

Eric Yuan

Born 1970. Founder of Zoom.

Archived from internet sources by Alex Reid.

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This life story was archived, with acknowledgements and thanks, from internet sources by Alex Reid in December 2020.

1. The Zoom Story

The following section was archived in December 2020, with acknowledgement and thanks, from the medium.com website. Eric Yuan was interviewed in September 2017 by Yitzi Weiner.

Yitzi: I had the great privilege to interview Eric S. Yuan. Eric is the founder and CEO of Zoom. Prior to founding Zoom, he was Corporate Vice President of Engineering at Cisco, where he was responsible for Cisco's collaboration software development. Eric is a named inventor on 11 issued and 20 pending patents in real time collaboration

Thank you so much for your time, Can you share your "backstory" with us?

I first envisioned Zoom when I was a freshman in college in China and regularly took a ten-hour train ride to visit my girlfriend (who is now my wife). I detested those rides and used to imagine other ways I could visit my girlfriend without travelling - those daydreams eventually became the basis for Zoom.

I decided to come to the U.S. in the mid '90's because of the Internet, which I knew was the wave of the future. It was red hot here, but hadn't yet taken off in China. The first time I applied for a U.S. visa, I was rejected. I continued to apply again and again over the course of two years and finally received my visa on the ninth try.

I arrived in Silicon Valley in 1997 and joined WebEx, which at the time was a real-time collaboration company with about a dozen employees. The company grew very quickly and went public within several years of my arrival.

In 2007 WebEx was acquired by Cisco and I became Cisco's Corporate VP of engineering, in charge of collaboration software. I often met with customers, and in my conversations with them learned they weren't happy with the current collaboration solutions, including WebEx. I firmly believed I could develop a platform that would make customers happy, so in June of 2011, I decided it was time to make the video communications solution I imagined during my college train trips a reality.

More than 40 fellow engineers followed me in my new venture. We launched the Zoom platform in 2012. Now, a little more than five years later, we've hosted over 20 billion annualized meeting minutes (up from 6.9B last year) and our customer base includes 1/3 of the Fortune 500 and 90 percent of the top 200 U.S. universities

Yitzi: What is the funniest or most interesting story that happened since you started your company?

During the early stages of Zoom, I personally emailed every customer who canceled our service. One customer replied to my note and accused me of sending auto-generated emails "impersonating" the CEO — he said Zoom was a dishonest company! I wrote back that the email was indeed from me, and that it wasn't generated by one of our marketing tools. He still didn't believe me, so I wrote back again and offered to meet him on a Zoom call right that minute to prove it was me

writing the emails. That call never did take place, but he stopped accusing Zoom of being dishonest!

Yitzi: What does your company do?

Zoom is an enterprise-grade, affordable, all-in-one platform for video conferencing, audio conferencing, web conferencing, and IM/presence. It works on mobile and desktop devices, and in conference rooms. It's affordable, easy to use and is very scalable, so it can support collaboration groups of as few as two and as many as 500 people, all on video (we also have a video webinar platform that supports streaming to unlimited audiences).

Zoom gives organizations and individuals a faster way to communicate relative to audio-only, chat, and email meetings, and it's not restricted by geography, so employees have more flexibility to work from home. Because it lets people meet face-to-face, and provides support for screen sharing, it's truly a collaboration catalyst, and helps build teams across geographies. Zoom has a remarkably wide range of uses. In fact, Zoom is being used today by developers to write code together, by physicians to diagnose patients, by educators to conduct classes, lawyers to mediate or interview witnesses, and by actors to conduct virtual rehearsals.

Yitzi: How have you used success to bring goodness to the world?

Zoom's success as a solution has brought much good to the world. By allowing people to meet face-to-face, it reduces isolation and increases team cohesion. Studies have shown that body language and facial expressions account for as much as 70% of communication, so in that regard, Zoom supports better communications. Zoom is often used to help people. For example, it's used by Project ECHO to bring healthcare to rural environments around the world, and in education it allows students who couldn't otherwise make it to class to "be there" via Zoom.

Zoom has also brought goodness to the world as an organization — that's because our culture centers on happiness and caring. In fact, one of Zoom's core values is "Care." We expect our employees to care about the community, the company, their teammates, customers, and themselves. We don't want our Caring philosophy to be a one-off that is explained in employee training and then never discussed again, so it is posted on the wall of Zoom's lobby in every location, it is a common refrain in our all-hands meetings, and it is the core of the work at Zoom.

