



Arsen Tomsky

inDriver

From Yakutia
to Silicon Valley

How a global competitor of Uber was
built in the depths of Siberia

"A fascinating, genuine story of a team from the depths of Siberia spreading its positive influence on the lives of millions of people around the world. A success based not on squandering investors' money, but on a fanatical commitment to the idea of developing oneself and the world. Arsen's way proves that the next phase of world-changing innovation is just as likely to come from brilliant entrepreneurs in places we overlook as from established places like Silicon Valley.

– **DAVID DRUMMOND**, Formerly Senior Vice President of Corporate Development and Chief Legal Officer for Alphabet Inc

"Arsen's story is an incredible journey of success through adversity. He represents a new breed of entrepreneur who stayed in his home town in Siberia and, from there, built a global company aimed at developing the world. The majority of humans do not live in the West, and their needs can be different to western ones. Aggregating many of these countries yields a market larger than the US or China, but with different challenges and economics. Entrepreneurs like Arsen recognized this and are building massive companies to serve them, while retaining financial discipline not seen in Silicon Valley or Beijing."

– **NOAM BARDIN**, CEO/Co-founder at Waze

"Arsen Tomsy serves as a true model for anyone living with stuttering. His personal and powerful message provides inspiration to those of us facing adversity and challenges.

– **GERALD MAGUIRE, MD.**, Board Chair of the US National Stuttering Association

"This honest, incisive story isn't just about how a major international business was founded in a remote Siberian region. This is a book about overcoming your internal obstacles and survival, about continuously developing and moving forward, passion for the work that you love and a desire to change the world. It's also a practical guide and an inspiring example for many future entrepreneurs."

– **JULIA SOLOVIEVA**, Director of Google Russia

ARSEN TOMSKY

INDRIVER:
FROM YAKUTIA TO SILICON VALLEY

HOW A GLOBAL COMPETITOR OF UBER WAS
BUILT IN THE DEPTHS OF SIBERIA

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Summary:

This book recounts the unique history of inDriver, a global ride-hailing service and competitor of Uber, Didi, Yandex.Taxi, and others. inDriver was founded in 2012 as a social media group operating in the depths of Siberia. Within a few years, the company expanded its operations to hundreds of cities across dozens of countries around the world with a valuation in the hundreds of millions of dollars. In this lively and engaging narrative of his life experience, inDriver Founder and CEO Arsen Tomsky shares concrete techniques and secrets on building a successful international company with a cohesive and motivated team.

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This book is dedicated to my mother.

FORWARD

A sea of clouds stretched out far beneath me in an endless expanse, concealing the Tanzanian savannah below. Mawenzi Peak rose through the cloud cover to a height of 16,890 feet, and I was 1,600 feet higher than that. I was on my way to Gilman's Point, at the rim of the crater on top of Kilimanjaro, the tallest mountain on the African continent. Above everything, the sun rose, gradually painting warm, gentle colors across the early morning sky. My two climbing companions stood silently beside me, awed and entranced by the intense beauty before us.

I thought about the summit, which was still two hours away. Only two hours remaining of a six-day climb. I was exhausted; we'd been climbing eight hours already through the night, and I was battling intense nausea and a splitting headache—the effects of mountain sickness. I knew that I would make it to the top, but I couldn't help thinking how terrible it would be if I didn't. I started thinking about how a moment like this would be a powerful gestalt, something that could consume a person entirely, take them over, dictating their subsequent actions and manipulating their mind. Not so different from the path of an entrepreneur, I thought, or life in general, where we mark out our own summits, and the failure to reach them leaves wounds that can damage or even destroy our very sense of self. As we strive toward our peaks, the fear of failure, of not making it all the way, saps our confidence and our strength, preventing us from enjoying our lives and work, as well as the journey itself.

At that moment, I was struck by an insight, consumed by it and held captive in its grip. The mountain sickness, fatigue, the natural beauty—it all faded into the background. It all had to do

with the goal! If you make your goal to “conquer the mountain” (sounds funny, doesn’t it? The mountain is, after all, entirely indifferent to whoever might be tramping around on it), if you decide on a single, specific objective, where the possible outcomes are only victory or defeat, 0 or 1, where it doesn’t matter if you missed your landing jumping over a chasm by just a hair or never had a chance—well, that’s a weak position, one in which you’re vulnerable to manipulation.

But if you flip the coin over and make your goal new experiences, new impressions, self-realization, and, most importantly, development, you’re in an entirely different situation. You’re not conquering a summit—you’re climbing upwards to grow stronger and better, to attain something of value in order to share it with others. Here, even if you didn’t reach the top, but did everything you could, if you acted with intelligence, energy, and talent, then, although it might not be victory, it certainly won’t be defeat. What you will have achieved can’t be taken away, and you’ll avoid that trap of fearing failure, fear of the 0. This new goal positioning will give you strength and confidence, freedom from fear, and you’ll be more likely to reach the top than if you’d been focusing on “conquering” it. What’s more, you’ll enjoy the process of the climb.

I took a picture of the panorama, and then we set off again. A few hours later, we stood on the summit, holding each other, tears of joy in our eyes. We’d become happier, stronger, and better on this trip—taking one more step along the path of development.

INTRODUCTION

I was born in Yakutsk, the coldest city in the world. It's in southeastern Siberia, deep within the Russian borders, in the interior of the continent. Millions of years ago, this land was covered by the warm waters of a tropical ocean, swimming with trilobites and plesiosaurs. Later, herds of mammoths and woolly rhinos beat trails across its vast plains. All we have left of those times today are the fossilized remains often found in the permafrost—the colossal layer of ice and soil beneath the surface of the ground, reaching, in places, a depth of 5,000 feet.

This was the land my people settled many centuries ago—the Sakha, or, as the Russians call us, Yakuts. According to research, our ancestors came from one of the Turkic steppe groups who had settled to the east of Lake Baikal by the early Middle Ages. They were later forced to migrate north, mostly to escape hostile Mongolian tribes; their choice must have been to either head north or lose life and liberty. Why else would horsemen from the southern steppes move to a country where the winter lasts eight months of the year and the temperatures drop to -80°F and below? This is the coldest inhabited place in the world. Difficult conditions to survive in, but our ancestors managed it. Perhaps it is this harsh landscape that gave rise to some of the distinguishing qualities of the Sakha people: ingenuity, perseverance, skill in commerce, and excellence in the hard sciences and visual arts.

Born into a family of Soviet scientists, I would likely have become one myself had not the seemingly indestructible Soviet empire fallen. With the world around me utterly transformed, in the end, I chose the path of technological entrepreneur. This book tells the story of the fascinating journey I began in those years—and

which continues to this day. I recount episodes from my life to share the ideas and resources that have enabled me and my team to create, against all odds, a compelling and unique story. It is a story almost without parallel in the entire history of the startup movement—a major global company founded in a small, remote city, under the most difficult conditions imaginable and without any support. Based on the values of personal, professional, and community development, and giving back to the world in which it operates, this company is now affecting the lives of people everywhere, from the villages of Siberia to the villages of the Maasai in Africa, from the volcanoes of Kamchatka in the Russian Far East, to the peaks of the Andes in South America, from the Arctic coast to the Gulf of Mexico.

I'm writing this book at the height of our adventure with inDriver, and that will make it all the more interesting to find out what happens next. This is not a neatly packaged success story, but an honest account of real life, unvarnished and uncensored. It might disturb or even shock some readers, but I'm confident that I've chosen the right approach to achieve the desired effect—after all, my main goal is to motivate people to seek personal development and find a way to contribute to others, no matter the circumstances of their lives. I intend to do this by revealing sources of strength and resources for growth far deeper than can be achieved by using the practical business techniques and methods they usually give you in books, seminars, and business school.

So, let's begin.

PART ONE

PROGRAMMER

"Everything that touches your life is an opportunity if you discover its proper use."

- William Wattles

Yakutsk in the late '80s wasn't an easy place to live. The country was falling apart, accompanied by a massive deficit and grinding poverty; people were disoriented and at a loss. The ideals of communism and socialism had been tossed onto the garbage heap, and nothing had come to take their place.

I was an ordinary kid, maybe a little nerdier than the rest, coming as I did from a family of scientists. My family worshipped at the altar of science, so our home was full of academic literature, books, and journals. By the age of 12, I had read through most of the classics of children's literature, from Alexander Dumas and Jules Verne to Charles Dickens and Francois Rabelais.

I didn't display any particular entrepreneurial inclinations or aspirations, didn't have a lemonade stand or sell stickers to my classmates and neighbors like many famous businessmen did in childhood. I was, in fact, fairly indifferent to money. Once, when I found a few rubles on the sidewalk (a not-insignificant amount at the time), I just took my entire class to the shop and treated every-

one to poppy-seed rolls and milk. Another time, the boy I shared a desk with at school showed me a wad of cash, 40 rubles, that he'd taken from his mother's nightstand. I immediately demanded, and received, half the money as the price of my silence. But at the start of the next lesson, the teacher announced a fundraiser for the children of Nicaragua, a frequent occurrence in those years. Without thinking, I donated the 20 rubles I'd just extorted, which led to a quick investigation on the part of the teacher and the return of the entire sum to my classmate's mother.

It was around that time that my father left. I remember him squatting down, taking me by the shoulders, and telling me this was for the best—that it would be hard, but it would toughen me up. And then he was gone, and that was the last I saw of him for 15 years. But this wasn't a traumatic episode for me; in fact, it was one of the best things to happen in my childhood. He treated me quite harshly, sometimes even cruelly, especially when he and my mother weren't getting along. Perhaps the most important thing my father, a famous mathematician and professor, gave to me was his genes, particularly in terms of scientific ability and logical and algorithmic thinking.

For my birthday, during the year we lived in Leningrad (now St. Petersburg), my parents gave me a programmable ATV. It was a buzzing, self-propelled toy vehicle; you could enter in simple commands like “one meter forward, make a ninety-degree right turn, go a half-meter backward, shoot twice.” It was probably this moment of discovery, the first time I felt like the architect of an intelligent force, that gave rise to my interest in programming. I gradually began to read everything I could find on computers (without ever having seen one and having no way to get access to one) and programming. This was mostly in journals like *Science and Life* that our family had subscribed to for many years. It's amazing how little it can take to spark a child's interest and turn him or her toward a future path in life.

My mother was one of the most highly educated women of her generation. Her brilliant mind, erudition, sense of humor, and kindness were matched by her beauty and charm. I loved my mother very much, and still do. Several years after my father left, she fell seriously ill and was in and out of the hospital for some years after that. The only person we had to help us was my elderly grandmother, a person of great wisdom and kindness. Most of our other relatives left us to our own devices; they had enough problems of their own. It was then, at age 12, that my childhood ended and the struggle for survival began.

When I was in fifth grade, our school in the city center was merged with a different school from the working-class city limits. The school culture changed and grew violent, aided by the chaos engulfing the country as the state weakened. Studying was looked down on, and the delinquents were in charge; many of them later ended up in prison or dead. The teenagers split off into gangs and feuded with one another. The teachers did little to help, and I had a tougher time at school with each passing year. My speech problems made it worse: I've had a pretty bad stutter since childhood. It was so bad I even had trouble making a simple purchase in a store. But I tried to adapt and fit in—I went around with other guys ransacking houses when the owners were away, stealing little things, or taking money off strangers who came into our area, sometimes with a beating. One thing we didn't get into, though, was alcohol, let alone drugs, probably because of the massive deficits throughout the country.

A couple of years of being almost an orphan in that aggressive environment made me a hard, completely independent, and capable person, prepared to withstand anything life could throw at me. I've wondered since then which is better in the end—a happy childhood, with everyone loving and indulging you, leaving you (it seems to me) a happier person for the rest of your life, or a childhood full of trials that builds a strong character with a solid inner

foundation, one that readies you for constant struggle. Interestingly, a life full of challenges often produces, along with strength and resilience, a certain inferiority complex that can serve for the rest of your life as a powerful drive to prove to the rest of the world that you deserve recognition.

Care and love from childhood or trials and toughening up? I had the latter, but I have to note as well that I came right up to the precipice of destroying my chances in life.

I'll give you an example.

It was a July night, just after midsummer, when the white nights at the 62th parallel began to grow darker, and four small figures crept silently in the dim light through a courtyard in the center of Yakutsk. The teenagers reached one of the parked cars and began to push it away from the curb. There was no other sound except the wheels rubbing against the pavement, and it felt like the whole world could hear the wild beating of our hearts. We were only 13, and we'd decided that we couldn't call ourselves really bad boys if we'd never boosted even a single car. The car was parked right downtown, and it belonged to one of our uncles. This model was known for its small size and incongruously loud engine. The muffler had also been removed from this particular car, which made its operation truly record-breaking in volume. So, to avoid waking anyone up, we quietly rolled the car 1,000 feet away from the courtyard before we jump-started it.

We drove around the sleeping city victoriously revving the one-liter engine. Riding high on the adrenaline rush from our successful crime, we, like any bunch of criminals, naturally decided to acquire some weapons. One of us remembered that his friend had an air rifle, the kind that shoots tin pellets at metal rabbits in shooting ranges. On our way to the friend's house, we passed a police SUV out on patrol. Seeing a car full of teenagers, they did a quick U-turn and signaled us to pull over. Our driver responded by jamming the gas pedal to the floor, starting off a wild chase through

the entire city. On the outskirts, we skidded into a ditch on a hard turn, and our escape attempt was cut short by a huge barbed-wire fence 500 feet ahead, the perimeter of some guarded facility. The police caught up to us and gave us a brutal beating right there, handcuffed us, and took us to the station. Only the smallest member of our group escaped this fate—he managed to hide in the tire from a large truck lying nearby, and they didn't notice him.

At the police station, they took our pictures, and were getting ready to start case files on all of us. But the owner of the car showed up shortly after dawn. Fortunately for us, he said that he wasn't going to file a report, and he talked them into letting us go. We were lucky that one of us was his nephew. Otherwise, best-case scenario, we would have had court records, and worst case, we could have ended up in juvenile detention. I doubt I'd be writing this book today if things had gone that way.

My stutter first appeared when I was about four. I got it from my father; I'm not sure how that works, but apparently children can start subconsciously imitating the behavior of the strongest personality in their life. They said my speech could also have been affected by the strong fright I got when a sheepdog jumped down on me from the top of our shed and bit me. In any event, I don't have a genetic, physiological, or untreatable defect, but an acquired stutter. It was barely noticeable at times, but sometimes it got so bad I didn't even want to leave the house.

People who can speak without difficulty have trouble understanding just how humiliating and painful it can be for a child or teenager to stand in front of another person, or worse, a group of people, straining and pale, trying to produce a few simple words.

The stuttering worsened my social isolation from my peers and damaged my self-esteem. It's a terrible thing for any child, and if you encounter these children or adults, please treat them with

tact and kindness. Teach your own children to be kind to anyone dealing with any type of physical disability. It's not anyone's fault. It's just the way things are, the cards dealt by nature, and nothing to be ashamed of. Stuttering is difficult to treat, and I've put a great deal of effort into improving my communication skills over the years—more on that later. I've yet to completely rid myself of it, but I rarely think about it these days, and I consider it just another interesting feature making up my personality. Truly, in life as in athletics, if you go the distance wearing weights around your ankles and win anyway, your success is that much more significant than if you ran weightless. Stuttering did, in fact, prevent me from engaging in unnecessary chatter and communication, kept me at a distance from politics, and forced me to focus on work. Viewed through that lens, this defect was a valuable gift.

My father got rid of his stutter when he was about 40. When I asked him later how he did it, he replied simply: "I decided I had nothing to be ashamed of." There's a profound wisdom to that, and I think it could be quite useful to other people dealing with speech defects if I were to expand on it and add my own experience. I'd like to put that together in one format or another; maybe in a different book.

Starting from age 12, I spent my summers working in a village. My first summer, they had us weeding cabbages in the fields of the local sovkhos, the state-run farm, or hunting the gophers eating the crops. But mostly I worked on construction teams of students from the nearby schools and university to build wooden fences along the edge of the forest to keep cows and horses from wandering off into the taiga, where they could die from starvation after getting lost—or from an encounter with a hungry bear. We put up about 10–20 miles of fence that summer, and it was difficult work for a city kid, but it was also the first time I experienced what real, hard work was

like, and what it felt like to earn money doing it. I learned how to use an axe, a saw, and other tools. What a time—the romance of working together with other young guys and girls; the incredible sunsets; the way a simple dish of pasta with meat sauce tastes when you eat it on the stump of a tree you just cut down, in the shade of the northern forest; swimming and volleyball after a day of hard work; or trips to the dance club in the next town over, and all the adventures that went with it. I think that experience of physical work is an important one, but I don't know how kids growing up in the city today can get it.

At the start of the school year in ninth grade, I was surprised to find two of my friends missing. They always had the top grades in their class, which earned them more humiliations and beatings than the rest of us. I called them, and heard the amazing news that they moved to the physics and mathematics high school run by the local state university. But I was even more stunned to learn they had actual computers in their school, and students were allowed to work and play on them! It was practically the only place in Yakutsk where people my age had access to computers. After that, with the support of my mother, I did everything I could to transfer to that school, where they had what I'd been dreaming of for so long: computers.

The admissions period was already over for the year, and I had ended eighth grade with Cs in many of my subjects, but I was accepted into the new school nonetheless. My good grades in math and geometry had something to do with it, as well as the teachers' belief that I must have inherited some of my father's abilities. By that point, he was recognized as the top mathematician in Yakutia, the first Sakha to earn an advanced doctorate in the field.

I proved them right almost immediately, although perhaps not in the manner they expected. A few weeks after I enrolled there,

the school was holding a math Olympiad. I'd never heard of these competitions, and thought it was just another boring test. I solved four out of the five problems, but couldn't figure out the fifth. I saw that my neighbor had solved it, and, since everyone in this school looked like helpless nerds in comparison to my former classmates, I demanded that he let me copy off him, under threat of physical violence after school. I got the best score in the class, and the second-best in the entire school.

The next day, our math teacher, who happened to also be the vice-principal, called me, the newly discovered child prodigy, to the blackboard to explain how I had solved all the problems. When I got to the problem I had copied, I fell silent. The vice-principal and the entire class gazed at me expectantly. There was nothing for it but to confess that I'd copied the answer from my classmate. I hunched forward, waiting for the axe to fall. In my old school, the teacher would have yelled at me, given me a D, called my parents in, and so on, but this teacher just burst out laughing, and then announced she was putting me on the team for the republic-wide Olympiad. A month later, we came in first in both individual and team scores and won the Yakutia championship.

