

The Economic Club of New York

486th Meeting
111th Year

Ben Silberman
Chief Executive Officer and Co-Founder
Pinterest, Inc.

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Interviewer: Jessi Hempel
Senior Writer, WIRED

Introduction

Chairman Marie-Josée Kravis

Welcome everyone to the Economic Club's 486th meeting. I'm Marie-Josée Kravis. I'm the new Chair of the Economic Club and also a Senior Fellow at the Hudson Institute. And, as you know, because many of you are regular attendees, the Economic Club is the country's leading nonpartisan forum for discussions of economic and political and social issues. We've had over 1,000 prominent guests during our 111 years of history. And I would argue that they have always maintained a very high level of excellence and integrity in their discussions.

I want to recognize some of the Centennial Society members who are here. We have 270 members of the Centennial Society and they are critical to funding and supporting the Economic Club, and I thank you for being here and I thank you for your support. We're also delighted to welcome several members of our 2018 Economic Club Fellows who are in attendance today. And they, of course, represent the next generation of business leaders. We also have students from the NYU - Stern Graduate School of Business, and I welcome them to this event.

As you know, the Club has deliberately expanded its program to include new industrial sectors, and notably, technology. And we're very pleased today to have one of the thought leaders and business leaders from that sector, Ben Silbermann. Ben is the CEO and Co-Founder of Pinterest, a company with 1,500 employees headquartered in San Francisco with offices all over the world.

Now, Pinterest is one of the largest platforms today. And every month, 250 million people from all over the world to pin or post ideas, interests, aesthetics, objects, but really to post and pin ideas that matter to them and that they may hold in common with other people. And, in fact, I was astounded in looking at the Pinterest numbers, that they have had over 30 billion pins – billion, not million – 30 billion pins on their site. So, it's a platform that's very meaningful, that's growing, and that is very influential in, not only in the digital world, but also in the real world. Fast Company named Pinterest as one of the most innovative companies in the world for its groundbreaking work in visual technology. Ben has been named one of *Fortune's* "40 Under 40." He worked at Google before co-founding Pinterest and he's a graduate of Yale University.

Our format today will be a conversation. And we're delighted to have as our interviewer, Jessi Hempel, who is Senior Writer at WIRED. Ben and Jessi, if you'd please come forward and begin a conversation on Pinterest, its present activities and, of course, also its future. So, thank you very much for being here.

CONVERSATION WITH BEN SILBERMANN

CHIEF EXECUTIVE OFFICER, PINTEREST

JESSI HEMPEL: Thank you. Good afternoon. (Applause) That was a lovely introduction and I'll say both Ben and I have spent the last 15 minutes talking to you folks, and thank you for making us feel so welcome. I'll incorporate a lot of what came up in our conversation here I hope. It's

my hope that I can give you a window into both Pinterest as a service and what it tells us about the development of the internet right now, but also Ben as a founder. I have known and written about Ben now for what qualifies as a lot of years in Silicon Valley. That's about six. And so I want to take a step back, before we get to Pinterest, and talk, Ben, about how it was that you made the decision to come out to Silicon Valley in the first place.

BEN SILBERMANN: Sure. Well, first of all, I just want to thank everyone for having me here. I was hearing a little bit about the history of the Club and so it's like big shoes to fill. There's like the specter of Jeff Bezos staring from the back of the room. You know, I always really loved the internet. And actually the first time I got high-speed internet, I was in college. And it was really obvious to me, like right then, that it was going to be one of the big stories of our time, and I just wanted to be part of it. And so after college I got kind of a typical corporate job. I was in Washington, DC in a cubicle and the whole time I was thinking how can I work more in Silicon Valley. And eventually me and my girlfriend decided we should just move there. I applied for a job at Google in their Sales Office Department, which was kind of their customer service group and then I moved on up.

JESSI HEMPEL: And I just wanted to talk about timing a second. So, you graduated in 1999?

BEN SILBERMANN: 2003.

JESSI HEMPEL: 2003...Sorry, I'm trying to make you older than you actually are. But it was a moment when the internet had crashed, but it hadn't quite come back yet. So what brought you out to California?

