricing power? In early stage business-focused ventures, these questions must be answered in the absence of much empirical data. Wing is tuned to be decisive amidst this uncertainty, and maintains strict focus on the opportunities where our talents and resources can make a meaningful difference.

## **The Way We Work: Five Core Principles**

Our extreme focus and our ambition for the consequential venture lay the groundwork for breakout companies. We combine that focus and ambition with a single-minded approach that is pragmatic

and fanatical, and rooted in our experience on the front lines of the business markets. Five core principles are at the heart of the way Wing works:

**1. Clear the Decks.** When we formed Wing, the first thing we did was strip away all sources of drag and distraction. No later stage investing, no consumer markets, no far-flung geographies, no pyramid of junior staffers. We then crafted a unique pure-play firm built to be the best at what we do. It's the counsel we give to founders, and we follow it ourselves.

**2. Where the Die is Cast.** Early decisions have profound impact on a company's long-term trajectory, yet must be made amidst massive uncertainty. It's essential to get these decisions right, and doing so requires a rare combination of insight, experience and courage. One of Wing's main contributions is to help founders make these difficult calls, long before they're obvious to the rest of the world.

**3. Build for the Long Term.** While we engage early, our commitment is for the long term. Wing's sole purpose is to help build multi-billion-dollar independent companies. We've done this more than a few times and have a deep appreciation for the challenges. Nimble Storage took 6 years from Series A to IPO, and that was fast. FireEye took 9 years with lots of sweat and gut-wrenching decisions along the way. It takes patience, perspective and relentlessness to pull it off.

**4. Concentrate the Effort.** We are company-builders, not portfolio managers. The partners of Wing work directly with each company, without gatekeepers or stand-ins. Our model revolves around a limited number of investments, and we devote difference-making bandwidth, significant capital and proprietary resources to each one.

**5. Tap Superior Resources.** We have helped build important companies in business technology markets for decades. Our networks run deep and our credibility is unmatched in our domains. What this means for founders is access to unique resources, both at Wing and within our circle of trusted friends, that accelerates progress in a distinctive fashion.

## Next Up

We are believers in the criticality of focus, and work exclusively in business markets. This is not a

negative statement about consumer markets – on the contrary, we have been involved with some exceptional consumer-oriented companies in our careers and are very positive about their opportunity. But we can't help but be captivated by the unprecedented transformation in technology underway in our home turf, the business markets. We believe we are at a nexus of change that will likely take 15 years to play out, and be at least an order of magnitude greater than any that has come before. And that is the subject of Part II of The Wing Manifesto...

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<http://wing.vc/perspectives/essays/the-wing-manifesto-part-i>

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