

column

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Paul Allen started Infobases, MyFamily.com, and 10x Marketing. He currently runs business incubator Provo Labs. He has taught at UVSC and BYU and he blogs at www.infobaseventures.com/blog.



I was very happy to see 2006 come to a close. I welcomed 2007 with a plan to take the same advice that investors often give to entrepreneurs, and that I've given to so many startups: focus, focus, focus.

2006 was a tough year for me. I had the opportunity to play investor for the first time with my Provo Labs Incubator Fund, and for most of the year the pace was frenetic. I soon found myself and my team spread way too thin.

Our founding theory was that it costs less to start an Internet company today than ever before because of the low cost of hardware and storage, the widespread use of solid open source software, and the availability of Web services (or utility computing) where you rent functionality from other companies who have invested heavily to develop a service. It is also easier to target market and analyze your online marketing spending than ever before, so customer acquisition costs can be scientifically managed.

the power of focus

While I still believe all of those things are true, I met the harsh reality that all opportunities are constrained by human bandwidth, which is extremely limited — mine especially.

For me the reality is that as I age, my bandwidth actually goes down. I can't work late into the night as often as I once did, for both physical and social (family) reasons. My family (wife and eight kids) deserves more of my time too. So my work hours are fewer than they were during the Internet bubble.

So as an investor, for a lack of focus, I gave myself a D grade for 2006. I ended the year knowing that the only way to boost my grade to an A was to take one company in our young portfolio and focus on it until it became the hit our fund needed.

So in 2007 and for the next several years at least, I plan to put on my entrepreneur hat once again, retire from 10 or so boards (both for profit and no profit), and turn down most mentoring and speaking opportunities because although I love to do them, I won't have time for them. I only have time to focus.

I'm happily back in the genealogy/family space running World Vital Records (for genealogy research) and our forthcoming FamilyLink.com site, a social network for family history sharing.

Ironically, I left MyFamily.com in 2002 (the company is now called The Generations Network) because the company had chosen to focus on genealogy instead of the larger mission of connecting all the families in the world to each other.

I watched while our MyFamily.com service was growing by as many as 20,000 to 30,000 new users per day at its peak, and I strongly believed that this was a bigger opportunity than the Ancestry.com opportunity.

But I couldn't persuade anyone else at any level that the MyFamily opportunity

was HUGE, so I left the company to pursue other entrepreneurial interests. I chose not to get involved in any other genealogy-related company out of loyalty to our investors and my friends at MyFamily.

But somehow, that all changed last year and I decided it was time to get back into this space. Now I intend to focus on families and family history for the next several years, and maybe for the rest of my career.

Competing against my former company is a bit like playing chess against my daughter. A couple years ago she surprised me by beating me in a game of chess. So I took her very seriously in game two, and ended up being ahead 12 pieces to four. Then she turned the board around as if to say, "If you think you're so smart, try beating me now."

When Dan Taggart and I founded Ancestry.com/MyFamily.com, there was a genealogy software company doing about \$30 million per year in CD ROM and software sales. We were under \$1 million at first. But within a few years, we passed them in revenue by focusing on online genealogy and Internet marketing, and by giving away for free many of the things they were selling. Score David 1, Goliath 0.

But this time around, Goliath is five times bigger (The Generations Network reportedly did \$150 million in revenue last year) and World Vital Records has only been generating revenue since October. Right now we are tiny.

This time around our goal is not to be the No. 1 player in the genealogy space; rather, it is to be the No. 2 player. We'll be very successful even if we just get 10 percent market share in the next five years.

I haven't been this excited since 1998. I'm learning first hand, once again, that passion brings energy and focus brings results, like nothing else I know. So here's to focus in 2007. [m](#)