BEN SILBERMANN: You know, I just, I loved this idea that if you have access to the internet, no matter where you live in the world, you have access to the same information. And that is such a simple thing, but it was such a profound thing for me because I thought about, you know, where I grew up. Depending on where you happen to live, depending on where the library was, you might be limited in what you could get to. So, as soon as I was there in college with a laptop hooked up to high-speed internet and anything you typed in, you could get information about, I was really captivated and I just wanted to be part of that story. And a lot of people ask me, you know, who are kind of young entrepreneurs, you know, do I have any advice? And like one thing I can say for sure is if you're passionate about something, try to go to a place where other people are excited about it too. So if you're into politics, you should go to DC. If you're in finance, you should go to New York. And at that time, if you were into technology, Silicon Valley was definitely the place to be.

JESSI HEMPEL: I'm going to put a pin in at that time. We're going to come back to that at the end of our interview, but I want to hear about how Pinterest came into your mind and how you founded it.

BEN SILBERMANN: Well, you know, I've always wanted a tool like Pinterest for myself. And I think I've been the kind of person that if I see a problem that I'm facing or if other people are facing, I always want to solve it, not just for me, but for everyone. So, like the very first software product that I made was in college. My parents are ophthalmologists. They have a family practice. And I would be in their office and I'd watch people get their eyes checked and they'd get dilated and then they'd go over to the optical counter to try on glasses and they couldn't see because the glasses weren't prescription. And so I remember the first thing I wanted to do, I was like, oh, it's such a shame they can't see. What if we can make a tool to try the glasses on? So I've always been that kind of person. If there's a problem, I want to try to solve it. And the problem I wanted to solve with Pinterest was I loved collecting things. I collected bugs and stamps and all these things as a kid. And I thought why isn't there a cool place that you can collect things you find on the internet? And I began talking about this with a friend, Evan, who became my co-founder. He was excited about the same thing. And we built it and, to our delight, and kind of to our surprise, it ended up being useful for a lot of other people as well.

JESSI HEMPEL: So what, so that is, I think, around when I met you. It was 2012. And there was this window where it was like most people hadn't heard of you, and then in a space of four weeks, you were, you know, Mitt Romney's wife was using it. The U.S. Army was giving a training on how to use you. You were on every morning talk show and suddenly it felt like everyone was on Pinterest. In reality, you actually had, you cultivated a user base who fell in love with you that was maybe just a little bit different than Silicon Valley expected. So it felt to

people in Silicon Valley like it kind of came out of the blue. I'm wondering how you figured out who your first users were, who they were, and what that meant for how you grew the company?

BEN SILBERMANN: Well, we launched Pinterest in 2010. And I joke with people that there have always been people that love Pinterest, but the problem was at the beginning, it was just me and my co-founder and my family.

JESSI HEMPEL: It's always good to start with your mom and dad.

BEN SILBERMANN: It's always good to start with people you know, who trust you, give you honest feedback. But, look, when we first launched, it was not a hit in what I call tech circles. So, the stereotype of a tech early adopter, especially back then, was somebody that bought the latest devices. They tried every service that came out. And a lot of our early users were people like the folks that I grew up with. They were from the Midwest. They were using it for just everyday things in their life, figuring out what do I want to cook? What do I want to wear? How do I want to make my home better decorated? And I think for that reason Pinterest kind of fell under the radar of almost all of Silicon Valley. And the impact was that a couple of years later when it became popular, it felt like it happened all at once, even though people had been talking about it outside of Silicon Valley for a couple of years.

JESSI HEMPEL: Right, and there's another aspect to that, Ben, which is that it was very

gendered at the beginning and most of the people making decisions about investing in Silicon Valley were men and most of your early users were women. I'm curious about, okay, first of all, I'd love for you to tell the story about how Andreessen Horowitz made the first investment in you.

BEN SILBERMANN: Let's see, getting investment in the early days was really tough, to be totally honest. It was not the best time. So, think about it, it was after the financial crisis. And it's funny, I heard there were students from Stern that were here, we kind of struck out on the entire West Coast and we really needed money. And so I was really desperate, I was looking for alternative ways of getting funding. And I found that there were these business planning competitions at different business schools. And NYU had one where you didn't have to be a student but you had to know a student. And so we entered that contest and we got second place. There was a cash prize which we didn't get. But the second-place prize was a meeting with a venture capitalist in New York. And that venture capitalist said if you can get half the round together, we'll do the other half. And that was where our very first money came from, that was First Mark Capital. And, you know, the rest sort of evolved after that. But I think there's a little bit of a paradox with being in venture capital. On one hand, the investors know that they're looking for something really different because, by definition, if it was the same as everything else, there wouldn't be an opportunity there. But, on the other hand, they tend to pattern-match on the last thing that was really successful. And so when Pinterest was growing, the last two things that were successful were Facebook, which was founded by, famously a computer science

dropout from Harvard. It grew on college campuses before that. You had Google, two PhD students from Stanford. And Pinterest, I think, looked and felt really different in both how it was used and who was using it.

