



Harvard Student Dilemma Spurs Multimillion-Dollar Startup

At the end of his sophomore year at Harvard, James Hirschfeld faced a dilemma as he planned a party for his 21st birthday.

Snail-mail invitations would seem pretentious, but “there was no way to create an online invitation that would communicate all the effort that had gone into the planning,” Hirschfeld said.

So in 2009, with his sister, Alexa, he started [Paperless Post](#), which allows users to send well-designed invitations via e-mail. The e-cards range from free to 25 cents each.

Since then the site has generated more than 90 million cards and institutional investors have committed more than \$12 million to the company. It recently added a paper line and partnered with [Crane & Co.](#), [Oscar de la Renta](#) and [Jonathan Adler](#).

In September, Paperless Post will move to 115 Broadway thanks to a \$250,000 grant from the [New York City Economic Development Corp.](#), which brings creative and innovative companies to Lower [Manhattan](#).

I spoke with Hirschfeld about the company's early days over tea at a Pain Quotidien.

Zuckerberg Effect

Rosboch: Were you looking to do a startup?

Hirschfeld: No, I thought I wanted to be a film director and my sister a writer. But I was looking for something to do other than school during my sophomore year at Harvard.

Being there at that time, not too long after [Mark Zuckerberg](#) had left, there was this feeling that you could start a company just like that and it would be a success.

Rosboch: How did you get things going?

Hirschfeld: My sister and I put our savings in and had to raise \$750,000 to launch. I knew that if I wanted people to be on board, they had to be able to see what was in my head.

I'm not a professional designer, so I taught myself how to use Photoshop and started prototyping invitations. We used developers, that we paid by the hour, to create the website, and we would design the products -- my sister the website and I the actual cards.

It was funny because when you make decks, or presentations, for investors you have to say what the executive team has done in the past, and all I could say was that I had worked at the [Getty Museum](#) and knew Latin.

Rosboch: You were looking for investors, but you rejected ads.

Hirschfeld: Yes, everybody was saying that we had to have a website that was free for users -- paid for with ads. And we considered it, but ultimately we wanted a product that people could use to send important messages. And having an ad

between the sender and the receiver wasn't going to ring true.

Rosboch: How did you raise \$750,000?

Hirschfeld: There was an uncle of mine, some people I'd met in college, but then we didn't know where to get the rest from until we met Charles Heilbronn, from the firm Mousse Partners Ltd.

It became our biggest investor until we did our second round and Kavitar Ram Shriram, one of the earliest investors in Google Inc. and a member of their board ever since, came into the picture.

Rosboch: How long did it take you to become profitable?

Hirschfeld: Only a few months, but it's a seasonal business -- we grow a lot in December because of the holidays.

Rosboch: What is your role in the company?

Hirschfeld: I'm the chief executive officer and creative director. In the beginning I was the only designer, which was funny because everything was red, black and white and people thought it was really chic and minimal. They didn't know it was because I'm color blind and those are the only colors I can really see.

Rosboch: As a successful entrepreneur, what would be your advice to someone starting out?

Hirschfeld: It's important to stick to your guns, because people will come to you with different opinions and will question your idea and try to tell you to blow it off. You really have to stay clear of that. If we hadn't, we wouldn't be around.