We help ensure that Zoom is made up of caring people starting with the hiring process. At that point, we evaluate candidates on whether we believe they can embrace the value of Care and deliver happiness for others. If they embrace our core value of Care, and want to deliver happiness, then they will be self-motivated and will work harder for their teammates and their customer.

Yitzi: What are your "five things I wish someone told me before I launched my start-up" and why?

1. Although the start-up journey is long and tough, it's also fun and exciting. Don't be afraid to start — just go for it!

2. You don't need to hire the people who are the most qualified on paper; instead you should hire those with self-motivation and a self-learning mentality.
3. Your company's culture is the #1 most important thing to get right. Everything else flows from there.
4. If your employees are not happy, nothing else at your company will go well.
5. Find the investors who want to invest in you, not only in your business.

Yitzi: Who would you like to have breakfast or lunch with and why?

My father. My beloved father passed away just two months after I told him I was going to start a company. Whenever I make progress in my career, I wish I could share the news with my father.

Yitzi: This was really an inspiring story. Thank you so much for sharing it!

2. Happiness

The following was archived in December 2020, with acknowledgement and thanks, from the business.com website. Eric Yuan was interviewed in September 2017 by Chad Brooks.

Chad Brooks: Eric Yuan knows the value in working together. As the founder and CEO of the video, audio and web conferencing platform Zoom, Yuan has spent much of his career developing solutions that enable better collaboration among employees. Yuan founded Zoom in 2011, and today more than 700,000 businesses use the platform to host online video and audio meetings.

Prior to launching Zoom, Yuan was one of the founding engineers and vice president of engineering at WebEx. While there, he grew the team from 10 engineers to more than 800 worldwide and contributed to more than \$800 million in revenue growth. He is a named inventor on 11 issued and 20 pending patents in real-time collaboration. Yuan also spent four years as vice president of engineering at Cisco, where he was responsible for the company's collaboration software development.

We asked Yuan how he turned his entrepreneurial vision into a booming tech startup and discovered nearly all his motivation is focused on one thing: happiness - for his employees and his clients.

Chad: How did you turn your idea for a company into a reality?

I kept the customers' concerns and happiness front and center, set my sights on creating a solution they truly loved, then I just got started. When we began developing Zoom, I hoped to get a product to customers in one year. In the end, it took us twice that time, because that's what was needed to get it right. My advice is that you have to set aside your fears and just get started.

Chad: How have the changing workplace environment and employees' habits increased the market for your services?

The modern workforce is increasingly remote and global. In fact, studies show that 85 percent of knowledge workers work on virtual teams and that 41 percent never meet in person. As a result, collaboration tools are more important than ever to help teams get tasks done together, regardless of where they are. Cloud video communications is a collaboration catalyst. It can help build teams across geographies and build a sense of community, and it has a remarkably wide range of uses. In fact, Zoom is being used today by developers to write code together, by physicians to diagnose patients, by educators to conduct classes, lawyers to mediate or interview witnesses, actors to conduct virtual rehearsals and even by a major car transportation application to communicate with its drivers.

Chad: What was lacking in traditional video conferencing services that made you think there was room for Zoom?

When we introduced Zoom, the market was ripe for disruption. People were frustrated with traditional video conferencing services due to their lack of usability, limited functionality and high costs. In fact, before Zoom was introduced, rather than use the available business-grade solutions, most employees would turn to the phone or consumer-grade solutions (e.g., Skype, Hangouts, etc.). Zoom meets the market's need for a solution that's completely intuitive for end users, and is easy for IT to deploy, scale and manage. Its affordability and ease of use make it very scalable too, so it can support collaboration groups of as few as two and as many as 500 people.

Chad: What challenges did you face when starting up, and how did you overcome them?

Our challenge was to build our brand. We and our customers know we are the best solution out there, but it always requires work to get the word out at scale. We've put our energy into building our brand with straightforward messaging and designs that embody the core of what the Zoom experience is about, such as our Meet Happy campaign. We also create opportunities for people to get hands-on experience with our products. At the end of the day, our most effective brand ambassadors are our customers. We do all we can to deliver happiness to our customers, and they become our champions.

Chad: How should new entrepreneurs approach the need to obtain funding?

If you keep your customers happy, everything else falls into place, including the funding. Happy customers naturally lead to growth, buzz, a successful business and interest from venture capital firms.

Chad: How do you know when your business is ready to scale up?