After that, it was clear that this was an entirely different kind of place—and it was my place! I delighted in my studies in this fantastic school, surrounded by smart, motivated students, and I made some great friends there. I also discovered another fact that was of no small importance to me at the time. One day, just after the Olympiad, I was in the hallway between classes, just leaning against the wall, hanging out. The prettiest girl in our year walked past me, a vision of perfection, and then she turned her head and shot me a look filled with intrigue and intoxicating promise. She was flirting with me! In my old school, all the attention of the fair sex was directed at the worst delinquents. But now, to my surprise, it turned out that girls were attracted to me (the same thing happened later in university, after I won a programming competition).

This was a momentous and gratifying discovery for a 15-year-old, as you can imagine.

After graduation, almost all of us got into universities—even the most prestigious and highly competitive ones—without any trouble. In school, as in any group, it’s important that the right values are being taught by teachers who care (the same in companies, but by leaders), who support the development of their students and cheer for their successes, instead of looking for who to blame and ways to punish them for unavoidable mistakes.

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Computers! The first time I saw them in my new school, touched them, heard the magical whirring sound of disk drives, tapped on keyboards, smelled electrical static and plastic, it was a shock to my system. (It’s still one of the best moments of my life, along with the first time I saw the internet, or when, many years later, I had children.) These were the latest DVK-3 black-and-white computers, with RT-11 operating systems, developed in 1970 by DEC, long before MS-DOS. They had 5-inch floppy disk drives (the disks didn’t last long in them), and they supported BASIC and other high-level programming languages. This was a big step forward in comparison with the previous generation of computers, which used the inconvenient punch-card and binary programming languages.

We could also play on the computers. For us, children of the USSR who had never seen computers, smartphones, or tablets, the coolest game was a simple black-and-white game for digital clocks, where a wolf caught falling eggs. These DVK-3 games impressed us way more than the most high-tech modern VR/AR Full HD game you could dream up. We spent hours playing Stalker, Tetris, and other text-based games. The administrator of the computer class, who was responsible for giving or withholding access, was a god to us.

I immediately learned BASIC and started writing programs—and understood at once that this was it for me, the one thing I wanted to do more than anything else. Programming isn't the simplest undertaking, as a rule, but it came easily to me, probably due to the naturally algorithmic way my mind worked. It's really an amazing thing—you turn your idea into code, and the computer obediently carries out your idea, whether it's a simple text-based game or a complicated mathematical calculation that can't be solved any other way. Programming, like design, engineering, and many other IT professions, is incredibly creative work, and it produces clearly visible results that can be utilized by thousands or millions all over the world. Sometimes it seems almost miraculous. I think the whole IT sphere and the internet is one of the greatest wonders in the entire history of humanity.

After graduation, I went on to the Riga Aviation Institute, in the Programming Department. The institute was situated in Riga, the capital of Latvia, on the Baltic Sea. In the latter years of the USSR (which Latvia was then a part of), the institute was the dream school for programmers, and famous for the quality of its teaching. Admissions were intensely competitive, but I was accepted after my first mathematics exam—my preparation in a specialized high school paying off.

After sunny, dusty Yakutsk, walking the tidy, old streets of Riga under a cloudy sky felt like going abroad. The first time I went shopping there, I saw well-lit shelves filled with numerous varieties of cheese and sour cream, among many other grocery items. Residents of Yakutsk had entirely forgotten what cheese looked like by that point. For the first time in my life, at age 17, I saw yogurt. The only thing you could buy without any trouble in Yakutsk then was canned sardines in tomato sauce. For everything else, you

had to stand in line. The line for sour cream and sausage started forming at 5 a.m., despite temperatures of -40 to -50 °C (that's -50 °F). Fights would break out. People got into MMA-level brawls to defend their spots in line. Say what you like, but socialism or communism, however appealing in theory, don't suit the reality of people's egocentric natures. They proved to be less effective than other systems not founded on ideals, but based on competition and a consumer society. The USSR's 70-year a/b test, if we can call it that, demonstrated that clearly enough.

In addition to Soviet citizens, many foreign students were enrolled in the institute. The students from hot countries in Africa or Asia were quite a sight as they made their way through a snowstorm along the icy streets of Riga in heavy peacoats, bundled up to their eyes in scarves and fur-lined hats with earflaps tied tight. When I left, I traded my peacoat for a guitar from a Pakistani student. I've still got my flight jacket and cap though, and I use them to measure what kind of shape I'm in; I think I should still be able to fit into them.

In the winter of 1991, Latvia, along with the rest of the Baltics, was buzzing, preparing to withdraw from the USSR, peacefully or not. There were barricades up in the old town next to the Riga Cathedral, and people gathering around bonfires on the cobblestone streets, casting long shadows on the walls of the buildings while military helicopters with machine guns flew over the city. Meanwhile, the local attitude toward us, students from the "occupying country," deteriorated even further. There's no trace of that nationalism now in Latvia or Estonia, interestingly enough. People are friendly, or, at the very least, neutral—we're not occupiers now, but tourists.

A year later, when I was a sophomore, Latvia announced its independence, and it stopped paying our stipends. I remember having only dry bouillon cubes to eat all day and setting a trap outside our dorm room windows to catch a pigeon we could fry up. Our

attempts were unsuccessful: the pigeons in the former USSR in the '90s knew quite well what a tasty morsel they were, and they took the necessary precautions to avoid capture.

I had to survive somehow, and so I tried my hand at commerce for the first time: I bought a carton of cigarettes and went out onto the main street of Riga that evening to sell them. But I was soon approached by a group of black marketeers who told me this was their territory, and I had to clear out. When I categorically refused to do so, the police showed up and brought me to the nearest station. They confiscated all my cigarettes and said that, next time, they'd write the institute, which would mean my immediate expulsion. And so ended my first entrepreneurial efforts.

In Russia, Yeltsin's team began their policy of price liberalization, and inflation quickly climbed into the triple digits. My family—my sick mother and my elderly grandmother—were left without anything to live on. My situation wasn't much better and I then decided to return home to Yakutsk.

Anyone complaining now about the low standard of living on social media from their smartphones while drinking smoothies in trendy cafes and coworking spaces has not lived in the early '90s in Russia. I distinctly remember sitting in the hallway just after I returned, my head in my hands in despair, wondering how I was going to get money for groceries, how I would be able to feed my family, and coming up with nothing. I remember how happy we were to get the American humanitarian aid my grandmother was issued once: pink canned ham, biscuits, and some other dried rations.

When I finally found work as a programmer in a bank, we joked in the smoking room that the president was so rich he bought a Snickers bar every day. It's hard to imagine a candy bar being a luxury for even the poorest person today, isn't it?

At any rate, after my return, I was able to transfer into the math department of Yakutsk University as a full-time student, got a full-time job at a bank as a programmer, and another part-time job as a programmer in the university's computer center. I had to do a lot of juggling, but after a month of that, I had resolved our main financial difficulties, and everything gradually went back to normal.

I didn't find my academic life in this department as engaging as in Riga; the focus here was on higher mathematics, something like functional analysis and differential equations, and very little programming. Moreover, I was already more qualified than my programming instructors, which, in combination with the arrogance of youth, led to a somewhat strained relationship. But mathematics has proven useful to me in work and life, and I don't regret the time I spent on it. It's a beautiful discipline, mathematics; the true queen of the sciences, as it is sometimes called. Furthermore, I believe my time in the math department helped me focus on the numbers later, when I was developing my business, and gave me the skills to easily process data, and to see key trends and correlations.

Here are a couple of stories from my university days. In my junior or senior year, I was preparing my final coursework. The point of the task was to calculate the cheapest possible diet for an average soldier, given the knowledge of the daily requirements for approximately 20 nutrients, their percentages in hundreds of food products, and the cost of those products. Using optimization theory, I developed algorithms and wrote a program. It turned out that you could feed the soldier black bread, beans, and carrots. I got an A. Several years later, I ran into a teacher who told me that they showed my program to current students as a model example. The funny thing is, I found an error in the code a couple weeks after I turned in my paper; the soldier really needed a much more varied

and humane diet. Well, at least the source code with the bug never made it to the army.

I wrote my graduation paper on graph theory and flow networks. In those years, the mid-'90s, the problems with nonpayment began. There wasn't enough money in the country, and businesses couldn't pay each other for goods and services provided, which led to nonpayment further down the chain, and, in the end, the economy seemed to be seized in the grip of some paralysis, which didn't turn out well. People didn't get paychecks for six months at a time, or they received some sort of coupons in their place; families were literally starving, especially in the central part of the country.

I decided to model the outstanding payments in terms of higher mathematics, where I represented the chains of debts as a directed graph. My idea was that you could identify closed loops in these graphs, cancel out overlapping payments, and completely remove the chain with the lowest amount while reducing the amount of the outstanding debt in the other links by the amount of the removed link.

I formulated my theorem, proved it, and, on the basis of that theorem, wrote an algorithm and an applied computer program using the FoxPro programming language. I received an A for my defense of my graduation paper, but, even better than that, a debt center in Yakutsk bought the program from me (these debt centers had been created to reduce the problems associated with nonpayment) and used it for several years after that to settle debts. The director of that center, with my permission, even defended his dissertation based on my work.

The magic of IT, once again, improving life!

While I was working at the bank, I created a system using the Quattro Pro script language, in the spreadsheet program popular

in those years, which analyzed the distribution of the bank's finances, created nice-looking graphics, and gave recommendations on optimization. The advice was fairly simple; for example, deposits should be made for 91 days instead of 90. This would reduce the Central Bank reserve requirements, which would free up a significant amount of funds for the bank to use. But this was in the early '90s, when the chaos of newly formed capitalism reigned everywhere, including bank finances, and bankers were in need of even the simplest organizing system. When I realized the potential demand for my system, I left the bank after about a year and a half—everything was set up there and in good working order. Then I began to offer my services as a private consultant to other banks in Yakutsk. Happily for me, there were nearly 30 for a small city with a population of 300,000.

This was how it went. The bored secretary manning the desk in front of the president's office sees a young man approach: He's got the look of an intellectual—glasses, wearing a bright green jacket, the latest fashion in the business world. He's casually carrying a mobile phone the size of a brick, practically unheard of at the time, and the coolest Toshiba laptop. Stammering slightly, he says, "I'm here to see the president regarding the optimization of bank finances using cutting-edge mathematical and computer algorithms." The secretary, accustomed to the uneducated, rough manners of the local shopkeepers, dreaming of a loan to pay for the next delivery of imported jeans from Turkey or China, would usually get excited and pass on my message right then. The bank president, intrigued, would let this bold young man in and listen to a stream of words consisting of familiar financial terms and unfamiliar computer ones. I'd turn my laptop on (which some of them had never seen before), show them a series of figures, multicolored graphics, and reports. The conversation would end with promises of freeing up additional resources for loans to clients, healthier finances on the whole, and payment only after a positive result. Half of them

tossed the young man out on his ear while the other half decided that, since they had a computer genius in front of them, they might as well give it a try.

I quickly accumulated a portfolio of orders and achieved good results for some of them. They paid me generously in cash. That was the end of my financial difficulties, and I may well have been the wealthiest student in Yakutsk. I graduated from the math department a few years later—the only one in my year to pay for his own education, by the way. The other students presented employment agreements with other institutions, which exempted them from payment.

I didn't just program for businesses; I worked on everything that interested me. I could work on code literally around the clock, eating whatever was on hand (cup ramen, the programmer's ideal meal, had yet to be invented). Programming was something I simply loved to do. Tens or hundreds of thousands of lines of code—it didn't matter. Once I wrote a program that predicted the results of soccer matches and even entire tournaments—with decent accuracy, as a matter of fact. Another program used databases on Yakutsk residents to produce various reports and graphics on topics like “most popular last names in the city,” which was pointless but entertaining. More useful projects included the GAMETEST utility, which, like the AIDSTEST antivirus software well-known at the time (the Soviet Union's first antivirus program), scanned computers to find and delete computer games. The idea was that educational institutions and commercial organizations would have a natural interest in this program. Alas, my only buyer was a university friend who wanted to show his support. Ironically, many years later, I created and ran the eSports Federation of Yakutia, which popularized computer games.

As I neared the end of my university career, I pondered what I wanted to do next. On the one hand, for a skilled programmer like myself, the world was my oyster. My father, now living in France, had cropped back up and he wanted me to move to Paris. He promised to help me find work as a programmer for a salary that was absolutely astronomical in comparison with my options in Yakutsk. I believe I could have moved to a different country or a bigger city. When you're an IT expert, you have endless opportunities: there is always a shortage of skilled professionals, and many countries compete for them. But, on the other hand, I was well aware that, there, I would be just another cog in a big machine, an immigrant, an outsider. Not to mention that, with my somewhat impaired communication skills, my stutter, I'd have a difficult time of it, at least initially.

I had also begun seeking to understand myself on a higher level—who I was and what my purpose and mission in life would be. This helped me come to a decision. I remember sitting in my dark room as dusk fell, watching the flashing red lights of a plane out my window as it made a slow turn against the twilight sky, and a rush of nervous energy came over me, flooding every cell in my body and quickening my pulse. In the end, this is what I decided: I would be the one to develop my homeland, Yakutia, and I would do it through the development of IT. If all the skilled people moved away, who would be left to make it happen? It was a simple realization: “If not us, who?” And it was one of the most important decisions of my life.

As Sakha people, we have our own particular ideas about the mystical. Although the predominant religion in our country is Russian Orthodoxy, we still retain strong pre-Christian beliefs from paganism, shamanism, and Tengrianism. We believe, for example, in Bayanay, the spirit of hunting and fishing. You have to feed him,

sharing your food and drink, so that he will ensure your success. We believe that every place, be it forest, lake, or river, is inhabited by local spirits and they also must be fed each time you settle down to rest there, spend the night, or gather berries. We honor fire in the same way. We believe in our psychics, who we sometimes still call shamans, separating them into “white” ones, who work with heaven, and “black” ones, who work with the underworld. According to legends, the shamans of Yakutia were very powerful and performed true miracles.

As a rational and educated person from a science and technology background, I don’t usually put much stock in these kinds of things, but I have also experienced inexplicable phenomena that I’ll remember for the rest of my life. Maybe if you’re a Sakha, metaphysical experiences are unavoidable? I’ll tell you about one of them.

It was a warm, sunny day, and I was about six. I was in a place in Yakutsk we call the Green Meadow—a wide, grassy meadow near the Lena River, dotted with low trees and bushes, that floods every spring. It’s situated directly opposite the center of Yakutsk, where my family lived. I don’t remember how I ended up in that deserted place with no one around at that young age, but I do remember what happened next. I was standing under a tree—I think it was a willow—and suddenly I heard a choir of voices, men and women, singing in an unusual way. (Many years later, I learned the name for that vocal technique—it’s called throat singing, and it is an ancient vocal art found in many cultures around the world.) Looking up, I saw something small falling from the tree down toward me. As soon as it touched my head and shoulders, it burst into fine dust, dispersing into the air around me. The singing intensified at that moment. I was terrified by this strange occurrence and ran home. I don’t remember whether I told my parents about it, but, even if I had, they likely wouldn’t have been able to make sense of my confused tale.

I've had a few experiences like this, and after directly encountering these things, I'm convinced that our world is more than just a collection of physical microparticles. I believe there are things science can't explain, and that there are invisible ties connecting us all.

PART TWO

FREELANCER

“Don’t swim with the current, or against it; swim where you need to go.”

- Eastern proverb

By the time I graduated from university, I’d already covered all the private banks in Yakutsk, and the market for my services was exhausted. I worked for a year as a programmer in a small company that took all kinds of orders involving setting up local networks and software for corporate clients. One of these was an automated accounting system meant for government institutions.

Through my work on this system, I learned how state financial systems operated and decided to do business in that sphere. A year after finishing university, at the age of 22, I created my first official company, which I called Stealth Consulting Company. A word meaning invisibility or evasion may not, in retrospect, have been the best choice of name for a software developer, but, at the time, I thought it had a nice ring to it, and it fit well. The entire staff of the new company consisted of me alone: I was the director, salesperson, and programmer rolled into one, and so the name suited me in that way. It was a year before Stealth acquired its second employee.

Using Clarion database engine and programming language, I created a system I called ASOBI: Automated System for Oversight of Budget Implementation. When Yakutia's Ministry of Finance sent money to its regional branches for specific purposes, each branch would then enter information on how the funds were actually used into ASOBI and send a report via modem to the ministry, to monitor the use of taxpayer funds. So my system would show, for example, whether a budget allocation for school repairs was actually spent on the purchase of an SUV for the head of some village administrative council. Misuse of government funds was, and continues to be, a serious problem in Russia.

The leadership of the Ministry of Finance approved my idea, the city administration followed suit, and my company signed agreements with them to develop and implement the system. Already thoroughly familiar with the subject area, I created a complex and fully operational oversight system in a couple of months. In test runs, we got information on budgetary expenditures the day after funds were allocated—from the northernmost point of Yakutia, the town of Tiksi, which sits 660 miles away from Yakutsk on the shore of the Arctic Ocean. Keep in mind this was before the Internet. The information was transmitted using Zyxel modems over phone lines at a speed of 2,400 bits per second, which was quite sufficient for the communication of text on financial operations.

This is when the paradoxical nature of life in Russia manifested itself, as it often does. The system was so effective, did so much to increase the transparency of government spending, that it was immediately the target of sabotage, from both the districts that were to be monitored, and from the Ministry of Finance that was to do the monitoring. No one wanted these additional problems and headaches. It was an excellent life lesson; in Russia, and elsewhere, for that matter, things are frequently not organized as they should be, or how people tell you they are.

To keep the system (and the company) alive, and prevent all my effort from going to waste, I quickly engineered what's called a pivot in the startup world. I repurposed ASOBI from a monitoring system to a program that would help state financial institutions keep records of taxes received, as well as their expenditure.

In this new format, the system drew support from financial backers, and I spent a couple of years traveling all throughout Yakutia getting it set up. The republic is the largest administrative unit in Russia—and the world. At 1.2 million square miles, it's nearly the size of India. But India has a population of over 1 billion, and Yakutia, with its harsh climate and remote location, is home to fewer than 1 million. The territory might even have more lakes than people, by some estimates.

ASOBI's widespread implementation provided me the opportunity to see just how vast Yakutia was, how varied and beautiful its natural landscapes were, and how hospitable, kind, and compassionate the residents of the north were—always willing to help one another.