JESSI HEMPEL: Right. You know, Pinterest gets lumped into these social media companies that you talked about in one breath. There's Facebook. There's Twitter. There's Pinterest. But in actuality, you're not anything like a lot of those companies. And I'm curious if you can describe, particularly for the people who might not be on Pinterest in the room, like why specifically you would consider Pinterest to be – or let me back up – is Pinterest a social media company?

BEN SILBERMANN: Yes, well, first of all, do people use Pinterest in the room? Okay, good, some people use it. Others don't, so you have to sign up after lunch. Look, people use Pinterest to get inspiration to create the life they love. And that means different things for different people. Sometimes an inspiration is about decorating a room in their house because they're expecting a new kid. Sometimes an inspiration is about finding a recipe to cook. Sometimes it's something different. If you're a professional, you know, we talked to Jonathan Adler, the designer, he used it for all of his design work. We met Jon Chu, who directed that movie, Crazy Rich Asians. He said he did all these story boards and he used Pinterest. But the common thread there is it's getting inspiration, visual inspiration to do something in your real life. And that's just fundamentally different than what services like Facebook, Snapchat, Instagram all serve. When I think of social media, I think about services that are basically about your relationships with other

people. They're about connecting with people in your life. If you put up a photo on one of those services and nobody likes it, you kind of did it wrong. On Pinterest, you're really just doing it for yourself. There are other people there. They're curating content. They're giving you ideas. But you're putting up those inspirations so you can look at those things, so you can develop your own sense of taste and sense of style. And then eventually you can actually go do those things. And our kind of top-line goal as a company is we would eventually want you to get inspiration online and then go off and do it offline. And that's kind of what gets me excited about Pinterest every day.

JESSI HEMPEL: Well, so talk to me a little bit about how the business has emerged. First of all, what is your business?

BEN SILBERMANN: Well, Pinterest is an advertising company. And the reason that we're an advertising company is there's a very basic alignment between what our users are there to do – they are there to get inspiration for things in their life – and what advertisers want to do. They want to get discovered by people who love their products and services. And that alignment between motivations, we believe, is very, very important for advertising. I think internet advertising has a pretty bad reputation. And the reason is because people very often find it intrusive and a distraction from what they're there to do. They say, hey, I'm here to watch this video, I'm not here about a product. I'm here to talk to my friends, I'm not here to learn about a new credit card. But on Pinterest, people are actually there and they have a very specific mind

set. They're thinking about their future. They're open-minded. They haven't decided what they want yet. So more than 90% of the searches are unbranded. They're looking for high level inspiration. And that presents a really important opportunity for businesses that at their core are using advertising to try to get new customers who haven't heard of their product before.

JESSI HEMPEL: Even as you say that, I'm a definite Pinterest Power User and my Pinterest boards tend to be named things like To Buy For: the baby nursery. To Buy For: the gym class. So it's a very obvious and straightforward parallel. So how has it changed over the course of eight years now? Are you still serving up users, pretty much pinners, pretty much the same thing that you were in 2010, albeit a bigger audience?

BEN SILBERMANN: Gosh, I mean it's changed in a lot of different ways. One thing that is true is the scale has changed a lot. So we have a quarter billion people that use the service and they use it all over the world. And even though the categories of things people want to get inspiration for are similar around the world, everyone in the world is looking for what they want to eat, what they want to wear, what they want their home to look like, where they want to travel on a trip, actually making that work for them all over the world is a lot of work. So one thing that's changed absolutely is the scale that we're operating at. The second thing that's changed is we've become a lot more sophisticated about how do we show you the right inspiration at the right time. So, you know, from the beginning Pinterest was built on merging two ideas at once. So, one is this idea of human curation. We don't claim to have every idea, but every idea that we do