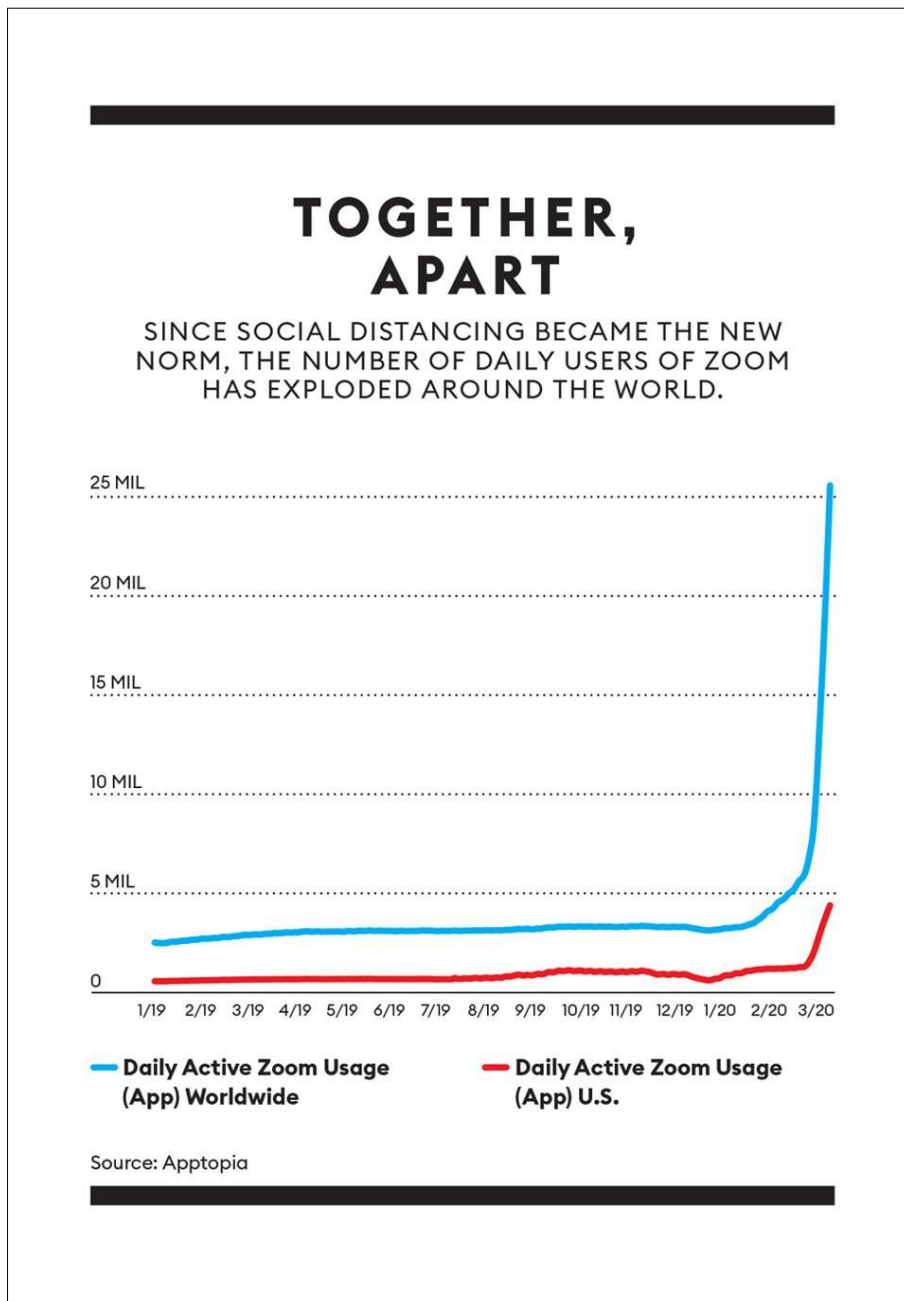
When our customers all told us they're happy with Zoom's product, we knew it was time to build programs to get more customers at scale.

Chad: As an entrepreneur, what type of people should you be surrounding yourself with?

Self-motivated people with passion to do something big. The business world is changing rapidly, so you have to like to learn new things, new technologies and new skills, and it takes self-motivation to do that. I also want to be surrounded by people that care about the community, our company, our teammates, our customers and themselves. Caring is Zoom's core value, and we help ensure that Zoom is made up of caring people starting with the hiring process. At that point, we evaluate candidates on whether we believe they could embrace the value of care and deliver happiness for others. If they embrace our core value of care and want to deliver happiness, then they will be self-motivated and will work harder for their teammates and their customer. It's a circle.

3. The Covid Explosion

This story, originally published in Forbes’ May 2020 issue, was updated to incorporate breaking news involving Zoom. It was archived here in December 2020, with acknowledgement and thanks. The interview was by Alex Konrad.