I saw enormous quarries where they mined diamonds. I saw trucks working at coal pits that were so gigantic that one wheel alone was the size of a luxury sedan. I watched great swaths of the taiga burn, and the specialized firefighting squads working to combat the blaze. I installed ASOBI in villages in western Yakutia where criminal gangs ran the town, and I was strictly forbidden from going out on my own—I was driven everywhere in an official car, and I saw the limitless tundra north of the Arctic circle and the northern lights, the enormous Vilyuy Dam and the reservoir it created, the “Vilyuy Sea.”

There were a number of entertaining moments on these trips, one of them in a tiny village called Syuldyukar. It's a remote place, in Yakutia's diamond province, inhabited mainly by reindeer herders. Temperatures regularly hit $-60\text{ }^{\circ}\text{C}$ ($-76\text{ }^{\circ}\text{F}$) in the winter there. When I arrived, I asked the local specialists to bring me a computer

so I could install the program. After a long search, they returned with a keyboard. I explained that this was not actually the computer, at which they left again to return later—with the monitor. They did eventually bring me an ancient Zema system unit, but that was okay because ASOBI had been written with due consideration to the conditions in different parts of Yakutia and could operate on any PC, starting from the 286, with the MS-DOS operating system. After installing the program and getting it running, we decided to conduct a trial run and connect it to the city using the modem I'd brought with me. When I asked for access to a telephone line, they brought me a portable radio transceiver the size of a stool and told me that they got a signal a couple times a day, when the satellite was visible over the horizon. It was a rudimentary simplex transceiver and, obviously, could not be used to transmit our data. I think this story serves as a good illustration of the living conditions in many places in Yakutia, and of how new technologies gradually find their way through, even to the most remote locations.

I first encountered the internet several years prior to that, in 1994. Just like my first introduction to computers, it knocked me off my feet. True, the speed of the channel only let us communicate via text, without even images, let alone sound or video, but I still couldn't believe that I was exchanging messages in real time with someone on the other side of the world. It was completely incredible! The opportunities and possibilities it created boggled the imagination. It was clear that the internet would gradually become a place to obtain the latest news, communicate, buy and sell goods, educate oneself, and much more.

It was another year before we had permanent internet access at work, and another year after that before I bought a dial-up modem for home. We were among the first in Yakutia to see the internet

and start using it. The other 99.9% of the republic's residents had no idea what the word meant, or what it did.

The internet soon became my favorite hobby, and I spent a lot of time online every day. It was the exciting first-generation internet, when sites like AltaVista and Yahoo were popular, along with the now-forgotten IRC chat, and the FTP protocol that you could use to save and transfer files. It's hard to imagine now, but Google, YouTube, and the first social networks were still years away at the time, and mobile applications wouldn't emerge for decades.

But I still wasn't using the internet for my main job.

At one point, I tried starting an offline business, and I ended up absolutely hating it. After signing a lucrative contract with the local Ministry of Finance, I decided to use part of that money to create a mini-chain in Yakutsk of three kiosks that would sell a variety of low-cost goods, like snacks and beer. The small-trade business was flourishing at the time; there were kiosks and booths of different sizes all over the city. I thought it would be a way to diversify my business interests and create a constant source of income. What I got, instead, was a constant source of problems.

I found some used iron kiosks at a dump on the outskirts of the city and repaired and painted them. To help get things organized quickly and optimize the taxes, all the permits were issued in the name of a society for the disabled—I'd reached an agreement with the director to donate a percentage of my profits to the group. After securing a whole stack of authorizations (from more than 20 different agencies!), we finally had all the necessary documentation and found some nice, well-trafficked spots to set up our kiosks, two at markets and one in a residential district. I bought the goods wholesale and marked them up 25–50%, hired salespeople, and began my retail career. Sales were more or less fine, due to our choice

of locations. The kiosks paid for themselves and even generated a small profit. What was the issue, then? The issue was that there was some kind of problem almost every day that I had to resolve urgently.

Either workers failed, without warning, to show up to their shift, or the truck we used to transport the stock broke down, or the local quasi-criminal element in tracksuits showed up and demanded a protection fee (this was the '90s, a more lawless time in Russia). Thus began what I called “the great battle for an old used shoe”—the amount of work my microbusiness required began to distract me from my main IT business. Which, by the way, is one of the main problems that entrepreneurs face: they spend their most plentiful and valuable resource—time—chasing after micro-targets in a limited niche or regional market.

After six painful months—in which there was more than one power failure in the winter, when all our stock froze—I was seriously considering giving it up. Fortunately, right in time, I suppose you could say, the head of the charitable society came to me with an ultimatum: she thought the business was doing well, and she'd decided it was time for me to go. Officially, the kiosks were the property of the society, and I was just a renter. So she told me to clear out; they would be taking over the business themselves. Greatly relieved, I sold off all my inventory, took my equipment, and handed the empty kiosks over. They weren't able to make a go of it, however, and the kiosks were once again left to rust in the dump a couple months later.

I drew two basic conclusions from this episode. One, IT is the best business in the world, and if you're an IT professional, you should appreciate that for what it's worth and not try to go into offline ventures. Two, business partners, especially ones you don't know well, aren't always the most reliable option.

Russia is a highly corrupt country. There are places with more corruption, yes, but it's a serious problem here, affecting entrepreneurs as well. Fortunately, I had a strategy (that I will discuss a bit later on) that made it possible for me to establish a business without getting involved in shady schemes and kickbacks. But I, along with millions of other Russians, couldn't avoid the everyday corruption of the 1990s–2000s. One such instance taught me a valuable lesson.

I bought my first car in 1996. It was a fabulously beautiful (to me, anyway) Nissan Sunny: metallic, lightly tinted sea green, and its steering wheel on the right side of the car, Japanese-style. It had a turbocharged engine that could go from 0 to 60 miles in nine seconds. It was only three years old, which was practically new for those days. I paid \$9,000, a significant sum for me, and for many in those days, and, like any 22 year old with a beauty like that in the garage, I couldn't wait to take it for a spin. The only problem was I didn't have my driver's license yet. I'd signed up for driving lessons at the same time as I bought the car and wouldn't be able to get my license for another few months. I was already driving quite well, actually.

Eventually, word spread among the police that there was a rich, young geek tooling around the city in a flashy car without a license, and he was good for a bribe in exchange for not impounding his car. I was getting stopped by every single traffic cop on the side of the road; they'd stand there with their striped batons and signal me to pull over. I got so sick of it, that, one time, I just kept right on going. I simply pretended that I was looking in the other direction. When I passed him, I looked in the rearview mirror and saw him run to his patrol car, switch on his lights and siren, and come after me. I made a split-second decision, turned down the nearest cross street, and pressed the pedal to the floor. I blasted through two or three stoplights, including red lights (after checking to make sure there were no pedestrians). At the end of the street, where it

hit the embankment, I made a hard left, brakes squealing. In my peripheral vision, I saw a black Mercedes—not the norm for Yakutsk—flash past. If I'd made the turn just a couple seconds later, it would have hit me square on, at speed. This was all very, very dangerous and reckless, and neither my youth nor the adrenaline flowing through my veins was sufficient justification for the risk I put myself and other people in.

I had a passenger with me, a classmate clutching a VHS VCR to his chest; we'd borrowed it to watch Hollywood movies at my house. He'd slid down onto the floor in terror, and incomprehensible sounds were issuing forth from his mouth. I made another left, and was home. I pulled into the metal garage I rented near my apartment. The policeman hadn't seen me make the second left and continued along the embankment. We were already walking from the garage to my apartment, VCR in hand, by the time they pulled slowly into the courtyard, looking for the Nissan. I almost had a heart attack, but I'd made it through the first part of my little adventure, through pure luck.

The next day, alone this time, I set off in my car as usual. I didn't have far to go, but I exercised extreme caution, getting out at most traffic lights and jogging forward a bit to make sure there were no police around. But, just as I was almost home, I checked my side mirror and was horrified to see the patrol car from yesterday following directly behind me as I made the turn into my courtyard. I came to a stop, and the police car parked right against my bumper, blocking me in. The officer got out and walked over, and I rolled down my window.

"Well, hello," he said. He skipped the usual start of the conversation where officers state their name and rank. "Come on out, speed racer."

"Hello," I replied, and couldn't think of anything better to say than, "I want to see my lawyer."

But the officer didn't appreciate my sense of humor. "Oh, your

lawyer, huh? I'll get right on that."

Then, without further ado, the police pulled me out of the car, put me face down on the hood, and handcuffed my hands behind my back. The Nissan went to the impound lot, and I went to a police station far out on the edge of the city, by a construction zone.

They wrote up an arrest report at the station for disobeying a police officer, and stuck me in a holding cell for 24 hours as punishment. There I found myself in a large, dimly lit, shabby room with iron bars on the windows and doors, along with 20 of the less savory members of our society. It smelled of urine and mildew. After a brief adjustment period, I was resigning myself to spending the night there, when the officer on duty came in and ordered us all to get in line. We were told to remove and hand over any belts, shoelaces, and suspenders and prepare our personal belongings for inspection. I assumed this was so we wouldn't have anything to hang ourselves with or attack our neighbors at night. I obediently took everything off and stood in line with the rest, waiting my turn. When he got to me, the policeman noticed that I stood out a bit from the assembled company. He asked where I worked, then opened my bag and saw my laptop and cordless phone (very top of the line then!). "Ok, got it. Put your things back on and come with me." He took me to a back room and asked if I would be interested in making a voluntary donation to a fund run by the officers of this station. I didn't have much cash on me, but it all went to the police, after which they let me go.

I'll never forget the intoxicating feeling of freedom, the sweetness of the air and the beauty of the world around me, which took my breath away as I stood on the front steps of the police station. I tossed my laptop bag high up in the air, caught it, and yelled, "Hurraaaaaay!" at the top of my lungs. I made a promise then to myself that I would do everything in my power to never end up in a place like that again.

I had my first real taxi experience around that time, a rather extreme and fateful one. As an avid fan of the internet, I rang in the new year, 1997, sitting home alone in front of the computer with a bottle of champagne, clinking my glass against the glass screen of the monitor every time it struck midnight in the time zone of one of my virtual friends on the IRC chat. We started with Kamchatka in the Russian Far East, and then moved on to Yakutsk, Siberia, Moscow, and Europe. The guys in Alaska were last, and told me later that they were three sheets to the wind by the time midnight hit the western United States, after celebrating the New Year with the rest of the world for nearly 24 hours, but I wasn't going to hang out in the chat room all night; my real-life friends invited me to two different parties that night, and, since I was planning to go to the one further away, I'd need to travel by taxi.

I got ready and walked to the bus stop in the city's central square, where I was miraculously able to flag down a cab. In those years, it was extremely difficult to find one on New Year's. I'd just opened the door and started bargaining with the driver over the price when a stranger came up from behind and pushed me out of the way, saying, "Hey, get lost; this is my taxi."

I happened to disagree, and our discussion transitioned smoothly into physical communication. Unfortunately for me, there were three of them. The other two jumped in, knocked me to the ground, and pummeled me with vicious kicks. I took a boot right to the face. When they ran off, I stood up. Covered in snow, my winter coat was torn in half down the middle, and blood from my broken nose was pouring down my face and onto my shirt. There was a police car parked about 300 feet away, engine running. I could see some officers of the law inside, celebrating the new year. I walked over, and we had the following conversation:

"Hi, three guys just jumped me and beat me up."

"So?"

“Well, I mean, you should catch them. Look what they did to me. They could hurt somebody else.”

“Listen, man, if you don’t disappear right now, you’re going to get the same from us. You got me?”

I did, indeed. For many years after that, I did my best to avoid any contact with the Russian police. That night, I went home, washed up, got changed, stuck a huge bandage on my nose, and went to the party closer to me; I could get there without a car. I arrived to find a group of drunk and sleepy friends, and, more importantly, bored, pretty girls, to whom I was a figure of great interest—battered, sober, a bandage covering half my face. And one of those girls was Vera, my future wife. That was the night we met, and we got married a year later. It must have been fate, giving me a very direct push in her way.

At the end of summer 1998, the tsunami of the Asian financial crisis hit Russia. On August 17, the government defaulted on its debt securities, admitting that it couldn’t afford to pay out on them. The ruble crashed, dropping 80% in value in a matter of weeks.

But, before that, the first sign of the impending crisis was a call from, of all sources, my mother-in-law. “Listen, Arsen, they said on the morning news that customers in Moscow couldn’t withdraw money from their accounts in Tokobank. Do you bank with them?” Tokobank was one of the largest private banks in the country, and my company did, indeed, bank with them. When I heard that, I immediately drove over to the bank, wrote a check for the full balance of our account, and demanded cash. I told them I wasn’t leaving without my money, and I parked myself in front of the cashiers, scowling. I had to wait several hours, but the manager eventually realized that this client meant business, and that his behavior could start a panic. He told me, in a whisper, that I

could have the entire amount if I took it in coins. I ended up with a trunk full of canvas bags of coins, and that was how I paid my only employee her salary for a long time thereafter, in heavy sacks, like some fairy-tale medieval lord. I was the last client in Yakutsk to get anything out of Tokobank. All payments were frozen, and the bank collapsed and went bankrupt several days after that.

I quickly bought an SUV with most of the money I withdrew, to save it from depreciation. Now, in addition to my Nissan Sunny and the Izh truck left over from my kiosk business, I had a beautiful Toyota Surf diesel SUV. Three cars at the same time—a whole fleet!

PART THREE

ENTREPRENEUR

“Success is not a destination . . . [It is] a continuous journey in the right direction.”

- Heimir Hallgrímsson

The crisis hit the financial sector the hardest, and that was the sphere all my B2B clients came from. I began to lose contracts, one after another, and it looked like I had a very real chance of going belly up. This crisis, along with my earlier realization of the limited nature of my business model, forced me to think seriously about what I wanted to do next in life. My main IT business was failing, the kiosk debacle was fresh in my mind, and my first daughter, Elena, was born that September. My sense of responsibility toward my family and the uncertain future of my business made this time one of the most stressful periods of my life. I spent every hour of the day trying to figure out what to do; I even developed insomnia. That’s when something magical happened: One night, after lying restlessly awake for too long, I finally dozed off and had a dream. I saw an internet portal, interestingly enough, in the form of a building, like a mall with many different stores selling goods and services. I snapped awake and lay there for a long time, staring into the pre-dawn darkness, stunned by the vision. My wife and

child slept peacefully next to me while I lay there, flushed with adrenaline, pulse racing, watching the play of shadows and light on the ceiling. It was crystal clear what I should do—make a Yakutsk Yahoo! A place where everyone could find something they needed, whether it be news, announcements, forums, or chat rooms.

And, best of all, this would be a business connected with my favorite hobby—the internet.

Venture capitalists and business coaches weren't around yet in 1999, and Russian-language literature and internet resources on web programming and design were in short supply. I did manage to find two fantastic books: *Programming Active Server Pages* and *Photoshop for Beginners*. Programming wasn't a problem for me; after working on financial programs that called for tens of thousands of lines of complex code, programming for the internet was a much simpler and more pleasant undertaking, especially since I was working on ASP, which was based on BASIC, the simplest programming language. As for design, I quickly mastered the basics of Photoshop and began to put together the first outlines. They turned out pretty well overall, but since I had a multiservice portal in mind, I would need to create a number of sections. To speed up the process, I decided to invite some of my IRC chat friends, internet enthusiasts with experience in web development, to join the project. We brainstormed names for the new portal sitting around my kitchen table. I still have that piece of paper somewhere, covered front and back with our ideas. One of those suggestions was "ykt.ru." This was my suggestion, taken from the code of the city's airport—the old one, YKT (now YKS). My friends didn't like the name: "It's too much of a mouthful," "No one's going to want to say that," "How would you even pronounce it in Russian? Waiy-kay-tee? Ya-keh-teh? Ee-keh-the?" But I had made my decision. The

name was easy to remember, short, and connected geographically. It worked out so well, in fact, that when our portal grew in popularity, this abbreviation joined the local lexicon. Residents now use “ykt” as an abbreviation for their city and don’t even remember a time when it was just the strange name of a little website: ykt.ru.

But our young team fell apart before we managed to make anything. Who would have thought that in the nearly empty—practically a vacuum—high-tech market of our city, another startup called Infopolis would lure my friends away? This company’s idea was to connect a couple dozen modems to telephone lines, so that users could connect for free and use the services of that portal. Given the high cost of an internet connection then, there was something to their plan. But, first of all, dialing up would be inconvenient with such a limited pool of numbers, and you’d constantly get busy lines. Second of all, the founders and directors of the company knew next to nothing about IT. They had enough money to recruit my specialists, but they couldn’t even copy a computer file onto a disk. Incompetence like this on the part of a company’s leaders in the field of business leads, sooner or later, to its inevitable downfall. Infopolis lasted less than a year before going under.

Left on my own, I had to become a one-man band: programmer, designer, system administrator, director, and accountant. Meanwhile, I was also seeking funding for my new company, which I named SakhaInternet in honor of our region, the Republic of Sakha (Yakutia). I needed the money to rent office space and pay for furniture, computers, internet, advertising, and more. I sold my cars, except for the Toyota Surf, and got all the cash I could out of my former business. I talked my family and friends into investing small amounts, or giving me a computer, in exchange for a share in the company. Computer tech cost astronomical sums of money at the time. You could trade a new computer for a one-bedroom apartment in Yakutsk! I felt like a broke student all over again. We bought some boxes of canned meat, Vera’s mom gave us a bulk bag

of pasta, and we ate that all winter. To add insult to injury, one of the heating risers in the building stopped working entirely, and the apartment was bitterly cold—Yakutia has the coldest winters in the world. Utility services were a complete mess in Russia in those years.

Sitting in our freezing apartment, wrapped up in all the clothes we could get on, we calculated the day's budget so that there was enough pasta and meat for us, and baby food for our daughter, and we saved on everything we could. Sometimes it felt like we were living through a war or some other disaster out of a book or movie. Well, the '90s were, in fact, disastrous in Russia. Nevertheless, it was one of the happiest periods in my life as well because of the warmth and love in our new family, the miracle of a new human life, and the great flow of creativity I put into the new business that I loved—the internet, which completely captivated me and became my endeavor for life.

The birth of my daughter also brought about my choice of internet nickname: “Far.” When I first started using IRC chats and had to choose an online name, I was in the middle of reading King Lear, and picked the name “Korolir,” the way the title of the play sounds in Russian. But, as we all know, the primary subject of that story is the tragic conflict between the king and his daughters. After I had a daughter of my own, the name started to feel like a jinx, so I resolved to find a new one. This is how I chose it: I brought the baby to the keyboard and let her bang at it with her hands and feet. It came out to something like “f&A,r.” I took out the extraneous symbols, and what remained was the simple and meaningful word “Far.” I’ve used that name ever since; it’s in my current main email account, and my Instagram name is farfarych.