have was put there by a real person who had a real taste and a real preference. And so you have this strong human curated element that makes it feel very different than just kind of opening up a visual encyclopedia and looking at every single thing that exists. And then we try to marry that to machine learning – machine learning that helps us find the right pin for you, machine learning that powers a lot of computer vision technology where we're understanding the aesthetics or we can look inside and say what's the chair inside of that image. And those two things combined create, I think, a really special experience. It feels handpicked for you. It's all visual so you don't have to have the words to describe exactly what you're looking for. And then more and more we try to make sure that every single inspiration you see is actually connected to a place that you can take action. So everything that you want to buy is connected to a product that works at your price point. Every article is connected to the place that that article lives. Every recipe has reviews where you can upload photos to see how it turned out. And for us, that's our way of bridging this world of inspiration which is really a feeling – inspiration is like a feeling, it's a desire – and bridging it all the way to turning that feeling into reality.

JESSI HEMPEL: So you guys have been very focused in the last few years in growth outside the United States. And I find it fascinating, as a business reporter, that growing something like Pinterest is very different than growing, say LinkedIn, because you don't need to just provide the rails. You need to provide something that speaks to culture and identity in every market. And I wonder if you might speak to the challenges in that.

BEN SILBERMANN: Yes, I mean taste is a funny thing, especially when you think about it on a global scale. So, in a traditional communication network, your job is to find the people that you communicate with. And usually those people can be found in your phone book or maybe in your email address book, which is how a traditional communication network grows. But if you're trying to build a tool that provides you with visual inspiration, you have to know something about that local culture and it's really fickle. So, for example, a lot of people use Pinterest for fashion, and anyone who is into fashion loves global fashion. Right? If you said I'm only going to show you New York fashion, fashion lovers would be sad that they can't understand what's going on in Milan or Paris or Tokyo. But in contrast, if you're talking about something like what I want to cook for dinner, it turns out that people like to cook the food that's popular in their country. And early on, I remember we were launching in France and people would look at, like popular recipes, and they were all American casseroles. And people were disgusted, they were like, oh, my God, this looks terrible. Like who eats this for dinner? And so we almost have to look interest by interest, category by category, and really try to get into the right neighborhood for each of these markets. And then the more that you use the product, the more that Pinterest tunes to your specific tastes and aesthetics and preferences. And I think that that's when the real magic happens, when you've used it a little bit and you're starting to find things that you didn't know were out there or maybe you had a sense that you liked but you didn't realize there was a name for it. And that experience is something that we hear from pinners all the time. We'll have pinners write in and say, oh, my gosh, I didn't think I had a great sense of style. I didn't think there was a name for the couch that I love, but there is, and there are other things that are like

that. And that feeling is a really special one. It makes people feel more confident and proud of what they like, and it means that they can tap into this world of culture and taste and make more of it part of their life. And so it ends up being a brand and service that a lot of people love because it makes them feel better about themselves.

JESSI HEMPEL: From a business challenge perspective, does that mean that you need to build out larger teams of people in these countries than maybe some of your software peers?

BEN SILBERMANN: Well, it's evolved. So we have small regional teams and the regional teams are really responsible for understanding the local tastes and culture and preference. And so they start with the basics, you know, is this service fast on the devices, on the data networks in that country? Then comprehension, did we do a good job translating the concept of pinning and saving and boards so people understand that this is a tool for inspiration. And then when you have those covered, they start to look at local tastes and preference. And we've found that having people that are local is very hard to substitute for, it's very hard to sit in San Francisco and try to project what somebody in Israel or France or Japan or anywhere in South America really wants. So having people on the ground is really useful. They pass back those requirements and then a lot of the core engineering is still based in San Francisco. That may change in the future, but today the bulk of product design and engineering is still based locally with us here in the United States.

JESSI HEMPEL: And you love to go out and meet the actual pinners, right?