Zoom CEO Eric Yuan’s kids finally care about what he does for a living. Sure, they were there that morning in April 2019 when Yuan, the founder of the world’s most popular videoconferencing company, rang the opening bell at Nasdaq, with Zoom’s stock-market debut making him a billionaire. But it wasn’t until a Monday in mid-March that Yuan’s eighth-grade daughter, forced by the coronavirus to go to school remotely, finally had a question about her father’s work. “My daughter had never asked what I’m doing,” Yuan says, beaming. “For the first time, she stopped by to say, ‘Dad, how do you raise your hand in Zoom?’”

Yuan's son, a college freshman, has become an emergency Zoom user, too. "I told my son, 'I finally realized why I was working so hard,'" Yuan says. "I realized, 'Maybe I built these tools just for you to use in your online class now.'" This newfound respect still wasn't enough to stop either kid from battling for the family's WiFi with Dad, jokes Yuan, 50.



Welcome to the new work-from-home family life: conducted, increasingly, over Zoom. As the coronavirus ravages the planet, leading to quarantined cities, states sheltering in place and schools and universities closing down worldwide, Zoom has emerged as one of the leading tools to keep businesses up and running, students learning and people connected through virtual birthday parties, happy hours and yoga classes. It's also one, that, as security and privacy concerns about Zoom have mounted, is under more scrutiny than ever before.

On the last Saturday of March, nearly 3 million people globally downloaded the Zoom app on their mobile devices for the first time—a record for the company, bringing the number of downloads since its April 2019 IPO to more than 59 million, according to mobile intelligence firm App-topia. Zoom recently ranked No. 1 among all free apps on Apple's App Store, ahead of Google, WhatsApp and even Gen Z favorite TikTok. None of that accounts for the millions who tune in via laptop or desktop computer. On April 1, Zoom said it had reached 200 million daily users in March, up 20x from its 2019-best of 10 million at year's end.

All of this pushed Zoom, based in San Jose, California, into a new financial stratosphere. As recently as Monday, its shares were up 143% since the IPO and 44% in the last month—a time when the S&P 500 fell 11%—giving the company a market cap of \$42 billion and Yuan a net worth of \$5.5 billion, making him one of the richest self-made newcomers on this year's Forbes Billionaires list, being released next week. Even before the spread of COVID-19, Zoom was on a tear, with at least 81,000 paying customers, including Samsung and Walmart. It posted revenues of \$623 million and net profits of \$25 million through its fiscal year ending January 2020, up 88% and 234%, respectively.

Zoom also became a social-media phenomenon almost overnight. On Twitter, TikTok and elsewhere, Zoom went viral—quite a feat for a piece of business software. “Just got an email from a prof: ‘As a reminder, you are required to wear clothes during Zoom meetings.’ Rules are made when they become necessary, not before,” one Twitter user quipped, getting more than 85,000 likes. Joked another, to 21,000 likes: “Lol you thought you were better than me cause you went to Harvard??? We’re all attending Zoom University now.” (The real Harvard is conducting all of its remaining classes on, what else, Zoom.)

Inside the company, Yuan and his employees had two concerns: keep Zoom running, and make sure it was in the hands of those who needed it most. When parts of China went into lockdown, Yuan opened up Zoom’s base-level free accounts, usually capped at 40 minutes per meeting, to run for 24 hours. In mid-March he expanded the offer to all K-12 schools shut down, first in the United States, Italy and Japan, and later to 19 more. By early April, more than 90,000 schools were using Zoom. Add them to the millions more taking advantage of Zoom’s “freemium” model to use it for work or personal reasons.



Zoom CEO Eric Yuan, seen using his videoconferencing tools in his San Jose office in 2019.

Just a week ago, it appeared Zoom’s biggest challenge was ensuring that its systems didn’t crash under the weight of millions of new users, with the brand well on its way to becoming the generic term for videoconferencing of the stay-home era, much like Xerox, Kleenex and Google are for their categories.

What Yuan didn’t account for: with new heights of popularity, Zoom has experienced a wave of growing pains and concerns that have shifted the conversation around its video tools drastically in just a few days. Some schools were already hesitant to offer Zoom to their students. But instances like “Zoombombing,” in which hackers and online trolls crash other users’ Zoom meetings, grew so prevalent that the FBI had to release guidelines on Thursday on preventing them. The New York Attorney General’s office sent a letter asking Zoom to respond to security concerns. And Zoom has been rocked by other reports of sending data to Facebook, sharing LinkedIn information even for users appearing

under pseudonyms, and other vulnerabilities. It was enough to make SpaceX join NASA in shunning internal use of Zoom.