When you begin a new venture, it's not uncommon to hear a lot of pessimistic comments from the people in your life, sometimes even your family and friends—strange but true. Many would rather warn you about potential risks and difficulties than offer support, doing so in the guise of “helpful advice.” Whatever I start, I hear the same things: “It won't work,” “There's no place for it,” “No one needs that,” “It's not the right time,” “It's too risky,” and so on. I got the same thing with ykt.ru: “Why are you doing this? The market's already divided up. There's tons of other Yakutia sites. You might as well try to start a new browser to compete with Internet Explorer or a new Yahoo.” Funny enough, browsers that cropped up soon after that did get more popular than Explorer, and Google edged Yahoo out of the top spot. Advice like that belongs in the trash. The work of psychologists Abraham Tesser, Sarah Hill, David Bass, and others demonstrates that friends and acquaintances sometimes subconsciously worry that you will become more successful than they are, which would damage their self-esteem and even induce a deep-seated anxiety about reduced access to resources in the fight for survival. So they try, consciously or subconsciously, to stop you through dissuasion and descriptions of the many threats and risks you will face. You have to analyze the situation and make the decision on your own, based on precise numbers, facts, and the opinions of independent experts. After you've made it, move forward with maximum energy and determination.

A new company with an ambitious goal—to develop the region's most popular web portal—needs a full team. After the dissolution of my first team, I explored every avenue I could in the search for new employees. Finding a professional with web development experience in Yakutsk in 1999 was about as likely as finding Bigfoot in the Kalahari Desert. But, however improbable, I did it! Fortune smiled on me at a job fair as I stood next to the SakhaInternet

stand. A guy approached me and asked calmly if I needed a webmaster. His name was Ivan. He'd recently moved to Yakutsk from a small Yakut village, and he had experience developing websites. He was also in love with the internet and agreed to the modest salary I offered. That was how I found my first real employee, loyal to the company and hardworking. One thing about Ivan is his laconic nature; we could easily spend entire days together in complete silence. The two of us moved into our new office, a small room in a clothing factory. In a twist of fate, the entire factory was converted into a business center years later, and we opened our main office there (several floors by that time). But in 1999, we stayed there for only about a month, then moved into a bigger office, two rooms in a building overlooking the city's main square. Not bad! I've since opened new offices in the most prestigious districts of capitals around the world, but I've never felt as proud and inspired as I did when standing at the window of that shabby office decorated with the secondhand furniture we'd bought the day before, looking through the dusty pane at the snowy square below and dreaming of the future.

We had several new employees pass through that office rather quickly without becoming permanent members of the team. A trial period was the only way we could tell whether someone was going to work out or not.

A local company, Optilink, hosted our site for free on its server. They were interested in creating local content within the city network. Its director, a friendly, smart veteran of the IT world, gave us a lot of help back then. For example, he told us where we could find a free generator online for tree-structured forums, which was ykt.ru's trademark for many years thereafter.

We worked like crazy all spring on ykt.ru. I did the programming and designing, with Ivan mostly helping me with implementation and also with designing and adding content to the portal. To start, we included news, forums, announcements, photo galleries,

and cinema showtimes. The front page combined all those services, as well as a section for the weather and currency exchange rates. By the end of April, the portal was more or less ready to go. We set the launch date for April 26, 1999, but, that very day, the famous Chernobyl computer virus hit (13 years to the day after the Chernobyl nuclear plant disaster), wiping out the data on half our office computers (i.e., two out of four). Luckily, the virus didn't get to the source code of the portal itself, and, for the first few months, the portal was running from one of our ordinary personal computers. We pushed the date back, and our official launch was April 29, 1999, when we sent out messages to all our friends and acquaintances with links to local chats and forums.

We watched with bated breath as the first visitors came through and left comments on the forums or message board. In the first several weeks, we had a couple dozen visits a day, with our visits accounting for most of them. One day, soon after our launch, I got to talking to a guy in a chat room about the Formula 1 fan site he ran as a hobby. He said he got about 500 hits a day, which was just an unreal number to me, in comparison to our meager visitor count.

The first two or three versions of the portal were very simple, to put it mildly, both in terms of my amateur design skills, and the content itself. You can take a look at the second iteration by Googling "ykt.ru 1999." Unfortunately, the first isn't around for some reason, and we don't have it saved anywhere. But despite its simplicity of form and content, many have noted that ykt.ru had something special from the very start, something that set it apart from other Yakutia sites. Not only was the portal being constantly updated, it also had a certain coziness, emotional warmth, informality, humor, and creativity that attracted users.

That summer, we went around to all the city's newspapers and

got most of them to agree to send us their articles for us to post on ykt.ru. It was easy for them to do, and they got their own webpage for free, with a separate hyperlink that they could publish in the headline of their newspaper. This was a cool novelty, and the internet had yet to start impacting their circulation numbers. One of these pages was the internet version of a new Sakha-language paper, the first real website in the Yakut language.

We also garnered attention by setting up something like an online conference with the mayor's office. Yakutsk residents sent their questions in, we selected the most interesting ones, and then we published them with the mayor's answers on the portal. This turned into a long-running tradition, giving people unprecedented access to their city's top official.

Another draw was the fun surveys we started posting, where you could answer such vital questions as "Do you believe in the Loch Ness monster?" and see the opinions of others.

In short, we were very different from existing sites, which adhered to the traditional, emotionless tone. Six months after the launch, our daily visitors were in the thousands, and it was clear that the portal would survive.

Masha joined us that summer. A remarkably talented artist, designer, and photographer, she had just graduated from the Finance and Economics Institute, and her family had paved the way for her to start a long, boring (in her eyes) career as a bank manager. We became her creative salvation, and, for us, she was a true find, the third pillar of SakhaInternet. Aside from her skills, Masha also turned out to be a beautiful, positive person and a good friend. I saw her personal site before I met her, and I was practically hypnotized by its coordination of form and content. This power of emotional induction is always a sign of real art and talent. We offered

her a job, and she came to the office, looked at us and our project, and agreed. Masha quickly mastered web design, and our services gradually acquired a more professional, attractive look. We had our first real team—small, but effective.

It's important for any company to have a good team. To be more precise, it's important for any company working in an intellectual field like IT. One of the reasons my first B2B business failed was that I didn't have a team. Aside from me, there was just one employee, who was in charge of technical support for our clients. If I'd had a strong, full-fledged team, I'm sure we could have found a way out of the crisis and risen like the phoenix to continue on. The people heading the company are of key importance. While a business can survive the turnover of regular employees, the loss of any leader, from the director of a department on up, is highly traumatic. It's just like tearing off a living person's finger or hand. You've got gushing blood, intense pain, and the potential for serious complications. Every founder and CEO needs to pay careful attention when putting together their core team, the fighting squad of veterans loyal to the mission and values of the company, and provide them with support and opportunities for development.

Our "Sinnet" company culture formed in those first months—that was our abbreviation for SakhaInternet. At its core was kindness, openness, and honesty, and the absence of any intrigues or nastiness. We started calling each other "Sinnetians" and were able to distinguish a Sinnetian from a non-Sinnetian on some subconscious level. When a team is whole, with healthy DNA, it starts to attract like-minded people and repel those with different attitudes.

Here's an interesting fact. In the first five years of the company's existence, its most difficult period of struggling to survive, including absurdly low salaries, not a single employee quit. I believe this was due to the special family atmosphere and mutual support, and to the fact that we loved our work and had interesting jobs. But perhaps the element that really brought us all together

was the dream of the brilliant peaks we might reach; we believed that we were creating an exceptional story, the greatest business in Yakutia, and that we would make something great out of nothing. A unifying dream, including a strong mission and values that aren't based on profit generation, is a powerful instrument that also bonds a team together, making it happier and more purposeful. A common mistake founders make with a new business is failing to give the proper attention to its mission and goals. They think that, since it's a business, its main purpose is, by default, making a profit, in which employees can sometimes participate through its distribution in the form of bonuses. This is a weak, demotivating foundation. If a company or team wants to create something exceptional, it's essential—absolutely essential—that they have an inspiring vision and ambitious goals that throw down a bold, thrilling challenge, for themselves and for the world.

Because external internet worked very slowly in Yakutsk, and email is one of the most widely used services on the internet, we decided to do something similar. In three weeks, we came up with a service we called “Pechkin” in honor of the postman in a popular Russian cartoon. Our idea was that users could create an account with a unique name, share it with their friends, and exchange text messages with them. I quickly programmed it and rolled out the first version, using pictures from the cartoon as illustrations. But the service didn't arouse much interest from our visitors. Then I came up with a simple new feature: anyone could publish a short text message of 100 symbols, and it would show up on top of the list of other messages, which we called “Statements to the World.” That little twist made Pechkin the second most popular page, after the main page of the site, in a matter of weeks. A similar service gained global success many years later: Twitter.

This was the first instance of a phenomenon we encountered many times over the years: if a service got popular on ykt.ru, then sooner or later a successful startup using that model would emerge elsewhere in the world. The popularity of our photo galleries, especially the one called “Boltalka” (“chat”), where girls would post their photos, was a precursor to Instagram. Our website for current and former classmates, which the ykt.ru audience loved, was later the successful model for social networks.

Conversely, if something wasn’t popular on the “wider” internet, it didn’t last long on our site, either. This probably reflects the similarity of human nature all over the world. If people like to post selfies, they’re going to like it just the same in Yakutsk as in Chile, whether on ykt.ru or Instagram. Who knows, maybe there’s an alien doing the same thing this very moment on a planet next to Alpha Centauri.

So copycat technology, taking existing ideas that have already proved their viability to new geographic or niche segments, is a potentially successful strategy for an entrepreneur looking around for his or her next move.

Pechkin eventually turned into an online dating service, and it ran into the same problems all dating sites face: the disproportionate ratio of men to women, spam, obscene messages, and so forth— all extra headaches for our moderators. But, in any case, our site helped create hundreds, maybe even thousands, of families, and there are children and teenagers running around out there who wouldn’t have existed without Pechkin. And that’s pretty great.

After Pechkin, we developed and launched a game called Bucksburg. Users received cyber currency we made up and could play the game in the form of a one-armed bandit, betting on sports events, even playing a virtual stock market that reflected the share and currency prices on the real market. Bucksburgers were divided into different social classes, depending on the size of their cyber money bank account, which was marked by granting them different badg-

es and statuses. Even though this cyber currency couldn't be spent in the real world (aside from our weekly auction for a small, real prize), this project quickly drew a lot of users, and it significantly contributed to the growth in popularity of the site. That was our first experience with gamification.

We also set up IRC chats, like the ones I'd been using since I first started surfing the internet. We called the main one "Boltalka" and most of Yakutia's internet users of the 2000s were visitors. The chat was so popular that participants would regularly offer us fairly large sums of money for "half-operator" and "operator" status, which had great symbolic value. It's amazing how important it is for people to feel even a tiny bit higher than others on the social ladder, even in the virtual world. Other popular chat channels appeared after that. I sometimes wonder what would have happened if the mysterious Khaled Mardam-Bey, whose name we see every time we start up mIRC, the IRC chat program, had instead invented a java app for telephones? Who knows, he might have started a boom in messenger apps long before WhatsApp.

As I have mentioned, our server was a single personal computer connected to a router by an ordinary Ethernet cable, using the Optilink server company. Optilink had an intern that summer, a guy of about 20, who, bored one evening, went ahead and used his access to the server room to switch the network cable from our server to his computer, transferring the ykt.ru IP address to his network card, thereby sending all our visitors to his personal site. This genius then wrote "hacked by hacker sisters" on the front page, obviously out for hacker cred among his peers. I've never seen a more idiotic "hack" in my life. Let alone the fact that it cut off access to our site for hours, I was also just enraged by the lack of any iota of talent or skill in his execution of the maneuver. We woke the director of Optilink in the middle of the night, quickly

switched the cables back, and restored ykt.ru to regular operations. I went to Optilink's office the next morning, found that "hacker," and punched him in the gut. He howled in pain and ran, hunched over, to the accounting department, where he hid behind the chief accountant, a slender woman who stood between us, blocking my way and waving her hands to keep me back. I shouted over her head that, next time, I would kill him, then left. Although I forgot about the incident within a couple of days, I heard he spent the next couple of months hiding in the village at some relative's house.

Violence is not, of course, a great solution to any problem, but this incident goes to show how personally important the company and team were to me from the very start. The closest analogy is probably that of a parent to his children. If someone hurts a child, the parents' reaction is going to be swift and intense.

Not long before I started ykt.ru, I came across a CD with a program called "Cosmopolitan: Virtual Makeover." With this program, you could upload your photo and select different hairstyles, glasses, facial hair, and make-up. I thought it was fun; I spent a couple hours playing around with photos of Vera and me, then I tossed the disc into a corner somewhere. But I remembered it when we were brainstorming ideas for the new portal. We posted a notice on ykt.ru asking women to send in their pictures, and promising to give them four realistic hairstyles, and one just for fun (a Mohawk, say). We planned to hold a vote, and whoever won would get a small prize (a carton of ice cream). In the end, eight women sent in their photos, half of whom were friends of ours we'd talked into participating. We chose the hairstyles and put the photos on the portal with a simple voting option beneath.

This simple contest unexpectedly captured the interest and attention of our small audience. They began actively voting, discussing the contestants in forums, and sharing links in chats. It was

clear we had something here.

So I decided to hold a more formal online beauty contest; we called it “Miss Virtual Yakutsk 99.” We got a local women’s magazine to act as a co-organizer and to cover the new contest.

Overall, 20 contestants signed up, and Miss Virtual Yakutsk 99 was chosen through internet voting. The winner was a very lovely girl who received, in addition to the title, a home music system. The runner-up got a hairdryer. A year later, the contest was renamed “Miss Virtual Yakutsk,” and became an annual event, gradually turning into Yakutia’s most popular beauty competition.

The secret to the success of this virtual competition lies in two factors. First, the contest is entirely democratic. Any girl over 18 can participate, regardless of her appearance, height, marital status, nationality, and so on, and the winners aren’t chosen by a group of wealthy jurors, but by popular vote, in which anyone can take part. This competition acts as a boost to the participants’ self-esteem, social connections, and as a stimulus for personal growth. Our winners don’t have to conform to one set standard of beauty or lifestyle; one year, the winner was a little person (dwarf); another year, a mother with three children won. The second key factor is that not every contestant is so concerned with winning. Given a field of hundreds of competitors, the chances aren’t very high—what matters is getting a respectable number of votes. Some view it as a way to raise their social status and as an asset to have participated in a popular contest. The participants campaign among their friends, acquaintances, and family members, urging them to cast their votes on the site or through the contest’s mobile app. This means that the contest has created hundreds of enthusiastic promoters. Methods like this are very effective, and quite inexpensive. Engagement sometimes reaches fantastic heights. Contestants start paying out of their own pockets for posts from popular bloggers, asking famous singers or actors to campaign for them, or trying to bypass our defense-in-depth protection against cheating so as to

vote for themselves multiple times.

One year, the closing ceremony in which the winners would receive their prizes was held in a sports stadium. We had contractors build a wooden stage, and a popular DJ from Moscow was slated to perform. The day of the show, 20 minutes before the scheduled start, the DJ came out, jumped on the stage, and said that the floor was sagging. Therefore, he absolutely refused to perform. He went back to his dressing room and wouldn't listen to any of our entreaties. At that moment, when the entire night and our reputation were on the line, all the directors and managers were nowhere to be found. So there I was, facing the problem alone. This happens sometimes to entrepreneurs, no matter the size of their team. They end up in situations where no one is going to solve the problem for them. In such moments, you need to act decisively, keep a cool head, and be ready to do whatever work needs to be done. That evening, I drove home, grabbed the first wooden planks I could find and my tool set, and I raced back to the stadium. I got under the stage and quickly hammered together some supports under the place where the DJ's equipment was situated. He came back out, tested it again, and gave the okay. We started the ceremony—40 minutes late, but we started it. Ultimately, everything went well.

Everything would have been perfect: our visitor count was growing quickly, and nearly all the internet users in the city had heard of us and come to ykt.ru... but there were just too few of them! In 1999, probably less than 1% of the (already small) population in Yakutia was on the internet. So our initial hopes for achieving an income stream from advertising were dashed. Meanwhile, I had to pay the salaries of five to six employees, as well as taxes, rent, utilities, and other expenditures.

I sold my Toyota Surf first, which bought us a couple of months. Then we started creating websites to order. We hosted the

sites, taking a small but recurring fee for them. There still wasn't enough money, and we were constantly at risk of running short and not being able to pay salaries, particularly employee salaries, which I have always thought is the absolute worst-case scenario for an entrepreneur.

So when two large Yakutsk businesses came to us with simultaneous investment offers, apparently picking up the echo of the dot-com boom from afar, it wasn't just a development opportunity—it was our chance to survive.

The first to approach us was the Albion group, a thriving regional system integrator that was mainly involved in supplying computer equipment to companies and retail sales, as well as the installation of communication networks. Almost immediately after Albion, SakhaInvest came calling, an investment fund that had followed the classic Russian path from privatization fund to a holding managing various assets acquired in the early 1990s with privatization vouchers obtained from the gullible populace. Around this time, SakhaInvest had reached its zenith, with extensive assets in real estate and shares in factories and plants. It was one of the most influential financial and industrial groups in Yakutia.

Their proposals were about the same: both Albion and SakhaInvest wanted to buy a controlling interest in SakhaInternet, and promised to invest more funds, as needed, in the future. The representative from SakhaInvest was the company's vice president, and I knew him from our student days doing summer construction work. He told me that, with SakhaInvest's support, the difficult initial period of our business would go easier, and that, after the company got on its feet, we would share our profits with the company. He assured me that his fund had extensive resources and connections. But the deciding element was the offer of a personal, heated garage for my car in the city center. Given the harsh Yakutsk winters, this was quite a persuasive argument. So I and my shareholders—that is, my family and friends—accepted SakhaInvest's offer, selling

76% of the company for the equivalent of about \$15,000, \$40,000 in initial investments, and that heated garage. That was good money for 2000 in Yakutsk, especially for a company that was only a year old. We felt like we'd been taken under the wing of a strong company that would help and support us in every way. In this, we were quite mistaken, as subsequent events demonstrated.

But that would come later. Just then, we were busy delighting in what you could call the first venture investment in Yakutia, and one of the first in Russia, although we didn't know that term yet. Vera and I moved out of our two-bedroom apartment into a more spacious place in a high-rise building, and we took a vacation to Europe. We spent two weeks in Moscow on the way, waiting for our travel visas. We saw the famous Ostankino television tower burning and watched the news about the sinking of the Kursk submarine and the war in Chechnya. As Vera and I strolled around Moscow, delighting in the beauty of the city and each other, it seemed like the country was going crazy, falling apart, drifting into some alternate reality.