BEN SILBERMANN: Yes. You know we have a set of values at the company. And the first value of the company is put pinners first. And the reason is that I've always believed that if customers really love your product, everything else will follow from it. And that's something that's really obvious when you're a very small company, but there's so many companies that take their eye off the ball in terms of are we satisfying the expressed and the unexpressed needs of our customers? And so I try to make it a point to get out of San Francisco. My co-founder and I go all over the world. And the purpose is not like a press tour, it's just to meet pinners and actually also people that have tried the service and don't like it, and find out what's working and what's not working. We invite people into the office from around California. We get lunch every other week or every three weeks with a pinner. And it's just to keep a pulse on what's working and what's not working in the service and also to set an example for our employees. Because I think that it's very easy to sort of sit behind a computer and you're working on a component of a service and you begin to use data or graphs or research almost as a proxy for understanding what people really want. And I think there's a tremendous danger, when you're trying to have a small group of people build for a very large group of people, of getting distant from what the average person wants from your product or service.

JESSI HEMPEL: Where have you been lately?

BEN SILBERMANN: So we just went back the Midwest. I grew up in Iowa and so it was fun for me. We went to Des Moines where I grew up. We met with pinners. We actually met with a bunch of public-school teachers that are using Pinterest in their classrooms. And then we drove to Kansas City. We stopped in some rural locations just to see, are people using Pinterest differently? And then we ended up in Kansas City. We did that trip a few weeks ago. Earlier this year, we went out to Pennsylvania. We did a trip out there. We've gone to our offices in Brazil, in Japan, in France and England.

JESSI HEMPEL: Can you think of; can you tell us one thing that was unexpected that you learned from one of those trips?

BEN SILBERMANN: One thing that was unexpected? You know, we met with a pinner and she told us a story that I thought was really interesting. She said that when she was a kid, dinner was really special. She had a single mother who really took care to put something special on the table every night. And she was using Pinterest, and specifically a product called Lens differently than a lot of people. So Lens is a product that lets you take out your camera and take pictures of things and then it tries to find inspiration back on that picture. So she goes to the grocery store. She finds out what's on sale. She walks around. And then she takes pictures of those ingredients and pulls up recipes based on those ingredients and then cooks those recipes for dinner. And I thought that was really cool because, you know, we asked her, you know, why do you do it in the store? Why do you use Lens? She didn't seem like a person that used technology for

technology's sake. And she just said, look, this is the fastest way that I can make something different with the food that's on sale so it saves me time and it saves me money. And I came back and told the team that story that those are two things that are probably not going out of style, like saving someone time and saving someone money and then putting something healthy and easy to cook on the table every night.

JESSI HEMPEL: I'm glad you mentioned Lens because it makes me think about how far computer vision has progressed in a very short period of time and I know you guys are very focused on it. And I want to know where it's going next and what that's going to unlock for you guys?

BEN SILBERMANN: Yes, I mean the field of computer vision is going through, I think, a very special moment in time, and all technologies go through these cycles. So, look, when we started Pinterest people were using keyboards. The iPhone comes out, Touch comes online. A few years ago, Voice really went mainstream. I've got a three-year old and he's always shouting at Alexa in my kitchen and that's just the way he interacts with computers. And I very much believe that computer vision technology is going to be the next interface for interacting with content on your phone and actually things in the real world. People are so visual. I mentioned my parents were ophthalmologists and, you know, if you just study the brain, so much of your brain is built on processing visual information. And so we're just reaching this point where computers are beginning to understand visual content. And so at Pinterest we look at three things. One is we try

to understand the aesthetics of an image. So you can take a picture of a scene in a room and we can understand, hey, here are things that are visually similar. They're the same taste or the same style. We try to go inside images and extract objects. And that's really important. Usually when you go to a store, right, and you go window shopping, they don't just have everything against a white background. They try to show it to you in context. But you want to be able to go in and say, hey, where do I get that blouse or those shoes or that dress? And so we're working on extracting those objects out and searching those. And then Lens is sort of the cutting edge of that and that would let you go out in the real world and use anything you see as a jumping off point for inspiration. And these technologies are things that you have to invest in over a period of years. You know we started investing in it actually four or five years ago when it was very much in the research phase. But I think in the next three years you're going to see computer vision technology go mainstream across all the major technology companies.

JESSI HEMPEL: I'm excited to see what that brings. Let's talk about your business a second. It's been a big year for you guys. The *New York Times* just wrote a great story. Erin Griffiths story, if you haven't read it, is great. And so she reports that revenue has grown 50% year over year, that growth is accelerating, and that you guys are on track to top \$700 million in revenue this year. I know that you would love to confirm that for all of us, but I'm not going to ask you to. I'd love to know, though, where growth is coming from?