On Wednesday night, Yuan and Zoom apologized in a blog post, vowing to freeze development of new meeting features, set up weekly public security-focused town halls, and devote its engineers' focus to privacy and security for the next three months, among other steps. "I am committed to being open and honest with you," Yuan wrote. It did little to quell fears as investors continued to sell, pushing its stock down 20% in three days.

In an exclusive new interview on Thursday night, Yuan says that he's proud of the numbers of people that Zoom has recently helped. He takes personal responsibility for what's gone wrong and says he won't stop until he's regained users' trust. "We take it very seriously," Yuan says. "I really want to build something to make the world a better place."

The son of mining engineers in China's eastern Shandong Province, Yuan grew up fascinated by entrepreneurs like Bill Gates. After graduating from Shandong University Science & Technology with a degree in applied mathematics in 1991, he decided to head to America. Before his departure, U.S. Customs asked for an English-language version of his business card. It listed Yuan as a consultant, and he was misunderstood to be a part-time contractor. His visa was denied. For the next year and a half, the now-skeptical immigration services would deny him seven more times.



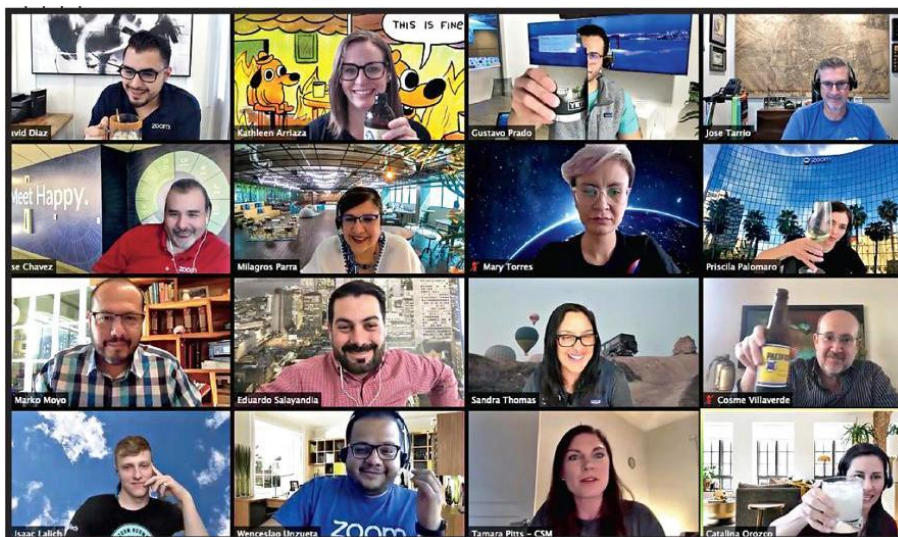
Kindergarten teacher James Baldwin reads a children's book to his students from his home in Brookline, Massachusetts, a Boston suburb.

Yuan refused to give up. He eventually made it to California and got a job at Web-ex, an early player in web-conferencing and videoconferencing applications. It was acquired by Cisco in 2007, and Yuan left four years and four months later, disillusioned by the quality of the service. He started to build Zoom and began offering to hook up some in-need organizations and institutions, such as the University of San Francisco, for free. Offering Zoom for free was key to Yuan's business, too: the year before Zoom's 2019 IPO, the majority of its largest customers started out as unpaid users, the company reported in its S-1 filing.

Now that altruistic impulse is taking on global importance as Zoom has become vital for the work-from-home economy. But it's far from the only company stepping up to meet this trend - and standing to profit later. Google and Microsoft also announced they were opening up more free features for their own classroom and videoconferencing tools. RingCentral, a Belmont, California-based cloud communications company, and Newsela, a New York City-based ed-tech firm, are two of a host of lesser-known players doing the same.

But likely no other company has signed up so many new users, so fast. How can Zoom possibly keep up? "Is your platform prepared for practically every college class in America to be using it? Simultaneously? Asking for a whole lot of friends," said Adrienne Keene, an assistant professor of American studies at Brown University, via Twitter. "It's unrealistic to expect we can just transfer class to a Zoom call and things will be fine," she later emails Forbes, noting that some students live internationally, have spotty Wi-Fi or have no quiet space at home. "However, I am looking forward to seeing their faces and hearing their voices."

Yuan may not have predicted all the ways Zoom would facilitate a social-distancing lifestyle. But the company started to brace itself for huge changes when COVID-19 first disrupted business in China beginning in January. At that time, customers such as Walmart and Dell reached out with concerns, Yuan says, wondering if their local employees would be able to move full-time to communications through Zoom. In the run-up to going public, Zoom had trained its staff on responses to natural disasters, though the company didn't anticipate that the disaster en route would be a pandemic.