That trip was the first time I left Russia/USSR, at age 26. We went to Italy—Rome, Naples, and Venice—and were lost in admiration for the architecture, cathedrals, museums, the beautiful countryside, and the delectable food of that wonderful country. We were greatly impressed by Tuscany, and, of course, its crowning glory: Florence. We were the only ones who got into the water at the beach in Ancona in mid-September; the water was cool but perfectly comfortable. The elderly Italians on the benches by the shore looked on in amazement at these eccentrics, who, by their standards, were doing a polar-bear plunge on their local beach.

We visited my father in Paris, the first I'd seen of him in many years. He had just retired from the Paris headquarters of UNESCO, where he'd worked as a representative of Yakutia for about eight years. He set us up in a small, cozy apartment above a shop selling the board game he'd invented, JIPTO, by the Bois de Bou-

logne. In all, it was a wonderful trip that created great memories, especially of the art and beauty of the Italian cities we visited.

“So, who are you calling an asshole?” inquired the calm baritone on the other end of the line, a voice full of confident strength. “You messed with the wrong guy. Meet me at 9:00 tomorrow night at the dam. We’ll talk,” and that was the end of our brief conversation.

That was the invite I got from some local gangsters, hired by the owner of a bar to deal with us. Several days before, the owner had been spamming our forums with ads for his bar, and he got banned for it. Since “getting banned” was beyond the understanding of our non-tech-savvy criminals, they replaced it with the more familiar concept of “calling him an asshole.” We’d had limited contact with these types so far—even though I’d started my business in the mid-’90s, a time when the mafia and criminality were flourishing in Russia. Fortunately, the criminal world and the IT sphere have always been at different ends of the societal spectrum, and they have little to do with each other. The criminal element didn’t understand the world of new technologies and was involved in more familiar activities, like semi-legal commerce, drugs, and prostitution. By this point, we had already come to an agreement in principle with SakhaInvest, which had influence, extensive connections, and its own security service. The latter helped us quickly resolve this conflict. We came to a compromise: the bar owner promised not to spam the portal, and we lifted his ban. The “wild ’90s” passed us by.

We put most of SakhaInvest’s \$40k investment into the creation of Yakutia’s first internet news source. Well, to be precise, SakhaInvest strongly suggested that we donate \$4k of the investment to the election campaign of a Duma deputy it was backing, but the rest of the funds were at our disposal.

We moved from our office on the main square to more spacious premises, with three large rooms on the top floor of the Mining Institute. It was nicely situated, with a beautiful view of the lake and the university, and it was in generally better condition than our previous place. The one downside was the absence of an elevator, which meant that clients had to walk up six flights of stairs, but it wasn't the end of the world.

We finally had all the technical equipment we needed, more or less. We bought a couple of servers and set up a real server room with an uninterruptible power supply. Before, we had an incident when my three-year-old daughter, playing in the office, ran over to the personal computer on which the portal operated, drawn by the flashy green light, and pressed the power button off before her horrified father could react and stop her. Two hundred people were kicked off IRC chat, and ykt.ru was offline for 20 minutes while the server rebooted.

The company grew from 4–5 to 10–12 people. We got a dedicated system admin, designers, and our first programmers. Many of those newcomers are still working with me today, the veteran founder of our team. Our office parties could no longer fit in my kitchen, and we started traveling to employees' summer houses in the village or organizing picnics; we still couldn't afford an evening out in a restaurant for everyone, however.

We developed an appealing new design for the portal and hired our first professional journalist to work as editor-in-chief. We also hired 2 full-time and 10 freelance correspondents, allowing us to launch our news site: kursor.ru (later to become news.ykt.ru).

We dreamt of crowds of new visitors, drawn by our original news and opinion pieces. But as Mike Tyson said, "You make plans, and life punches you in the mouth." We were generating very professional, interesting news content, but we didn't see any big jump in visitors. The problem was simply the microscopic size of the Yakutsk internet audience.

In the end, one year later we spent almost all the investment funds on that project, which didn't generate an increase in traffic or income. We had to shut down *cursor.ru*, lay off most of the journalists, and switch our news feed to reposts. This was our first failure; we'd started a major project without conducting thorough research, testing our hypotheses, and crunching the numbers.

So we were in dire straits once more, and we began to feel the lack of funds. I recalled the promises of support from our new shareholder and decided to pay a visit to SakhaInvest. The company had recently gone through some major changes as well: a group of young top managers, including the vice president who had negotiated the deal with me, had made a takeover attempt. But their bid had failed, and they were all fired immediately. So I had no option but to go straight to the director of the company, remind him of our existence and the company's promises, and ask him for further investments and, in general, for support, as one of his subsidiary companies. I had barely spoken with him before this meeting, so I didn't know what to expect, but I was completely taken aback by his response.

"You want support from us? Why should I help you? I never made any promises to you, personally. You're not my family. We're not from the same hometown—you're nothing to me."

I was simply dumbfounded. His attitude and limited worldview was typical of the leaders of the older generation; in Yakutia, we called them "toyons," which originally meant something like "lord." How could you say such a thing to the director of your subsidiary company, which you have a 76% share in? Not to mention that it was a company working in a strong and quickly expanding field: IT.

This generation of toyons that formed in the '90s and held on into the 2000s, and the 2010s as well, has let great opportunities slip by. Thanks to agreements made with Moscow, a certain percentage of revenues from diamonds mined in Yakutia is allocated

to the regional budget, giving the local elite hundreds of millions, or even billions of dollars, at their disposal. They could have used it to build a strong, independent, competitive regional economy, to create their own powerful financial and industrial chaebols, like in South Korea, or to invest in intellectual production, as Finland has done. We know at least some of these funds were spent on social services, and the construction of health care, educational, and sports facilities, but the toyons wasted most of it on bad securities investments, deposited it in banks that went bankrupt, squandered it on fraudulent schemes with unscrupulous foreign and Russian counterparts, and lost it in endless intrigues and squabbling among themselves. The paltry remnants of this money went to multistory cottages in elite suburbs of Yakutsk and Moscow, deposits in foreign banks, and luxury SUVs, the rusting remains of which now languish in landfill.

Once again, we were in survival mode. In those years, 2001–2003, where to find money was a question constantly hanging over my head, like the Sword of Damocles. The balances in our accounts during the month were often lower than the total needed to pay out salaries and rent at the end of that month—a dangerous situation for any company—but we were lucky, and we always managed to find money somehow, even if it was at the very last minute.

Even minor purchases were out of our budget. I bought things we needed, like an ordinary video projector, on a consumer credit card in my name. The lack of funds also necessitated a move from our office into a three-bedroom residential apartment. But no matter how difficult it became, we were never behind on salaries, taxes, or any other payment, even by a single day. As a matter of fact, I've never been late on any payment in my business career, and that's a point of pride for me.

In business, especially in the tech world, reputation is key. If you fail, even once, to keep your word or honor your commitments, your partners, clients, and team (most important of all) will begin to mistrust you. Your employees see everything you do, after all. This was especially true in our case because news spreads quickly in a small town with fast internet connections and media.

Ultimately, however, business is important, yes, but a clear conscience matters more.

That's why I decided not to break off our partnership with SakhaInvest, despite the company's conspicuous failure to honor its promises to us. We could have changed our site's domain name, established a new company, and transferred the whole team, program code, and users over, but that would inevitably have damaged our reputation and demonstrated to our team that this was an acceptable way to act.

To keep the lights on, we moved our focus to getting orders for site development and hosting services. We weren't able to sell much advertising—our portal lacked the level of visitors necessary—and we simply weren't skilled at sales yet, which actually worked out well for us. Advertisers keep excellent track of how effective advertising is; without sufficient impact from the ads, even if we'd been the best salespeople around, we wouldn't have been able to sell much. More likely, a large-scale sales campaign from us would have ruined our reputation, and we would have lost the market: clients have a long memory when you sell them worthless services. It's like creating a vaccine against yourself.

We managed to earn just enough as a web studio offering hosting services to make ends meet. Despite all the challenges we were facing, we continued to work on the development of ykt.ru. We started the project Rulez&Sux, where users published their own creative efforts or reposted from elsewhere—stories, jokes, recipes, even drinking toasts—that other users reviewed and rated. The poetry section, where everyone was welcome to publish their work,

was particularly popular. Something like a poetry club grew out of this part of the site. We even put out several printed volumes that had their own official ISBN numbers in 500–1,000 copy runs, a series we called Rulez: Verse.

New forums and galleries were opening on ykt.ru all the time, including the society and politics forum. This section grew so popular that the local political elite began to hang out there, including top officials from the Yakutia administration and the Yakutsk's mayor's office.

We also developed our first blog platform, called dnevniki.ykt.ru (“diary.ykt.ru”), which was an instant success with teenagers. This was before the era of social networks and messenger apps, and thousands of our younger audience members flocked to blogs to share their thoughts and feelings.

We even created and launched our own version of ICQ, calling it Yaknet Pager. As for games, we got an order from the headquarters of UNESCO to create a computer version of the African game Mancala. My father got in touch with me to suggest we bid for it, and I agreed. We were paid \$5,000—good money at the time. This might have been the first export of an IT product overseas from our part of the world. We then developed other classic games using the same software core: chess, checkers, and card games. We built the servers, and users downloaded the client programs and played among themselves.

Our first purchase of an external project was a popular men's blog, first half, then 100% of it. We moved it onto ykt.ru and named it Joker. In addition to the new name, we banned overly explicit photos and videos. Joker quickly became something like the Yakutsk version of Reddit, and it had a playful and positive atmosphere.

Our main strategy in those years was sticking with UGC (user-generated content) projects; we knew that, with our lack of resources, we didn't have the employees necessary to develop in-

teresting content of our own. Our news was reposted from the local media, with whom we continued to partner, by hosting sites for them on our portal. Visitors to the portal increased, and, each month, thousands of new users found ykt.ru. It was a difficult period, from an economic standpoint, but simultaneously a wonderfully creative time, with the constant launch of new projects, new successes, and the warm family atmosphere of our small team.

Computer games have never been that important to me, unlike many other IT professionals. I spent a month or two playing Sid Meier's first Civilization, and I still consider it the greatest game in the entire history of the genre. I played Heroes of Might and Magic II a lot for a short period of time while I was trying to decide what to do after my first business. The third game I got into was Counter-Strike, which took over Yakutsk in 2001. We stayed in the office after work nearly every evening to play with other gamers over the municipal fiber-optic network. The most popular server in the city was Walker Place; it was impossible to play on external servers via satellite channels. I think I still have every turn and every corner of the maps in that game memorized— de_dust, de_dust2, de_aztec, de_inferno. When I call them up in my memory, I start to hear the shouts, "Go! Go! Go!," "Affirmative!," and, "The bomb has been planted." The struggle between cops and terrorists consumed players completely and inescapably. That went on for about six months. But, eventually, as a naturally rational and pragmatic person, I began to regret that time spent on games. So I decided to put this enthusiasm to better use. It was also becoming clear that the popularity of computer games in general, not just Counter-Strike, had potential for increasing the popularity of ykt.ru. We launched several gaming servers, gaming forums, and chats on ykt.ru, and we started maintaining online statistics and ratings of players. I officially registered the Yakutia Federation of Computer Sports, FCS,

as a public organization, and we began to prepare the first official Counter-Strike championship in Yakutsk on its behalf.

Members of the local gaming community joined FCS and did a great deal to help with that first championship—and subsequent ones. This was the first such large-scale event, and we weren't sure what to expect, but over 80 five-person teams signed up. Four hundred participants!

Qualifying games were held in six computer gaming clubs—new clubs were opening all the time then, each with about 15–20 computers, which was enough room for 1–2 teams to play at the same time. We appointed judges at each club, and the qualifying games and final were held over the course of two days.

We fielded our own team from Sinet and made it to the third round by defeating two other teams. In the second game, we encountered a strange rule when the score was tied at the end of the play period—I, as the captain of my team, had to have a knife fight with the captain of the opposing team. And I won! (To the wild rejoicing of my guys.)

The final was out of this world, the first time anyone had ever done something of the like. I reached an agreement with the Central Theater, a movie theater that actually was located in the very center of the city, to host the final in its physical location and show it on one of its screens. A local cable-television network also agreed to broadcast the game at 1 a.m. on one of its main channels. Everything went off without a hitch: the play was dramatic, the audience in the cinema hall was going wild, and the recording of the final was broadcast on television. However, the volunteer doing the recording, an avid cyber-athlete who went by the name Asteroid, chose the most bloodthirsty mode for the broadcast, to heighten the drama and excitement. That night, I stared at my television screen in horror as the terrorists, looking more like zombies in this mode, let out deafening roars as they cut down special-forces soldiers, releasing fountains of blood. I heard that there were many

letters and calls the next day to various authorities complaining; the city's residents, particularly the older generation, didn't understand what this mayhem and horror was doing on their screens. But this didn't lead to any negative repercussions for the organizers, fortunately.

I believe we may have been the first in Russia, and possibly the world, to organize an eSports broadcast: (1) in an entertainment venue (a movie theater, the prototype of an eSports stadium) and, (2) on a cable-television network.

That was also the same year that we first sent our champions, the DJS5 team, five simple guys from Yakutsk, to the Russian final of the World Cyber Games competition, which was run by Samsung and was the largest and most popular cybersports competition in the world. The team from remote Yakutia caused a stir. Journalists from central television channels unironically asked questions like, "Do you really have computers in Yakutia?" clearly picturing us riding bears instead of cars down the street.

Those questions stopped almost immediately when play began, and the skill of our team became obvious. The systematic efforts we led to develop cybersports in Yakutia, including regular competitions, ratings, the introduction of regulations for clubs, and media promotion, all paid off. Within five years, players from Yakutsk began to win prizes at major Russian and international tournaments such as the World Cyber Game, the Russian Cup, and others. The focus on development, motivation, and painstaking work led to success on a global scale. Our mode of operation was held up as an example for other regions.

These were thrilling, adrenaline-packed moments for me, standing behind our team and rooting for them in matches that would decide their place in top tournaments. These emotions, the glory our competitors brought to Yakutsk eSports, and the PR for our region, made all the effort worth it. It was quite difficult to get groups of 10–20 players to Moscow and other cities. There was

only one airline flying out of Yakutsk at the time, and it kept its prices truly sky-high. I was occasionally able to find sponsors, but I mostly had to find the funds in my corporate or personal bank accounts, neither of which were overflowing. I paid for one group's trip by selling a car, which I guess you could say had become my traditional method for covering urgent business expenses.

Here's something interesting: when we reached the top of the eSports world, I lost interest in the development of eSports almost instantly. I transferred all the responsibilities of the federation to other members of the community soon thereafter. It was obvious that my loss of interest had to do with achieving the goal, and, for the first time, I began to think deeply about the connection between setting and reaching goals, and motivation. It was the contemplation of this topic that helped me get through later crises, and which I still find a powerful source of motivation. But I'll get back to that later.

By 2002, ykt.ru was no longer running off an ordinary personal computer turned into a web server, but on 3–4 real servers, and we had transferred them from Optilink to the site of a local telecommunications giant, SakhaTelecom. We reached a cooperation agreement with this company that included a special pool of telephone lines that a user could access with the short number “8-14” to get to our site on a reduced rate. It was beneficial for SakhaTelecom, like any internet provider, to have a popular resource like ykt.ru in its network. This brought in new users, especially young people who liked to chat with mIRC and hang out on our game servers. Plus, the more users with the standard internet rates who stayed on a local resource, paying the standard cost for each downloaded megabyte, the less the local providers had to pay the main satellite internet providers, which dramatically improved their budgets.

This idyllic period of synergy eventually came to a close, however. One day, a senior manager at SakhaTelecom called and asked me to remove an ad for Helios-TV, another Yakutsk internet provider, from ykt.ru. On the one hand, SakhaTelecom's motive was understandable: a competitor's ad was running on a partner's site. On the other hand, we had a friendly relationship with Helios-TV, and it was a part of the SakhaInvest group of companies. Furthermore, we weren't interested in having anyone tell us what to do, and we were generally opposed to the idea of a monopoly on internet access. Having reviewed the terms of our contract, we replied to SakhaTelecom that we had the right to publish any advertisement that didn't violate Russian law, and that the Helios-TV ad was a small one that wouldn't significantly influence the market. Several phone calls and meetings later, SakhaTelecom backed off, but the company was clearly unhappy.

In all other matters, it was an excellent, conflict-free relationship, but, in August 2002, with no warning, we received a letter from SakhaTelecom stating that all contracts for the provision of internet services to us were terminated from the following day and ordering us to immediately remove our servers from its site. And that wasn't all; the same day, SakhaTelecom publicized the launch of its own information and entertainment portal called "Yakutsk-online," or ya1.ru for short, with a large-scale ad campaign. It must have hired a team in secret and started developing its own portal after the Helios-TV incident, hoping to take over our market share.

This was a treacherous, low blow, a sneak attack. In a single day, a much larger company we thought was our partner left us, an internet portal, without internet access, and launched a similar project, trying to take us down with a surprise strike. The duplicity of the move was compounded by the fact that SakhaTelecom stole the names of our most popular projects, like the Boltalka chat, and started aggressively spamming the forums, chats, and even game

servers on ykt.ru, inviting our users to its new site. A random de_dust2 Counter-Strike ykt.ru server, for example, would suddenly be flooded with players named irc.ya1.ru or games.ya1.ru, trying to lure other players away.

Competition is a normal and inescapable part of doing business, but I firmly believe it shouldn't involve an underhanded sneak attack, especially while trying to destroy the business of those who consider you a partner. So the leaders of SakhaTelecom didn't like us advertising their competitors—okay, that's their right—but why couldn't they have sent us a letter terminating the contract earlier, to give us time to find another site? They certainly could have done without spamming us, and they could have come up with their own project names. We didn't work hard to create our portal so that a direct competitor could try to promote its business in this way, bothering our users.

Company leaders can't lose their composure in crises or give way to panic; they must immediately become resolute and cold, moving with decisive energy, thereby instilling confidence in everyone else. The same day we got the letter, we were in talks with the directors of other local providers, and the small company Sakhasprintset was kind enough to take us in. We quickly transferred our servers over there, and our users were able to access our site again the following day. This incident electrified the team and toughened us up; we worked even harder, having seen how fragile our baby—ykt.ru— still was. That was my first encounter with aggression from a much larger company, and I concluded that, in episodes such as this, if a company manages to fight back and survive, it only makes it stronger.