BEN SILBERMANN: Well, look, I mean we're seeing growth from two places. You know, first

we're seeing the advertisers we've worked with for years spending more year on year. And that is incredibly important to me because it means that the advertising is working. We work with both big advertisers, the Walmart's, Targets of the world as well as small businesses. And what they're excited about is the unique mindset that pinners are in when they're using Pinterest. So there are a lot of places you can reach people, but Pinterest is special because people are there specifically to get inspiration about their future. And that creates an environment where if you're trying to introduce someone to a product or a service, you can do it in context in a way that makes your brand feel inspirational and positive and you have a chance of getting people who haven't heard of your product before. Whereas if you wait until someone knows the exact name of your product, you've basically gotten that person already. They're not going to drive incremental growth. And so that's one area that we're really investing in. And then, of course, there are new businesses that are coming online. So, some of those businesses are businesses that are just the type that hold back a little bit until all of the bells and whistles of an advertising platform are built. We're getting more and more small businesses. And then we just started advertising outside of the United States. So more than half of Pinterest users are outside of the United States even though the vast majority of today's advertising business is in the US. So we're just starting to make the same investments that we made with users four years ago with advertisers as well, launching advertisements in the UK, in Canada, in France, and in other countries soon to come.

JESSI HEMPEL: And so I'm sure you definitely want to tell us when we might expect to see an

IPO.

BEN SILBERMANN: We don't comment on that. But what I will say is that we want Pinterest to be an independent company. And the reason is that I just really believe that Pinterest is an opportunity to chase down this mission of giving everyone inspiration to create the life they love in a different way. We've always taken what I call like a very human and user-centric approach to the world. So, you know, when I was at Google, it's a very technology-centric approach to solving problems which is, of course, incredible. But Pinterest started with this idea that you can get inspiration from other people who have amazing taste. And if you do that at scale, and you know there are 250 million users, there are billions of pins, then you can apply on top of it, machine learning, computer vision, recommendation technology, and begin to get a qualitatively different experience. And so that's something I'm still really excited about. One thing that's cool is that eight years in, we're now just getting to build a lot of the things that we dreamed of building, you know, three, four, five years ago. And so I'm incredibly excited about what Pinterest is going to do for our users in years to come.

JESSI HEMPEL: You know, Ben, in the time that I have known you, I have gone from reporting on tech companies who wanted to push the idea of engagement and the fact that they kept people on their site a long time – I remember in 2012, Facebook would give me a metric that was, you know, minutes per day that people were spending on the site – to a moment in 2018 where we're saying, well, actually it's not a great thing if people are spending a lot of time on your site. And

through that, you guys have been fairly consistent about what you want from your users. I wonder if you might want to speak to the moment we are in, in Silicon Valley, with these sort of large consumer internet companies, with our sort of relationship with the user.

BEN SILBERMANN: Well, look, I mean I'll start with Pinterest. You know, what we care about at Pinterest is having people go offline and actually do things. And that's just because we believe that life isn't happening on your phone and even though your phone can do a lot to connect you to people, even though it's really entertaining, the feeling that you get when you do something in real life, it has a materially different kind of emotional quality. And actually, you know, when people recommend Pinterest to their friends, the most common story we hear is they did something. So they threw a party or they got a new hairstyle or they produced a big movie. And they said, hey, I did this and Pinterest was a tool to help me to that. So we think that's a really good thing. I think Silicon Valley, in general, is having a moment where it's actually being forced to contemplate the success of its own strategies. So, you know, a lot of companies pursued things like engagement very aggressively and we're very proud to say that people are binge-watching, you know, videos, but in every other context bingeing is a bad word.

JESSI HEMPEL: That's true.

BEN SILBERMANN: And I think that over time people, I'm very optimistic about people's ability to self-regulate, to eventually gravitate towards things which are good for themselves. But

I think that many companies are seeing that they have a really important responsibility in making it easier for people to make those choices deliberately. And that's something certainly we care about as well. I never want people to say, like I have to give up Pinterest for Lent. (Laughter) I want to tell my kids or my kids' kids that, hey, this was a service that played a role in people's lives and when they thought about using it, they didn't look at it with regret or wish they hadn't spent their life doing it. They looked at it as a tool to do things that they were proud of. And the company is very laser-focused on trying to make that happen.