Zoom's Latin America team enjoys a virtual happy hour.

Zoom's 17 data centers were designed to handle traffic surges of up to 100x, Yuan says. "The beautiful part of the cloud is, you know, it's unlimited capacity, in theory," he says. And with engineering teams across the globe, including in China and Malaysia, Zoom has the technical chops to be able to remotely monitor its systems around the clock.

Still, some Zoom users noticed dips in video quality, or had difficulty connecting in the first place. Zoom's online help center is experiencing the dreaded "longer wait

times than normal.” On March 23, Zoom’s service page acknowledged that some users of its free service were reporting problems with starting and joining meetings. That’s not surprising, given that daily active mobile users jumped 610% in the last two months, per Apptopia. It’s not just Zoom’s challenge. The internet as a whole is straining from so many people now living entirely online, says Morgan Kurk, CTO of communications technology firm CommScope. His recommendation: Schedule your Zoom—or any virtual meeting—roughly 15 minutes past the hour to avoid the virtual rush.

Then for Zoom’s more recent, and more pressing, concern: security and privacy issues. In late March, Vice Media’s tech-news site, Motherboard, revealed that Zoom was sending data to Facebook, even if users didn’t have a Facebook account. Zoom said the outflow was limited to metadata—what type of device you were using, the size of your screen, what language and time zone you were in. One day after the news broke, Yuan wrote an apologetic blog post explaining that the program had allowed users to log in via Facebook, and that code was removed.

What about protecting users from hackers? On March 30, the office of New York Attorney General Letitia James sent a letter to Zoom outlining several privacy concerns, including whether the surge in users made the platform more vulnerable to hackers. “During the COVID-19 pandemic, we are working around the clock to ensure that hospitals, universities, schools and other businesses across the world can stay connected and operational,” Zoom said in a statement sent to Forbes. “We appreciate the New York attorney general’s engagement on these issues and are happy to provide her with the requested information.”

Apology and clarification blog posts have become too common at Zoom in recent days. Yuan admits that “Zoombombing” and other hacks or pranks of Zoom meetings are something he never anticipated. “I really didn’t understand why hackers would want to hack into a classroom,” he says. “Are they going to learn algebra? Maybe calculus?”

Much of the problem, Yuan insists, stems from Zoom’s historical primary usage: for work. Employees who shared explicit images or otherwise pranked Zoom meetings with colleagues wouldn’t last long in the job. It’s different with public meetings, and in classrooms turned virtual. Yuan says that when schools started closing, his instincts were to help. But in hindsight, Zoom moved too fast. It would’ve been better served hosting a day or two of training sessions for teachers before opening up shop. Some security best practices like passwords and locking participants’ screens were already available, he says; Zoom’s mistake was not to make them the default. “I think this is my fault. We should’ve done more to train them,” Yuan says. “We did not do a good job, because we wanted to give them free access and we assumed they had good IT resources to configure security settings.”

Other much-maligned practices or vulnerabilities in Zoom’s software also stemmed from its naïveté about how it would work outside the enterprise. A now-removed attention tracker was meant for corporate training, according to Yuan; a tie-in with a LinkedIn product that shows a user’s job information wouldn’t seem sinister on a corporate call. Some mistakes were fully avoidable, like marketing Zoom’s tools as end-to-end encrypted when the reality was they weren’t that. (On Thursday, digital

rights group Fight For the Future launched a campaign calling for Zoom to go further, and make its tools truly encrypted end-to-end.)

Zoom insists it only collects user data only to the extent it's absolutely necessary to provide "technical and operational support"—in other words, to ensure your meeting's audio and video are working smoothly. One school in Colorado says it won't use Zoom, citing concerns about how its data would be used and who controls it long-term. Zoom does not have the ability to monitor anyone's conversations or meetings in real time, says global risk and compliance officer Lynn Haaland, who recently joined the company from PepsiCo.

On Thursday morning, Yuan held an all-hands meeting for Zoom from his temporary headquarters, his home office in the San Jose, California-area, running on two hours of sleep. The past few days have been tough, he says, representing the worst crisis he's faced in his career. Usage, now in the hundreds of millions, keeps going up. "I want to raise the bar," he says. "I told the team, let's double-check, triple-check the privacy and security, to not let any of our users down."

Just a week before, Yuan appeared different when reached over Zoom — not just because he was using another virtual background. Then, he'd attended his first virtual happy hour with other CEOs; he talked about new features in the works, from Snapchat-like features for users to "embrace the fun side of Zoom" to settings for college-sized lecturers. Some were half-built, some essentially finished when Yuan froze all new feature development on April 1.