Yakutsk-online was operated by less motivated employees just working for their wages in a large, bureaucratic company, so, despite the strong support, advertising, lack of financial barriers, and massive draw for clients from the largest internet provider in Yaku-

tia, it just couldn't compete with ykt.ru, and it eventually died out several years later.

I came up with my own joke about it.

“So the general manager of SakhaTelecom logs on to the ya1 chat and sees that no one's there. He says sadly to himself, ‘Ya1 again, ya1...’” (It's a play on words. “Ya” is “I” in Russian, and so “ya1” reads “ya odin”—“I'm alone.”)

In the end, we responded to this vicious and deceitful attack with business growth and a sense of humor.

Humor is truly an excellent thing. It's best to view the world with a positive sense of humor, treat yourself with irony, and always remain optimistic. As Albert Einstein said, “We decide what we will build in life: walls or bridges.” He also said that there are two ways to live your life: “As though nothing is a miracle, or as though everything is a miracle.” As far as I'm concerned, it's better to build bridges and try to maintain a positive and grateful attitude toward life.

My favorite day of the year is April 1! None of my friends will answer my calls or messages that day. I suspect they all have reminders on their calendars now. I've done it all—for instance, conducting an “interview” via WhatsApp as a fake journalist, telling a friend who'd evaded the draft about the publication of a summons from the army in his name in a nonexistent newspaper. Or sending completely authentic-looking letters from the environmental prosecutor's office demanding the immediate relocation of the outdoor toilet at a friend's summer house 200 feet further away from the lake under threat of astronomical penalties, and more.

We also set up April Fools' pranks every year on ykt.ru. For example, we sent people to the sauna to get huge cellular service discounts, put up a fake broadcast of a fire in the city, and flipped

the image of the front page of our portal upside down, with the message: “Your monitor has been infected by a virus. Take it in to be serviced immediately.”

Another time, my friends and I from the Yakutsk Vecherny newspaper came up with a hoax where a man dressing as a woman participated in our online beauty contest. We found a guy with the right look, did a photo session, and added some extra votes to get him into the top-10 finalists.

Then, the day before the final, we published a press release informing the public that one of the finalists had, in fact, been a man dressed as a woman, and was therefore disqualified. We expected some interest in the Yakutsk media, but our local news unexpectedly hit the Russian and international news feeds, and it moved from there into many other media resources. A film crew from NTV, one of Russia’s largest national channels, flew out for the final, and the disqualified man was invited onto a talk show on Channel One, Russia’s biggest station.

That’s how we reached millions for the cost of one photo session—and had our first encounter with viral marketing. It was funny how the entire city genuinely believed that we’d been hoodwinked. My friends, hiding their laughter, pretended to sympathize with how we’d been tricked. We’d have to hide our own smiles in return and complain like, “Oh, what is the world coming to, when you can’t trust anyone!”

In 2003, we opened the largest computer club in the city. We purchased 45 new, powerful computers on installment and rented a large space that previously housed Yakutsk’s first casino.

The location was a bit out of the way but situated near a major university and several schools. We called the new club Fort Arena. I liked the sound of it, and the first letters of the words spelled my username “Far.”

It felt pretty good to open the largest computer club, also an internet café, in the city, with a large gathering of eSports players, under the bright lights of the enormous letters spelling “Fort Arena” on the roof. The club quickly became a popular hangout, thanks to its new equipment, good location, and large number of computers: you could always meet with friends there, play a game, and just have a good time in general. We began holding regular tournaments, which drew in all the gamers around.

The only downside to the club was the return of those familiar offline business problems—cheap floor tiles that fell apart a month after installation, pipes freezing in the winter, and the theft of computer accessories—but we dealt with the issues one way or another, quickly doing repairs, installing additional heating, and setting up video surveillance. The best thing was, the revenue started coming in immediately—stable income that didn’t depend on whether we were able to find web design orders.

Since then, I always strive to create renewable sources of income; I think it’s one of the basic rules of stability and survival for any company, especially a young one. It’s also essential to reduce fixed costs as much as humanly possible, but not by skimping on important one-time expenses.

A year later, we opened a second club, just as large, directly on the campus of the university. We called it Cursor, the same name as our now-defunct news project. Our club revenue doubled and, together with the growing income from web design, hosting services, and our first ad sales, helped stabilize the situation and the company finances. We were finally getting out of survival mode in our fifth year of operation.

Around that time, SakhaInvest took notice of us. It finally realized what a strong company it had in its vast business empire. The top managers of the holding invited me to a meeting, thanked me for

all my hard work, and announced they were giving me 25% of their 76% stake in the company as a bonus, retaining a 51% controlling share. They were concerned that I might leave the company due to the disparity between my actual share in the company, which amounted to less than 20%, and the effort I'd put into its development. They also gave us a loan and rented us a 1,000-square-foot room in one of their business centers in Yakutsk. Several years later, we were paying a discounted rate of about 75% of market price there. We were finally out of the apartment and back in a normal office again.

We paid SakhaInvest back many times over in dividends at the end of every year. We also gave it an advertising discount for its businesses on ykt.ru. Furthermore, Sinet became one of its major real-estate clients, renting large premises at market rates, and always paying on time. I gradually bought back all of Sinet's shares from SakhaInvest and other shareholders at a fair price, becoming the company's sole owner (several years after that, however, I sold the company to the top managers to focus on inDriver), so SakhaInvest's venture investment in us was a successful one.

I don't have anything against the top management at SakhaInvest. In fact, I got to be friends with some of its members. Several came to work at Sinet later. SakhaInvest may have reneged on its promises initially, and its support was fairly minimal and very late in coming—and its reputation may have been a little murky, like many voucher privatization funds in Russia—but I believe that our partnership was not in vain and all for the best in the end. I'm grateful to SakhaInvest for that unexpected transfer of shares, for never bothering me or trying to get involved in the management of the company, or harming us with destructive actions from its position as the main shareholder. All in all, I don't regret agreeing to sell a controlling interest in SakhaInternet in 2000, and I'm convinced that staying with SakhaInvest was the right move. It's often hard to say in life how things would have gone, how events would have

developed differently, if we had taken a different path or made a different decision. But I am sure of one thing: acting with honesty and reliability puts you in a strong position that, more often than anything else, leads to the desired result and protects you in difficult situations.

With our work situation more relaxed, I was able to take another vacation, four years after our trip to Italy. We went on a family trip down to the Black Sea. Also, that fall, I went duck hunting for the first time with three friends in the region near Sangar, about 130 miles north of Yakutsk. The region is covered by the untouched wild taiga, inhabited by bears, countless lakes, and the majestic Lena River, which grows particularly wide and powerful there after merging with one of its tributaries, the great Aldan River of Siberia. Everything in that land is of epic size and fantastically beautiful.

A first hunt at 29 is quite late for a member of the Sakha people. Many boys start hunting at age six or seven, but as a city dweller born into a family of intellectuals, I didn't have the chance to join a hunt until adulthood.

I'll tell you how I got my first duck. I did it in my characteristic algorithmic, programmer style. One of my friends grew up in that area, and his family owns the land around a large lake in the taiga, where they've been hunting since time immemorial. We arrived there in the evening and spent the night in a hunting cabin. We got up before dawn, around 5 a.m., and went out to the lake. We tossed our wooden duck decoys out into the water, and each of us settled down with our guns in one of the duck blinds situated on the four sides of the lake. There we sat for several hours, waiting for the ducks. We could hear their voices in the distance, in the middle of the lake, but couldn't see the ducks themselves. The day broke, the sun rose in the sky, and by 9 a.m., my friends had all gotten up and gone back to the cabin. I stubbornly remained, still hoping to

bag a bird. And then, from far away, I spotted a small dot moving along the shore of the lake. One moment it was there, and the next, it was gone. I didn't have binoculars, but I realized that it was a duck, periodically diving for food. Another 10 minutes passed, but the dot didn't come any closer, as I was hoping. The whole shore was littered with dead trees and brush; there was no way I could approach quietly. And ducks have highly acute senses—the slightest noise or movement, and they're instantly flying away.

What was to be done? Here I began counting the time between the appearance and disappearance of the dot. It was there for 1, 2, 3...10, then it was gone for 1, 2, 3...12, there 1, 2, 3...10, gone 1, 2, 3...12. I realized that the time intervals remained consistent, maybe due to the amount of air the duck's lungs could hold. "Here goes nothing!" I thought, and the next time the dot disappeared, I grabbed my gun and ran, counting on the way. At the tenth second, I dropped to the ground and froze. After several breaths, the dot appeared, and then, when it had disappeared again, I jumped up and ran forward, repeating the entire cycle. I'd say I did that about 10 times. The last time, I was standing on the shore, the sight of my gun trained on the spot the duck had been appearing. When it rose again, it saw me, panicked, and began to take flight. I fired then, all five rounds from my shotgun. The unfortunate duck was carried off about 100 feet and came to rest feet-up on the surface of the lake.

A feeling came over me, new to me but as old as the world, probably hidden beneath the civilized veneer of many a modern human. I tossed the shotgun aside and beat my chest, like King Kong, yelling like a maniac. When I calmed down a little, I walked down the shore a ways to where a wooden hunting boat was tied up, took it out to get the duck, and went off to find my friends. I held the duck behind my back as I entered the cabin. I was immediately hit with witty questions to the effect of, "Were you shooting because you got bored, or were you going after water rats?" and, "I

bet you didn't even get one of those, huh?" After drawing out the moment to allow them the chance to dig themselves into a hole, I ceremoniously produced the duck, enjoying the sight of all their jaws dropping. Then I told them the story. My friend's grandfather was there, and he said that it was a diving duck, and added, "I've been hunting here for 45 years, but I've never seen someone hunt that way. You're good!"—which was nice to hear, especially since it was my very first duck.

I went duck hunting several more times over the next four years, and it was always a really fun, exciting trip. I usually bagged one or two ducks, but sometimes came away with nothing. However, everything changed the day I shot a duck and pulled it out of the water, wounded but alive. That was probably the worst experience of my entire life. I couldn't let it go on suffering. I had to kill the poor animal while it was looking at me. Even worse, a second duck was flying overhead, despite the risk; it must have been the partner of the one I'd shot.

After that, I lost all interest in hunting. At least I can still go spin fishing, although I do throw back most of the fish. I simply ceased to understand the desire, or consider it acceptable, to kill living creatures, not for survival but for fun or the thrill of the chase—especially for city dwellers who have no problem finding ways to get food or entertainment. That incident was a push toward personal growth and transformation in this matter. I gradually stopped eating horse meat, which is a delicacy and traditional dish for Sakha and other steppe peoples of Eurasia. Now when I see people exclaiming over the beauty of colts playing in the meadows, it seems hypocritical to me: how can you sincerely admire these beautiful, intelligent animals, friends of humanity, while enjoying dishes prepared from them? Between these two states lies the slaughterhouse; you can find videos of the processing online, but I recommend abstaining for your own mental health.

Generally, I never impose my opinion on others, let alone stan-

dards of behavior. But this is a special case, and I have trouble keeping quiet. Human behavior is changing rapidly, as rapidly as the world around us changes. Why should we, in an era when synthetic down jackets and many other outerwear options are readily available, buy fur coats for 100 times the price? A hundred animals or more may be killed to make a single fur coat, and we know the cruelty involved in its production. I don't understand it, and I don't accept it. Maybe we should consider these things instead of sticking our heads in the sand. I think it's time for us to give up unnecessary things, like killing ducks by the dozen, and switch to fake fur or synthetic down for the winter.

Once, for just over six months, I tried to go vegetarian. It's not that easy, unfortunately, especially if you travel and work a lot, but it's doable. Vegetarian food is tasty, healthy, and easily digestible. There are many recipes available, as well as vegetarian protein alternatives to meat. I spent some time on a WhatsApp group chatting with vegetarians and vegans during that period, but I think they might be going too far in the other direction. One of them, for example, said that, if a mosquito bites you, you should pull it out carefully and let it go, which is ridiculous. Humans sacrificed millions of lives during evolution to make it to the top of the food chain. We have the right to defend ourselves and our quality of life, but we should do it without unnecessary and excessive cruelty toward our neighbors on this planet.

It's much harder in Yakutia to make the switch to vegetarianism. You need animal fats and protein in the northern climate. Artificial meat might be the solution, and food tech startups are an extremely active sphere of development at the moment, attracting billions of dollars in investments. Artificial meat has already been created, and is similar in taste to the original. As always, during further development of a technology, it will gradually get better, tastier, and cheaper than ordinary meat. As the Russian saying goes, "The wolves are happy, and the sheep are whole." They'll probably

go on to make robot ducks and rabbits especially for hunters. New technologies will, once again, provide the path toward a solution, improving our lives.

More than half of Yakutia's budget comes from companies extracting raw materials: diamonds, gold, oil, natural gas, and other natural resources. We're very lucky that our region is rich in natural resources, with the taxes from mining companies bringing large revenue to the budget and creating tens of thousands of high-paying jobs. But there are three fundamental problems here. The first is the inefficiency of production, inherited from the Soviet era. The autobiography of Taras Desyatkin, one of the founders of the diamond and gold-mining industry in Yakutia, gives a useful comparison. To develop the diamond mine Mir in Western Yakutia in the 1960s, in what was the depths of the taiga, they founded an entire city. Mirny was built for a population of 40,000, with all the accompanying infrastructure—roads, residences, shops, clinics, schools, and kindergartens. Only some of those residents work for the Alrosa diamond company, doing the mining. The rest are the service personnel that keep the city running: government officials, police, doctors, teachers, and so on. The expenditures to create and support the city were enormous, especially given its remote location and harsh climate. The Argyle diamond mine in Western Australia, in contrast, produces a similar volume of diamonds using only 600 miners who live in a temporary settlement with minimal infrastructure. After the mine is depleted, they'll simply close up the settlement and leave. But how would you go about closing up a city of 40,000 people?

Mirny is a good illustration of the problems Yakutia faces when mines run out or become less profitable due to market conditions or other reasons. There are hundreds of thousands of families out of work in the Far North. They are simply living in their depressed,

dilapidated towns, without the means to move somewhere else, producing nothing and earning nothing. Their support falls to the regional budget.

The second main problem is the high risk of natural resources dropping in market value. What will happen if the market for diamonds, oil, or natural gas dries up? Those are the three main natural assets of Yakutia—and Russia as a whole. The technology for producing artificial diamonds is progressing quickly. They will inevitably become more beautiful, of higher quality, and much cheaper than the diamonds obtained through mining. You'll soon be able to order an artificial diamond of any color, shade, and shape, with a beautiful holographic image inside, for many times less than a natural diamond. As for oil and gas, new technologies will gradually create more effective, ecologically safe, and cheaper alternatives. Sooner or later, electric cars will be as cheap and effective as traditional ones, or perhaps we'll be buying cars powered by solar energy, or water. One after another, countries will ban gas and diesel engines, as well as power plants running on fuel oil, coal, and natural gas. The remaining consumers of hydrocarbon raw materials will turn more and more to warm countries, where they can be mined more cheaply, and countries in logistically convenient locations. Oil and gas fields in remote areas are likely to significantly reduce production.

This could lead to a significant increase in the number of people out of work and families without a stable income in Yakutia. The growth of population and wealth in China, India, and third-world countries, with the corresponding increase in consumption, will hopefully compensate for the reduction of hydrocarbon use in Europe and the United States, and the resource rent will keep us from falling into extreme poverty for many years to come, but, in my opinion, the risks of dependence on raw materials are just too high.

The third problem is the pollution generated by large-scale

mining. Dam breakthroughs and toxic waste ending up in rivers, oil spills, the destruction of wide swaths of forest—and the wild animals, along with it—these are the inevitable side effects of an economy based on natural resources. The Vilyuy Dam and hydroelectric power station were built to provide electricity for diamond mining in Western Siberia. Enormous areas of forest were flooded in the process, not even cut down. As the years passed, the trees beneath the water began to rot, and exude phenol in large quantities, which, along with the after-effects of underground atomic explosions, the development of mining, and the fall of space shuttle boosters with liquid, poisonous fuel, have exacerbated the environmental problems in Western Yakutia. The inhabitants of this region are more likely to suffer from serious illnesses, experience problems with drinking water, and see fish disappearing from the rivers and wildlife disappearing from the woods. All of this is the cost of our relative wealth under the resource economic model. However, if raw materials are no longer in demand, the wealth will go away, yet the ecological problems will remain.

I believe that we need to develop the mining industry—working effectively and with extensive environmental safeguards—while at the same time creating alternative sectors of the economy to reduce the risks mentioned above. Given Yakutia's remote location, difficult logistics, absence of industrial infrastructure, high prices for everything, and harsh climate, material production faces objective difficulties. In other words, a stool made in Yakutia will cost much more in major Russian cities and abroad than one manufactured in southern Russia or China. So a furniture manufacturer will simply not be competitive. The local market is too small, and, in any case, the region needs money coming from outside; we need to export something to level out the balance of payments and create jobs.

In these conditions, some promising areas are the development of intellectual production and the provision of services and goods

unique to this part of the world. The first encompasses IT, movies, animation films, comics, music, books, and other intellectual products. The second could employ features of the region that would be difficult to replicate elsewhere, becoming competitive advantages of products and services. Tourism services, for example, could be based on the beautiful natural landscapes and the extreme climate of Yakutia.

As an IT professional, of course I'm most interested in IT projects and startups. Especially since this is a renewable, inexhaustible source of production, is ecologically safe, and provides professional development to people working in that sphere. It also has the potential to be very profitable on the global market. But other non-commodity areas are quite promising as well, and we will begin to develop and support them sooner or later.

Yakutia is a remarkable place. A few facts should prove my point: The Pole of Cold for the northern hemisphere is located here, as is the coldest inhabited place in the world; the annual temperature differential is almost 200 °F, and the region has the globe's thickest layer of permafrost—reaching, in some places, a depth of 5,000 feet. In area, Yakutia is roughly equal to 5 Frances or 13 Great Britains. It is the largest administrative unit in the world. It has deposits of mineral resources and nearly every element on the periodic table. Yakutia is second only to South Africa in diamond production. Some Russians sincerely believe that the average resident of Yakutia could, if necessary, walk into the nearest forest, dig into a snowbank, and fill his bucket with diamonds.

Yakutia's landscape is stunningly beautiful, mostly untouched and pristine. You could cross thousands of miles and see only the occasional village, and not a single factory. All you will see is the endless taiga and, closer to the Arctic Ocean, the tundra.