JESSI HEMPEL: So to visit Pinterest is to visit a room of people who look very different than the room of people here. Mostly they're usually not wearing suits. It's a very unique culture. I wonder if you might describe a little bit how you've built that culture and sort of what your values are.

BEN SILBERMANN: Yes, so I think that there's always this image of a technology company. And I don't even know exactly where it comes from because when I moved to Silicon Valley I had this image too. It's like this geeky place with a lot of people that are obsessed with technology only and they just code into the middle of the night. People stereotype it as being young. And Pinterest was a little bit different from the beginning. So I wasn't a technologist by training. I was pre-Med and then I studied political science. My co-founder, Evan, was studying architecture – buildings, not computer architecture. And a lot of our early employees were people who loved technology but came at it from a different angle. So, one of our first engineers, he was

studying cartooning and then his parents intervened and said, you're not going to make a living cartooning, so you need to learn computer science as well. But he retained this love of both art and engineering. A lot of our early designers were very, very technical. So they were early in school and they realized that if they wanted to get their work out to a big platform, they needed to learn to code. And so we always really valued people that had a diversity of experiences and skills that they brought together against a problem and a diversity of backgrounds. And we codified that into a value that we call knitting, which was a little bit of a joke because knitting was a big hobby on Pinterest for a while.

JESSI HEMPEL: Early crafters were big knitters.

BEN SILBERMANN: Big crafters. But to us it meant taking people from different backgrounds and different disciplines and sort of stitching that together in a really direct way. So that's one tenant of the culture that's still very prevalent. And then the other tenant of the culture is just being obsessed with what are the real needs of users? So, not building technology for technology's sake, but thinking of technology as a lever or a tool to solve someone's problem. And so those two things, I think, define what Pinterest is inside of the company today. And the challenge for us has been how do you scale when you're going from a dozen employees to 500 employees to 1,000 employees – or now at about 1,500 employees – how do you preserve that as you grow up.

JESSI HEMPEL: That makes a lot of sense. Ben, I want to spend a few minutes on the big technology trends that are coming at us in the future. You mentioned computer vision as being in this interesting moment. What is sort of most of the moment? What are we going to see in the next three to five years that we should be looking to harness?

BEN SILBERMANN: Well, so we mentioned the first one. I think computer vision is something that feels futuristic now and is going to feel incredibly familiar in just a few years. And that's because it takes the primary way that most people interact with the world and it makes it the way they interact with computers. And so there are some technologies that will forever feel very foreign and there are some technologies that as soon as they're invented, you almost forget about what the world was like before that. And I think Touch was one for sure, Voice is the second, and computer vision is going to be the third so that's a really big deal. I think second, as personalization matures we're going to be challenged to find ways not only to show you things that you already like but to show you things that are outside of your comfort zone. And so, you know, one example of this is if you use one of the big music services like Spotify or Apple Music, for a while it felt like they would narrow you down and you kind of get very narrow-cast into a type of music, and now they're getting better at diversifying you back out and showing you things that you might not have heard but you might be interested in and giving you the context for why. That's something we care about very much at Pinterest. You know if you use Pinterest for one thing, we don't want it to become the only thing that you care about. But that theme is going to be relevant for politics, for news, for recommendation engines in general. And

so figuring out what is the right balance between showing you something that we know you're going to like and showing you something that represents the broader views of many people.

JESSI HEMPEL: What's the agency that people have in that? Tech companies have a lot of power over their own algorithms. I think, I suspect that people are getting smarter about understanding that they want to broaden beyond the recommendations that are given. What does it mean to be a healthy consumer of technology right now if you're using these services? And do you think that people can do that on their own? Or do you think that technology companies to some degree have a power that needs to be regulated essentially?

BEN SILBERMANN: I think there's probably a different answer for different kinds of products. The way we approach it at Pinterest is we try to give people controls. So we show people things that are recommendations we think you'll like. We also let you follow people and see things just from those people. And that balance of giving people control and agency while also making it easy is one that we're always struggling with. We don't want to make you fiddle with a screen full of options and knobs, but at the same time we want to make you feel like when you see something, you know why it's there. And if you don't like it, you can remove it and remove things that are like it in the future. But depending on the service, I think that different solutions are going to be required. But I do think it's an important topic for our time and I think it's important across a whole variety of domains.