Yuan says Zoom will likely take other decisive measures, too, besides what it shared in its blog post. Yuan says he will "probably" strip all tracking and cookies from Zoom's website. A bigger deal: Zoom's CEO says that "down the road, very soon you'll see" all meetings conducted over Zoom require password protection. The company will double-down on its bug bounty program, he says, and welcomes all criticism and feedback. And if Yuan can't turn Zoom into the "most secure platform in the world," in the next several years, he says he'll even consider open-sourcing Zoom's code for others to try.

"I feel like Zoom is not a part of Zoom anymore. Zoom belongs to the world now," Yuan says. "So I need all others to help us. Together, let's build a much better, most-secure platform in the world, that the whole world can benefit from."

What happens to Zoom after the pandemic passes? Analysts who saw the virus as a "wake-up call" for businesses that will save on rent and commuting time by shifting more permanently to work-from-home still see Zoom's influx of users converting to more paid subscribers over time, even after "the first concentrated set of news that has not been overwhelmingly positive," says JP Morgan Research's Sterling Auty, who remains bullish on the stock. "Zoom has a culture of wanting to make things better and the actions they are taking demonstrates it," he adds.

And the recent doubts about Zoom aren't shared by its paying customer base, says RBC analyst Alex Zukin. Even before Zoom went public, CIOs and customers knew about Zoom's security set-up and limitations, says Zukin, and had studied its architecture before. They were fine with it. "I think that Eric is in an impossible situation. I don't think they built this product with this ever in mind," says Zukin,

who believes that Zoom fell victim, temporarily, to its own popularity and hype. “There’s a lot of rabbit holes you can go down that are not monetizable, that are distraction prone. When you do Zoom for birthday parties instead of Zoom for enterprises.”

Yuan acknowledges that much of these problems are of his own making. “I think we made a mistake, but the intentions were good,” he says. Chastened by the boom and bust of life atop the App Store ratings, Yuan is looking forward to a day when Zoom can get back to its bread-and-butter, business customers. “If I have a choice, for sure I will go back to the b2b business,” he admits, “For now, it’s a totally different game.” For Zoom’s many millions of recent new users, however, Yuan vows: “We need to work 10 times harder than before to win trust back.”

These are intense times, made more so by the fact that they are unfolding in his home, under the gaze of his family. A week ago, Yuan said his mother, who lives in the house, asked him why he was always late to eat lunch. Now she wonders why Yuan stays holed up in his home office, barely pausing to sleep. The days of Yuan’s kids asking for customer support using Zoom, meanwhile, may be over for now. Yuan says he hopes he’s setting a good example for his kids on perseverance in adversity. “I told my kids, ‘we are going through this very, very tough time. I’m not going to talk to you a lot, and I’m so sorry. But one day in the future, you will understand why I was so crazy busy for now.’” Until then, Yuan will do all he can to keep the world’s physically isolated people connected.

4. Seven Answers

The following interview was archived in December 2020, with acknowledgement and thanks, from the website of Sequoia at www.sequoiacap.com.

Eric Yuan is the founder and CEO of the video communications startup Zoom, which was launched in 2011 and is now valued at more than \$1 billion. His inspiration for the company came during college in China, when he was a 10-hour train ride away from his girlfriend—who later became his wife.

1. What is something you've learned that you lean on daily?

Each day when I wake up, I ask one question: Do I feel happy? If I do, I'm full of energy. If I don't, I ask myself, what can I do to change that? Because if I don't feel happy, my productivity might be lacking or I might share my negative attitude with my family or with my company.

I learned this the hard way. When I was at Cisco, I wrote a lot of code. Early on, I was pretty happy, my productivity was high, and I was a positive influence for others. Eventually, though, when I tried to make some changes, I wasn't able to influence others. I realized I wasn't the one making decisions and that made me unhappy. My team members felt that. My family felt it, too. I realized then that I have to make sure I'm happy if I want to help others.

Now, when something starts to bother me, I jump in and try to fix it. Maybe our product has a problem and the schedule is delayed, or our sales team is having trouble closing a deal. I always make sure I'm doing all I can to quickly fix that problem.

2. What one piece of advice would you give someone starting a company?

Company culture is my number one priority. It's more important than the team, the product, the business model, or the investors. All of those things can be fixed and made better over time. But culture has to be established on day one. Once you have a culture problem, it's very hard to fix.