I love spending time in the natural world here. I've had some of the best times of my life on summer rafting trips down the rivers of Yakutia. Three friends from the Yakutsk cycling club and I decided one summer to go rafting down the Buotama River. This is a mountain river in central Yakutia that runs parallel to the Lena River for several hundred miles, to the east of the majestic Lena Pillars—a picturesque line of Cambrian limestone cliffs along the shore that look just like the Wall defending the Seven Kingdoms in *Game of Thrones*.

This was our plan: we'd get to where the tourist steamers were docked by the Lena Pillars, where, the guy behind this plan assured us, he knew of a guide who had horses and would, for a fee, transport our camping gear along a forest path to the Buotama River. And, if something went wrong, it wasn't all that far from the Lena to the Buotama, about 18 miles. We'd make it there one way or another, we thought. Our luggage consisted of two inflatable boats, tents, sleeping bags, provisions, an axe, and various other odds and ends like dishes, spinning rods, and a camera. We got to the Lena Pillars in good time on a high-speed river boat, only to discover there were no horses or guide waiting. There was only a hut, in which an employee of the national park lived, and he did not transport tourists to Buotama. "Okay," we thought, "onto Plan B." So we picked up our gear and headed off along a dirt path from the shore through the forest, heading east toward Buotama. It was easy going at first, but gradually the wide path began to narrow, until it finally disappeared into the undergrowth between the trees. Then the dead wood of the taiga began, resembling the impenetrable jungles I later saw in tropical Africa. We hadn't packed a machete, so we had to fight our way through by hand, using an axe when absolutely necessary. The situation was aggravated by the July heat (it gets into the high 80s Fahrenheit in the summer), and then the ground began to slope upwards into the hills.

So there we were, dragging our boats and gear uphill as we

fought through the vines. We walked about 5 miles the first day, and we were absolutely exhausted and haggard—to the point that, on one of our first breaks, we squeezed out most of our tubes of toothpaste to try to lighten our packs even a little.

We also had to make loud noises periodically as we walked, shouting or hitting two metal bowls together: this region had one of the highest concentrations of brown bears in Yakutia. These are very powerful and dangerous animals, but, unless they're ill, just out of hibernation, or are mothers with cubs, they're generally very cautious and avoid people. However, if you come on them suddenly and startle them, they can get angry and attack, potentially resulting in very serious consequences.

A healthy adult can cover 18 miles on an ordinary path on level ground in half a day, at a leisurely pace. At the end of the third day, we were still in the taiga. We'd run out of water, it was extremely hot, and we were all desperately thirsty. Then, unexpectedly, we came to a small path going west to east—that meant the river was nearby, and our suffering was almost over! A little further on, we noticed a transparent line stretched across the path and carefully stepped over it. It could have been some kind of alarm system, with the line leading to someone's home, where the sound of bells would alert the owner that someone was near, or it could have been part of a hunting trap for wild animals, and touching it would be very dangerous.

We came out onto the bank of the Buotama river right after that. The magnificent panorama of the mountain river spread out before us, the water rushing along the base of a long row of high cliffs, and along stone banks, with the endless wild taiga beyond. The pure, clean air was filled with the scent of countless flowers and grasses.

It's so beautiful that, when you see it, you seem to hear a celebratory hymn playing within yourself, the melody of this lovely and eternal natural world. Then, after the drudgery of the hard

trek, the heat, and our intense thirst, we tore off our confining packs and clothing and dove into the clear, pristine water of the mountain river. It was the best water I'd ever tasted! And, just then, the skies opened up for a brief, but intense, warm July downpour, adding the finishing touch to make it one of the best moments of my life.

Then we got out of the water, unpacked, inflated the boats, got in, and got going without further delay. Near the place where we came out of the forest onto the shore, we saw a small hut. The line across the path probably led there, but no one seemed to be at home when we passed. It's best to avoid encounters with people in places like this, if you can. Later, when I was rafting down the same route with another group, the owner of the hut, a hunter, came out to greet us. He was carrying a half-gallon jar full of alluvial gold that he must have panned himself somewhere in the taiga nearby. The price was so good that one of my companions promised to come back in a helicopter and buy his gold.

After we set off, we had several just fantastic days of rafting through this untouched landscape. We fished, made stew over a campfire, and watched the sun rise and set over the taiga. Yakutia is one of the last places on our planet unaltered by humans, a treasure unspoiled by mass production and industrialization.

I believe tourism is a strong potential area of development for the regional Yakutia economy, and you wouldn't even have to start with the establishment of tourist destinations and routes to remote places (e.g., the Poles of Cold in Oymyakon and Verkhoyansk; the Kisilyakh Mountains, called the Northern Shambhala; or rafting on mountain rivers and other difficult-to-reach locations, where there is no tourist infrastructure such as hotels, transportation, services, or staff). You could start with a theme park right next to Yakutsk. A few years ago, there was a clip going around the internet

from a Japanese television show that sent a film crew to Yakutia in the winter. You should see the shock and awe of the Japanese audience when they watched the video showing things that were pretty much run of the mill for Yakutians and other residents of Siberia. They filmed twisted laundry, frozen stiff in the cold, and crumbled up frozen cabbage and bananas. They also took a dip in the water through an ice hole after a sauna, experiencing a drop in temperature of over 300 °F in a matter of seconds. Developers could build an eco-village with housing, at once comfortable and exotic, and organize activities like the ones described above, emphasizing photo and video opportunities for participants, who would then post them all over their social media pages, advertising the project. If you could organize direct chartered flights from Tokyo, Seoul, and Beijing, and simplify the Russian visa procedure, with cheaper and easier logistics, a huge tourist sector could open up with consumers from the vast Asian market. After this, other trips could be developed.

After the company emerged from survival mode and more or less got on its feet, I decided it was time to set my mind to the goal that kept me from emigrating: to lay the foundation for intellectual production in Yakutia. As I considered the best way to go about this, given Sinet's very limited resources, I had the idea to create something along the lines of the high-tech hubs that have formed around universities in various places. The most famous example of this is Silicon Valley, which grew around Stanford University in Northern California. Smaller and less well-known hubs have evolved in India, Finland, Israel, Singapore, and elsewhere. The core of these ecosystems is almost always a major university or group of institutes, with private capital, and often government support.

I went to the local university, Yakutia State University (YSU), and, with the rector, I proposed creating a tech park based at the

university that would specialize in IT and use the specific regional features of the area to its advantage. To get started, we'd need a 10,000-square-foot space and 10 employees, who the university would pay.

The rector, a historian by profession, heard me out, then replied, "This all sounds excellent and very interesting. We can provide support, but..." he paused, "first, you'll need to prove yourself and help the university."

He told me that YSU was participating in a national competition titled "Innovative University." If the rating given to YSU's application by the competition jury put it in the country's top 40, the university would be officially recognized as an innovative university and receive a grant of USD 20 million. He proposed that I assist in preparing the IT section of the application. That seemed fair, and I agreed. We entered into an informal agreement—we would help them with the application, and, if it was successful, they would help us create a tech park at YSU, the first real tech park in Yakutia.

They put me on the internal working group putting the application together. This was the university's second attempt; their application a year prior was a total fiasco. The projects they presented had no logical connection and were unconvincing, and YSU came in a shameful second-to-last place. This fact, and the unconvincing pairing of a very provincial institution like their own with the concept of "innovative university," had demotivated the members of the working group. They simply didn't have any faith they could achieve a positive outcome, and they were afraid of the negative consequences to their career if they were to take an active role in this year's application and were seen as being responsible for it. It was clear to me at the first meeting that no real work was being done.

Situations in which everyone believes success is impossible, and the goal is ambitious, interesting, and stimulating, always rev me up, and I set to work with furious force—especially since this was

my university, my alma mater, and the creation of the first real tech park in the region was at stake. They made me head of the working group within a month, and now I was responsible for the entire application, and not just the IT part. Interestingly, I was the only member of that group who didn't work for YSU. The rector and vice-rectors nipped any intrigues or resistance to my leadership in the bud—they saw me as their chance to do things differently than the year before, and they gave me free rein. Anyone opposed was simply removed from the group.

To ensure that we had a strong application, I had to go around the entire university, stopping into all its institutes, departments, and chairs in search of interesting ideas, as well as those proposing them. I ended up with six or seven projects suitable for competition. These included technology for reducing electricity loss on power lines in low temperatures, and the production of dietary supplements using northern flora, which, as it turns out, have a particular healing, energizing effect due to the harsh climate. Another project was the development of frost-resistant rubber and plastic, which is obviously very relevant for the northern regions. Many truckers passing through Yakutia who need to change a tire in winter have been shocked when they take their spare tire off the roof of their truck's cab, where they have stored it as usual, only to watch the frozen rubber shatter into pieces like glass when it hits the ground. There was also a telemedicine project, in which patients from remote regions without doctors could get diagnostic services from the best doctors in the medical centers of major cities. We also included projects on the cryo-storage of biomaterials (like the storage facility in Norway's Svalbard), and a low-temperature testing range in Yakutia, where any Russian or foreign manufacturer could test out their products in an outdoor temperature of -40 °F and below—vehicles, vehicle rubber, engines, tents, sleeping bags, and many other things. In the IT section, we included support for high-tech startups, in the form of a tech park with an

incubator. We called it “Three Valleys” in honor of the three river valleys in which Yakutsk and its neighboring districts are situated.

The university’s assistance consisted of setting aside a small office for the working group, and not interfering as we reached out to researchers and professors. We even paid for paper and printing supply out of pocket. In general, no one paid us any attention and didn’t bother us because almost no one believed in the possible success of the application. There were 267 universities competing from all across the country, including the largest universities from the main academic centers—Moscow, St. Petersburg, and Novosibirsk. To be granted the status of an “Innovation University,” we would have to get in the top 40. Over time, a small group of university and Sinet employees on the working group came to have faith in our success. They saw how well the application was turning out, and they got inspired and got very involved in our efforts.

After seven or eight months of intense work, the application (200 or so pages in length) was ready. We printed out the final draft, sealed it in an envelope, and sent it to Moscow. The only thing we could do after that was wait, and I returned to my work at Sinet. Working at the university had been such a distraction from my main business that the company’s growth was half that of the previous year—and the following year, as well.

Just before New Year’s, 2007, I was on a family skiing trip in the mountains when I received a call in the middle of the night from one of YSU’s vice-rectors. We’d done it! Our scores had put us not just in the top 40 but also the top 20. The institutions ranked above and below YSU were all famous Moscow and St. Petersburg universities, and leading experts praised our work. This was a true victory, and a major success! It was a sensation in Yakutsk, especially in the scientific and academic community.

The next day, the rector of YSU personally thanked me in an interview on local television for the work I’d done. It was a great feeling to realize that all that work had not been in vain, and that

the university would get a powerful boost for development, new status, prestige, and a large grant of 20 million US dollars, providing me with the opportunity to create Yakutia's first tech park, where we could do cool and innovative projects. But, as often happens in life, it wasn't quite so simple.

YSU's unexpected win in the competition revitalized the university. I learned that there had been several groups competing among themselves for influence and resources: money, funding for staff, space, equipment, and interns. People were carrying out intrigues, trying to get members of their groups into positions of authority, and working to undermine members of other groups.

Right from the start, the Three Valleys project ran into what I called a "molasses swamp." Everyone smiles at you, tells you how great you are, what a good job you did, but, at the same time, everything gets done very, very slowly, or stalls altogether. Only one person told me honestly to my face that I wasn't one of them, that I was an outsider at YSU, that I wasn't part of any group, and that the people here were going to get in my way. Instead of the promised 10,000 square feet, we were given 1,300 square feet in the natural sciences building—and that only after much delay and red tape. The promise of staff failed to materialize entirely.

After waiting several months, and after many visits to the rector and vice-rectors, where I was fed an endless supply of empty promises, I decided to wait no longer. I took action. We transferred ownership of Cursor, our computer club on their campus, to YSU, including all its computers, furniture, and equipment. Revenue from the club began to flow into the university's coffers, which we used to create two new positions. I offered them to employees with experience, and an interest in the project. We set up a micro-incubator in our 1,300-square-foot room and invited three small startups to join us free of charge. One of these later became a

successful game developer, MyTona, now operating worldwide and growing fast in one of the most complex and competitive high-tech industries out there. I'm confident that MyTona will eventually be a multibillion-dollar global company.

I think Three Valleys helped them along a bit, but I don't think it was their brief stay in our tiny incubator, as much as it was the opportunity for Alexei and Afanasy Ushnitsky, brothers and founders of MyTona, to visit Silicon Valley. When you travel to places like that, you always get a lot of information and motivation. It opens your eyes to see guys just like you with successful companies, and you realize that it's entirely possible to build your own global business.

Interestingly enough, the MyTona founders and I had already discussed how best to develop the Yakutian IT industry. We considered contests for high school and college students, Olympiads for programming, educational initiatives, and so on, but, in the end, we concluded that the most effective method would be to show by our example that it was possible to build a global high-tech company in Yakutsk and achieve success on an international level. That would be the best stimulus we could provide. It wouldn't prevent us from doing other things, of course: we support various competitions and hackathons, and we collaborated on the establishment of a nonprofit educational center, where our own experts and invited guests speak.

We eventually launched that low-temperature testing site we had put in the application, calling it Yakutia Challenge. I met with the head of a village administration near Yakutsk, and we reached an agreement that if the project was making progress, they would allocate an empty 2,500-acre plot of land with an abandoned building on the outskirts of the village. Next, we found contact information for about 100 foreign car and automotive product manufacturers and sent them all letters in English (not without some errors, I suspect), inviting them to test their products at our

site. We received only five responses, all polite refusals. But one day, three years later, when I was no longer working with Three Valleys, the phone rang—it was someone from Bridgestone calling to say the company wanted to test its tires with us. Bridgestone remembered our letter! I sent the company to the local university, and the tests were conducted not long thereafter. A few years after that, Bridgestone and the university opened a permanent low-temperature testing site near Yakutsk—a good example of how a small but bold and creative move can grow into something big.

We also signed an agreement with the Permafrost Institute in Yakutsk on the creation of a cryo-storage facility. The institute is the only research organization in the world focusing entirely on the study of permafrost (elsewhere, it is researched in university laboratories). The agreement, unfortunately, didn't go any further, mainly because of delays and my busy schedule and lack of experience in the field, but the institute did set up a small cryo-storage facility for seeds several years later, a logical continuation of the experiments begun by Yakutsk scientists in the 1970s.

We launched a few other interesting projects but, overall, everything moved much slower than in IT. Partners and counterparts frequently let us down, bureaucracy was rampant, and we were too small-scale. It was not at all the tech park I had imagined—instead, I found a tiny incubator, passive resistance and incomprehension from all sides, intrigues, and a lack of real support from the university leadership. In addition, it was too much of a distraction from Sinet. After a year and a half, I decided to shut the project down; I thanked the tech park staff and left the university.

At the time, I saw it as a major failure, but several years with innovative university status, and the work done as part of its application, helped YSU take its next big step: it was granted the status of a “federal university.”¹ There are only eight federal universities across the entire enormous territory of Russia. YSU became NEFU, the North-Eastern Federal University, and it now receives

extensive support from the federal government. I'm proud that I and a handful of members of that working group, along with Three Valleys, made a major contribution to this achievement and gave a boost to the development of the university.

It's too bad that the YSU employees from the working group that successfully applied for 20 million US dollars for their university, as well as an increase in status and growth, have reaped no benefits from it: no career growth, award, or even a simple letter of appreciation. I tried to compensate a bit for this with a celebratory banquet, where I gave them engraved plaques in recognition of their efforts. Also, it was clearly unfair of the university, when I closed down the tech park, to demand payment for a pair of burned-out graphics cards—after Sinet donated 45 computers to them! But you should never expect gratitude when you make a contribution to someone or something; you should always be prepared for ingratitude. If it's important to you, do it anyway.

After YSU, we made a brief attempt to stimulate the foundation of a tech park in Yakutia on behalf of the regional government. We initiated a number of meetings and discussions and managed to get a relatively small allocation in the republic's 2009 investment budget for the development of a tech park project, with the Finnish consulting company Innopolis. This company had extensive experience building regional innovative infrastructure from scratch, or, as it put it, from the "greenfield" stage. I spent six months attending unbearably boring meetings at government building No. 1 (they've put up so many buildings for bureaucrats in Yakutia that they've started numbering them), where the atmosphere always felt airless and stifling to me. But the sacrifice was all in vain: the paragraph on expenditures for the Finns' services, entered for some reason into the budget of the Ministry of Construction, was deleted the first chance the bureaucrats got. Or, in their bureaucra-

tese, “sequestered.” I simply couldn’t believe it when I heard. They understood absolutely nothing of what we told them about new technologies and innovations, but that’s not why they defunded us. They struck us from the budget because I, the innovator of the project, was not their friend, their relative, or from their hometown, and I didn’t drink vodka with them in the sauna, so they didn’t see any personal advantage in this project. It was an obvious waste of time, and, at that moment, I promised myself I would never again depend on bureaucrats and apparatchiks. I would do my best to avoid them, and if we had to interact, I would only do so from an equal or stronger position. I vowed to do everything we wanted, everything we dreamed of, independently, without having to rely on anyone else ever again.

That was one of my first motivations to work in big business. Prior to that point, we weren’t interested in making Sinet a large, global company. Having my own business was a way to ensure my freedom and do what I loved, which I managed to do by the mid-2000s. Everything began to change after the tech park situation. In fact, 10 years after its foundation, I began to consider developing Sinet into a major company that would serve as the foundation for my dream for Yakutia IT and enable us, if we wanted, to build the tech park, incubator, venture capital fund, and more, on our own. Our success story would be a vivid illustration that IT development in Yakutia was, in fact, quite realistic.

Clearly, we’d have to enter the global market, or at least the Russian market, to find opportunities for that kind of growth. The size of the Yakutsk market in which we worked was restricted by the population of the region. Even though Yakutia is the largest administrative unit in Russia in terms of territory, and even the largest administrative unit in the world, fewer than one million people live there. Additionally, most of those million people live in places with

no (or very limited) access to the internet.

The most obvious idea was to try and replicate the success of ykt.ru, a multiservice city portal designed to achieve maximum levels of traffic and monetization through advertising. We researched the situation in other regions of Russia and discovered that only a few had popular regional portals. This was encouraging news, and we took it to mean that the market was wide open. This is a common entrepreneurial error—the absence of something obvious on the market often means that attempts have already been made to fill it, but demand was insufficient.