JESSI HEMPEL: So, I don't want to take us too far off, so we've got computer vision, we've got personalization, you have a third one to leave us on?

BEN SILBERMANN: I think the third one that I think about a lot is what is the emotional relationship that products have with the people that use them? And, you know, there's a really big theme being talked about today which is the theme of psychological loneliness. So the UK just put out a huge report on this. The former surgeon general said that it was the public health problem that he was the most worried about. And there's some irony in this concept that in a world where everyone feels very, very connected, they feel lonely. They don't feel like they're part of a group. And that's just one of the emotional sort of landmines that you think about when you think about products that people are spending a lot of time on. And so at Pinterest, one thing that we try to take stock of is what is the emotional relationship people have with our product? When we ask people, how does Pinterest make you feel before, during, and after, we try to take stock of those things and think about what are the conditions on the platform that enable those things to grow and flourish? And what are the things on the platform that could diminish those things? So in the case of Pinterest, people say I feel inspired. They say that I want to try things that are new. People say that I feel more self-confident. And then what are the things that can make that go awry? Well, if you pin something and someone says you look terrible in that, you're not going to feel that way. If we create a community feature and there are trolls there, you're not going to feel that way. And understanding that is the first step, and then actually engineering those environments is something that, I think, is very, very difficult to do, but is a

challenge that we think is really important because a lot of the reason that people use Pinterest is because of that emotional value proposition. You know we talk about inspiration, and inspiration is very much a feeling. And if we can create a place where people can consistently feel inspired by things that are relevant to them, and then connect them to the places where they can turn those inspirations into a part of their everyday life, we believe that's a service that will be relevant for people for many years to come even as platforms change, even as technology is changed. And so we're very focused on trying to solve that, but there's not like a silver bullet where I can say that we've cracked the code. And so it requires constant diligence and constant pressure-testing to find out whether we're making good on that promise with our users.

JESSI HEMPEL: So I want to bring us back full circle to end our time together. So, thinking back to that young guy at Yale coming out of school in 2003, what piece of advice would you give him knowing what you know now?

BEN SILBERMANN: What piece of advice would I give him? Give me a second. Let me think. I should have thought of this before.

JESSI HEMPEL: I know, it's such a trick question to throw at you at the last...

BEN SILBERMANN: Let me think about this.

JESSI HEMPEL: To give you a stock answer, something like, I would have said go sooner kid, try harder.

BEN SILBERMANN: I see. (Laughter) Well, so, you know, I think one thing that I've learned is that there are so many different kinds of intelligence in the world. And I think, you know, I was pre-Med and so pre-Med is a very, very tract thing, right? The kind of intelligence that matters is the kind that gets you a high score on your MCAT and it gets you into residency. But when you start a business, you realize that there are different people that bring very, very different things to the table. So, there are some people that are incredibly gifted at working with other people, like they're charismatic, people want to follow them. Some people are very street-smart would be the way to think about it. My co-founder, Evan, is a designer by training. He's amazing at looking at a whole set of variables and balancing them out and then kind of bringing them together in a really elegant way. And the longer that I work, the more that I appreciate that when you want to build a company, you want to bring all these different kinds of talents together and try to focus people on the thing that they're really good at rather than always trying to fix the thing they might not be good at. And I think I would have given myself that advice both in terms of how to build a team and in terms of myself. You know, maybe it would be more productive to focus on the things that you're good at and try to find people that complement it than spend all of your time trying to fix the things that you weren't good at. I think over time that that leads to probably, on average, better outcomes.

JESSI HEMPEL: I think that's wonderful advice, inside or outside the tech industry. Thank you so much, Ben. And thank you very much for having us. (Applause)

CHAIRMAN MARIE-JOSEE KRAVIS: Thank you Ben and Jessi. Ben, you used the word inspiration many times and that was really an inspiring conversation. So, thank you very much. And I notice also that Pinterest uses the word discovery more than search and that too is a very wonderful adventure. And I say, on a personal note, as someone who has always been supporting the arts and arts education, it's music to my ears to hear you talk about visual learning. So, an extra special personal thank you. I just want to remind everyone that this Wednesday we'll have Ken Frazier, who is the Chairman and CEO of Merck. And then later this month, of course, we have Robert Kaplan, Ian Read, Reid Hoffman, and many more. I hope to see you then, and please enjoy your lunch.