Our culture is built around the goal of delivering happiness to our employees. That solves so many problems before they start because happy employees know how to deliver happiness to customers. This culture is one of the key reasons we are doing better than our competitors. If your culture is off, even if you make good progress, it's not sustainable. It can fall apart.

3. What small change has made a big difference in your life?

The thing that created the biggest change in my life was not small—it was the birth of our first child. After you have a kid, you feel more responsible; you know you can't just look after yourself. You have to set a good example. You have to pass on what you've learned.

4. What don't you know that you wish you knew?

I wish I knew a lot of things. Thinking back to when we started Zoom, I wish I had known what it would take to build a company—but then maybe it would have been less fun.

When you start a company, everybody tries to tell you, don't do it. You will probably fail. You'll suffer from that, and your family will, too. Almost everybody told me those stories. Nobody told me how exciting it is. That you feel like you're a part of something important and making a big impact in the world. I didn't know that when I started out.

5. What books are on your nightstand right now?

I just finished reading *Shoe Dog*, by Phil Knight, the founder of Nike. I did not realize that when they first started, everything was much harder. Back then, there was no venture capital - they ended up borrowing the money from local banks. But Knight still did very well, and built a wonderful household name. His tenacity and passion helped him build a wonderful company. I think he set a good example for a lot of young companies now.

6. When did you realize you were wrong about something?

Whenever there's a negative reaction to something I do, I take a step back to understand why, and apologize if I need to. My oldest son is a junior in high school. He didn't do well on a test recently, and I gave him a hard time. I said, "If you didn't sleep so late every day, your tests would be better." He told me I was wrong because he had already worked hard for the test and had also been working hard at basketball. He likes to watch basketball videos on YouTube in the morning. He told me, "Dad, I know you have your own agenda. You want me to get all A's. But this is my life. I want to play basketball in college. You have to understand it from my side." And I thought: That is a very rational explanation. So I said I was sorry. And it also made me think we should go to the gym together sometime.

7. What unit of time matters the most and why?

I think about every moment of every day. Any part of a day is equally important to me. I don't think morning or evening is more important, or when you are young or old. If you are going to do something, enjoy every minute of it. If you waste that minute, it's gone forever.

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5. Prospectus Letter



The following is a letter from Eric Yuan to prospective investors which was included in the company's 2019 flotation prospectus.

Thank you for reading our prospectus and considering an investment in Zoom. As the founder and CEO of Zoom, it is my privilege to share with you what we're all about.

Life is about the pursuit of happiness. The greatest, most sustainable happiness comes from making others happy. Delivering happiness is what we do at Zoom.

Ten years ago, I was an engineering leader at a major technology company. I would visit customers, and they would tell me how unhappy they were with the technology in the videoconferencing market. This made me unhappy. There had to be something better — something designed for modern video communications, something that would deliver happiness. I knew that we would have to start from scratch to do it right.

This experience underlies the Zoom happiness philosophy. Our focus is to keep both our customers and our employees happy. The sum of their joy is greater than its parts. Our customers and our employees make each other happy. We live this philosophy every day. We take care of our customers and employees. We built a video-first communications platform that is scalable, user friendly and reliable. We respond to our customers' emails (quickly), talk with them face-to-face on Zoom, really listen to them and build the features and products they ask for (also quickly).

Happiness delivers results. In 2018, our average customer Net Promoter Score was over 70, demonstrating that our high-quality, easy-to-use platform is making customers happy. We have consistently earned high scores across customer review sites, including Gartner Peer Insights, TrustRadius and G2 Crowd. And let's not forget our employees. Zoom has received multiple awards from Glassdoor based on high ratings and reviews from our employees.

We deliver much more than what people expect from video communications. Our team comes to work every day because our platform transforms the way people work together. For example, a medical care team discusses the plan to transition a pediatric patient off his feeding tube, the world's largest brewery explores opportunities for using blockchain to pay its farmers, a state park brings students on an underwater exploration in Lake Tahoe — all face-to-face on Zoom. We are proud that our platform helps users around the world build trust, strengthen relationships, move faster and get meaningful things done.

It's been over seven years since I founded Zoom, but this is just the beginning. There are a lot of people and companies that benefit from Zoom, but there are still plenty that haven't yet explored the possibilities that Zoom can bring to their organizations. I want to give them video communications that make them happy. Video is the future of communications. If our customers are happy, the sky's the limit. We must stay humble and paranoid about our customers' and employees' happiness.

We have a lot left to do. If you join us in this journey, you will become an integral part of this work and our family. Caring is our company's core value. We care deeply for our community, our customers, our team and our company. And today, we want to add you to that list.

And now, back to work, and back to making people happy.



Eric Yuan with his wife Sherry.