We immediately put all our energies toward preparing an export version of ykt.ru. The portal clearly needed a lot of improvement, with more modern functionality and technology. For example, we didn't have just one single authorization point: users had to register separately for the different services on ykt.ru. Sinet staff were inspired by the prospect of expanding outside of Yakutia, and, in seven to eight months of hard work, we prepared a new, modernized version of the portal.

We called the new company Synergum, from the word “synergy,” because we were planning to work with local partners who would provide the free or low-cost advertising resources needed to promote our portals. To boost our image, we rented a small office for three people in a Moscow International Business Center skyscraper, and proudly put that ritzy address on the Synergum website, letterhead, pamphlets, and business cards. Looking up at the shining lights of skyscrapers on a Moscow night, we sincerely believed that we were at the start of a great success story.

I set off on a trip around the country to meet with leaders of regional television companies and media holdings. I visited many different Russian cities, from the country's western borders to the Far East. I was struck in particular by the fantastic, unusual beauty of Kamchatka; difficult to put it into words. It hits you the moment you step off the plane and see the enormous, smoking volcanoes on

all sides—not to mention the huge sea lions, probably weighing close to a ton, lying on the pier right in downtown Petropavlovsk-Kamchatsky, or the vast and empty beaches of black volcanic sand on the shores of the Pacific Ocean. And that was before I'd flown out to the Valley of Geysers, or spent much time in nature.

After Kamchatka, I was impressed by the harsh conditions of Norilsk—and it's not as if I grew up in a southern resort town! Picture this: All you can see in every direction is lifeless, snow-covered tundra, swept by frequent snowstorms, and too cold, even in the summer, for picnickers and summer cottages. Imposing aluminum factories rise on three sides of the city, forming a triangle with Norilsk at its center. So, whichever direction the wind is blowing, there's always chemical smog from the factories hanging in the air. I heard from some local residents that this was one of the reasons the average life expectancy in Norilsk is 10 years lower than the national average, which is already not particularly high. There are broken-down buildings in the city proper. I saw a five-story apartment building where the corner entrance had collapsed, exposing the interior of the former living spaces within, which still contained bookcases, couches, and other furniture. Meanwhile, people continued to live in other sections of the building. The municipal government has done some repairs to the area; when then-President Dmitry Medvedev came to visit, they fixed up the facades of the buildings along the route of his motorcade. The back side of some of those beautiful facades looked like they'd been through a bombing raid. But Russia also has beautiful, well-kept cities, like Kazan and Stavropol and those in the oil and gas region, like Surgut and Khanty-Mansiysk.

This trip gave me a true understanding of the vast size, beauty, and variety of this country. I also found it interesting that the further east and north I went, the simpler and kinder the people were. Maybe the climate is a contributing factor; it's more difficult to survive in Siberia without help from your neighbors. As when I was

selling my analytical system to banks in Yakutsk, potential partners perceived me as some sort of internet-crazed techie oddball, but also, now, as a successful entrepreneur with experience developing a portal in my region. They listened with interest to my proposal, which was strengthened by the expansion of the internet into the traditional advertising market. TV channels, outdoor advertising companies, and particularly newspapers and magazines were starting to lose clients, some of whom were going to social networks, online news resources, local websites, and websites devoted to specific topics. Our fancy Moscow address probably did us more harm than good: when regional businesspeople found out that we were actually a company from Yakutsk, they noticeably warmed up to us. There wasn't a lot of love in the regions for Muscovites, at least in the media and advertising industry. About a third of our negotiations reached a successful conclusion, and we found partners in five cities. We created local joint companies in each city, registered domain names, and created portals for them—truncated clones of ykt.ru. After some consideration, we decided to give our partners 50% share in the joint companies. Any less would demotivate them, we thought, and they would have less interest in building up the business, but any more, and we would lose control. To protect ourselves against risk, we decided to appoint the directors of these companies ourselves for a minimum term of three years, and make it a condition that they could only be replaced by a majority vote of 51%, which neither of the partners had alone. We also retained control over the domains of our joint portals, with access to its management and DNS settings.

After setting up the portals and filling them with the initial content, we launched major advertising campaigns on our local partners' platforms. These were mostly television ads, but also included radio and print ads. We watched the portal ratings hopefully the first weeks after the launch, to see if we could repeat the success of ykt.ru. But life drenched that hopeful flame—the portals

didn't catch on, and the number of unique daily visitors leveled out in the low hundreds, without going any higher. We realized later that there were two main causes for this: First, internet projects should be advertised primarily on the internet. We saw evidence of this many times over the years. Second, and more importantly, the time to launch regional portals had already passed. Projects similar to ykt.ru that found success were all created in the late '90s and early 2000s. They were followed by the rise of search engines, social networks, and sites focusing on a single topic. The era of messenger services and mobile apps had already begun. Users had many more choices now, and it had become nearly impossible to attract them solely by being a "local" site. Existing regional portals that were already popular continued to grow on the basis of their strong core audience, which generated interesting content and drew in new users. These companies also already had revenue, and could keep enough people on staff to begin generating their own news and entertainment content.

The only exception for us was the project in Kamchatka. The city was isolated from the wider internet, the cost of external connection was prohibitive, and the portal we set up with local partners, portpk.ru, was placed within the Petropavlovsk-Kamchatka municipal network with free traffic. We saw fast initial growth in visitors to around 3,000 to 4,000 daily, and the numbers continued to rise. At this point, we encountered a situation that sometimes occurs with new partners (and occasionally long-term ones)—our local partner started trying to squeeze us out of the business, going so far as to issue threats bordering on the criminal. He took control over the portal's content, as he owned the servers and had access to them, and began to change its appearance and functionality at will, despite having no professional experience or training. Legally, we were at a stalemate because of the 50–50 ownership split. We never set up a company like that again, because it is completely unworkable in the event of disagreements among shareholders. But we had

control over the domain, and, in the end, we simply removed the delegation for portpk.ru and it no longer opened. Our (now former) partner launched a portal the same day on a different domain he had prepared in advance, pkport.ru. However, managed, as it was, by amateurs, the new site soon shut down. The story in Kamchatka demonstrated, once again, that it was better to avoid partnerships and to do everything ourselves, without depending on either government officials or commercial partners. If we needed certain services, we should pay for them. Since then, we've strictly adhered to these principles, choosing the path of maximum independence and avoiding partnerships.

Overall, the portal export project was a resounding failure.

This was the second major setback of my life; the first being the whole YSU business. Once again, it hit me hard; I felt nothing but bitter disappointment. I didn't know where to go next, because our main area of expertise was portals. But, as with YSU, where the Innovative University endeavor led to a major success for the university and helped promote the system of higher education in Yakutia, the experience with regional portals brought about an unexpected and very important outcome for Sinet.

When we upgraded the technological framework for ykt.ru prior to the export initiative, putting enormous energy into it in a short period of time, we created some of the most advanced technology for regional portals in Russia. This happened to coincide with the long-awaited arrival of fiber-optic internet in Yakutsk, and a rapid reduction in tariffs for network access. Before this, we only had satellite connection, which meant providers had to keep prices high. A wave of new users hit the internet, and they found our high-quality, modern portal, where many of their fellow Yakutians were already hanging out. In addition to the portal update, their arrival helped generate excellent, interesting local content. We saw

the biggest audience growth in 2010–2014. By 2015, 85% of internet users in Yakutsk were regularly accessing one or more of our services, making our portal number one in Russia in terms of regional audience coverage. Around that time, based on our own and independent surveys, ykt.ru became the top news resource in Yakutia, beating out the previous leaders—the local state television channel and a popular weekly newspaper. We were the champions, which meant, among other things, that our advertising revenue multiplied several times over those years.

Once again, failure turned into major success. When that became clear several years on, I concluded that if you undertake something with great desire and energy, putting all your talent and soul into it, then even if it technically “fails,” first, you will have gained valuable experience and made strides in either self-development or the development of the world around you, and, second, this failure may subsequently turn into a success if you give it time. This idea became a source of strength for me. And entrepreneurship is a story of strength.

But that all came later. At the time, two major failures in a row pulled the rug out from under me, triggering an acute personal crisis. In periods like that, you simply cease to understand why you’re doing what it is you’re doing. Worse, you start asking yourself the same question over and over, and you can’t come up with an answer: Who are you, really, and what are you living for?

They say that the plot of almost any book or film can be boiled down to one of several basic storylines. A very old one consists of the main character setting off on a long and dangerous journey, full of various trials and obstacles. At the end of the journey is a dragon or other symbolic archenemy that he or she must fight. Throughout my life, I have encountered one strong and powerful enemy over and over. The paradox of it is, the dragon was me.

Gradually, day after day, month after month, depression and despair consumed me. All my thoughts led to one conclusion—that my vision of the future, of a successful business career, significant contributions to my community, the creation of a regional IT industry, the vision I'd worked so hard on for so many years, would remain a mirage and a pipe dream. I thought that people outside of Sinet didn't understand me, and there was nothing I could do about it. All I'd done was become a tech entrepreneur in a small provincial city—I was a failure at anything outside my small business. Is that what I had dreamed of, what I'd been working for all these years? Maybe everything I'd done, and was doing, was all in vain, all wrong? Maybe I'd made a mistake somewhere and chosen the wrong path? And, all along, within me, the main question was burning in giant, flaming letters: Who was I, really?

This self-flagellation and lack of answers, the feeling that everything was meaningless, created a constant, gnawing ache inside me that only increased over time. It got to a point where I would spend whole days just lying in my bed and staring at the ceiling. I left my family. Vera and I were officially divorced a year later. This only strengthened my depression. I began to work much less, sometimes going weeks without doing anything. At that time, 2011–2012, Sinet was mostly operating on autopilot thanks to its experienced team, and coped without me. Around that time, a smart, experienced manager came to us, Artem Myryanov, who quickly became my right-hand man at Sinet.

It felt like there was no point to anything. Clearly, this was the most serious crisis of my life.

PART FOUR

THE SEEKER

Success is becoming who you want to be.

- Wallace Wattles

It was a July day. Despite our harsh winters in Yakutia, we do get hot summers, even if they are a bit short. The sky to one side was covered with dark storm clouds, lightning flashed, and the occasional rumble of thunder was heard. On the other side was a vast expanse of sky covered with white clouds, the sun hidden somewhere behind them. The wind picked up, and the first heavy drops fell. They grew more frequent, turning into a summer downpour. I stood on the balcony, listening to “One” by U2, which was coming through the open door to the room.

The warm drops of rain fell on my face, the lightning drew closer and closer, the thunder rumbled louder, and then the sun broke through the clouds, shining brightly down onto the balcony where I stood. I don’t know how exactly, but it all came together in a single instant—the thunder and the rain, the ray of sun, and the music—and I knew I wasn’t going to give up. I would overcome these failures, the depression, and the loss of motivation, step by step. I would become self-actualized, and do what I had to in life

and find myself. This was a turning point for me. After that day, I pulled myself together and began slowly working to find a way out of the hole I was in.

Meanwhile, at Sinet, we'd put together an excellent team of journalists at ykt.ru, headed by Anton Zhondorov. I'd watched Anton grow from a recent language arts graduate to one of the top news editors in Yakutia and beyond. His accomplishments included opening a school for developmentally delayed children in Yakutia, who had lost their land thanks to corrupt officials; the end to preferential parking in front of the government building, for which they had blocked the city street; and breaking many other high-profile stories in the fight against social injustice. He's probably the only journalist in the world to penetrate Putin's security (some of the best in the world) on the sidelines of a media forum, and grab the president himself by the elbow; he asked when the government would finally build the promised cancer hospital and bridge across the Lena River in Yakutsk.

As the percentage of our own editorial content increased, along with the popularity and influence of ykt.ru, and the portal became one of Yakutia's top media resources, we had more conflicts with the government and various political groups. By this point, we had already established our basic principles as a media resource, and we had a wide range of measures to counter various forms of pressure. One of these principles was a ban on any kind of pre-election advertising, whether paid or free, pro-government or opposition. I began to distance myself from the local elite, so as not to give them any additional reason to call or write with requests to remove or publish something on the portal. Our most effective instrument against any type of pressure was that ykt.ru wrote the truth, and gave all sides an opportunity to state their case. Everyone knows that we never practice censorship, smear campaigns, or any type of

advertising masked as journalism.

We have tried to maintain freedom of speech on the portal. If posts don't break the law or portal rules, and they don't contain slander or unethical intrusion into the private lives of other people, then these are opinions, thoughts, and ideas that people have the right to express. There are too few places left in Russia where this can still be done. We believe in the power of independent media sources and that they assist in the development of civil society. If a deputy mayor gives a businessman half a land plot for a future correctional school as a bribe, or a drunk State Assembly deputy crashes into a group of pedestrians, killing some and disabling others, and the pro-government media keeps quiet, or notes these facts in small print at the corner of the screen—well, this is just plain wrong. Such news has to reach everyone, and the public response can be leveraged to ensure there will be consequences for wrongdoers' actions, and then the next deputy mayor or State Assembly deputy will think twice before risking his or her career and freedom this way. That's how the media can assist in societal development and make life better for people.

Even worse than the state media, which is at least honest in its loyalty to the government, are certain smaller news publications that will write absolutely anything for a price. It's both funny and revolting to see a paper like that publish a gushing puff piece about some entrepreneur deputy one week, only to write the exact opposite the next week. It turns out that the first piece was a play to extend a current contract that was coming to an end, and the second was published after the client decided to stop paying for the deputy's services. These things disgrace and kill real journalism and corrupt journalists, especially the younger generation, who come to accept these practices as the norm after observing their more senior colleagues at work.

In this sense, I can say, without false modesty, that ykt.ru is a boon to civil society and independent journalism in Yakutia. The

portal has been, and continues to be, supported by a strong, financially independent company consisting of a team of IT professionals with positive values and principles aimed at improving the lives of others.

We have always taken decisive action if the pressure from the authorities gets too severe. For example, when a certain high-ranking official got overly enthusiastic in his denunciation of us to “suppress anti-government activities, financed by the enemies of Russia,” I invited him for a cup of coffee and said, “Ivan Ivanovich [we’ll call him], what’s all this? We respect you; we always give you the chance to state your opinion on the issues, to get your thoughts and opinions out to a wider audience. More than that, you know that we’re not part of any ‘fifth column,’ and always stick to the truth.” And, after that, I went on in a friendly tone, “We like you, Ivan Ivanovich. Just recently, in fact, some fans of yours brought us a video of you and some ladies of the night in a Moscow hotel, and we didn’t publish it—we didn’t even watch it.”

After that, Ivan Ivanovich, choking on his coffee, his face pale, promised to think it over. He backed off right away. Our team really doesn’t watch or publish any materials related to the personal lives of public figures; we turn away sources, and we don’t keep any blackmail material. If it’s related to corruption, we’ll take a look but only publish an article on it if we have hard evidence. If you’re an entrepreneur, you have to be prepared to stand up for your company and your team by any (legal and ethical) means necessary. But the main defense and protection for ykt.ru was telling the truth, and avoiding any wrongdoing.

In Soviet times, officials in Yakutsk were housed in the so-called House of Government, a stern-looking brick building with a marble façade on its lower half and, around the perimeter, fir trees so perfectly formed they look artificial. It is situated on the city’s cen-

tral square, which has been given the unimaginative name of Lenin Square. After the fall of the USSR, the number of government officials began to gradually increase, and a second government building was opened, then a third, then a fourth. Much about the Russian system of government has always seemed irrational and ineffective to me. Sometimes it seems like decisions are being made by some invisible slow machine behind the scenes, issuing orders in accordance with a random algorithm. Laws and government requirements change arbitrarily, seemingly for no reason. There is a ban on gathering dead wood in the forest, then several months later this ban is lifted. It is legal to drive with a certain amount of alcohol in your system, then it is illegal. A regulation is introduced requiring certain warning stickers on cars, everyone buys them to avoid a fine, and the regulation is repealed six months later. It is, in a word, chaotic. The government operates the same way when it comes to business, endlessly introducing, amending, and abolishing regulations, rules, taxes, and duties. This creates an atmosphere of uncertainty, which there is already enough of in business without ill-thought-out actions on the part of the authorities.

One day, I was invited to the main government building and was offered, in a leisurely conversation over tea, the post of minister of Yakutia for information technologies and communications. This was an unexpected turn of events and not at all how I saw my career path. In essence, they were suggesting that I leave a job I found interesting and that was perfect for me for some kind of voluntary serfdom. Having to be in an office from 9 a.m. to 6 p.m. each day, an endless progression of purposeless meetings, bureaucracy, and general dislike from the public (forget about even posting pictures from your latest vacation online—you'd just be inviting a flood of comments along the line of "look at that corrupt bastard")—these were the things I'd have to look forward to. I refused, of course.

The status of bureaucrats and deputies is overvalued here, it's pretty clear. If a talented, passionate young person chooses that

career, many years later he or she may achieve status and power, but not the opportunity to acquire wealth through official channels. And we now live, for better or worse, in a hyper-consumeristic society, where money is the prize coveted and valued by all. Not everyone retains selfless enthusiasm and altruism; government officials, without the legal means to achieve material success, see entrepreneurs no smarter or energetic than they are earning a great deal more, and they may give in to temptation, become corrupt, and risk everything by taking kickbacks and lobbying in service of their own or others' self-interest to the detriment of the needs of the wider society. As a result, the high level of corruption corrodes society, affecting the economy and everything else.

Government agencies attract talented and ambitious people. Many young people dream of working in positions in state structures, although their talents are better suited to a career in business, intellectual production, science, art, and so on. If you are talented in one of those fields, the world is open to you. Better suited to careers in government are calmer and less ambitious people, those who are more “process-oriented” rather than “result-oriented” or “sales-oriented,” as they are sometimes categorized in HR—those who value stability, and are prepared to undertake this stressful and responsible work. We are still far from a system of government like Singapore's, where government salaries are adjusted to reflect individual KPIs and there is no wage ceiling.

Let's talk about negativity on the internet. We were often accused of spreading negativity at ykt.ru, of engaging in yellow journalism. There is an element of truth in that. What's interesting is that this was particularly true at the start, when an algorithm determined automatically what was displayed on our front page, based on the stats of what visitors were viewing and commenting on. That's the logical choice, isn't it? To give the most popular and interesting

materials the most prominent place? So that's when we learned that people are more interested in hearing about the darker side of life. If we publish an article on Yakutsk chess players winning a tournament somewhere or the opening of a new school, it might get a couple hundred views and one or two apathetic comments. But if a story comes out that a famous local singer went and shot his neighbor in the leg out of jealousy over his wife, it's guaranteed to get tens of thousands of views and hundreds of lively comments. If we didn't adjust the algorithm, it would fill the entire portal with material like that. Over time, we introduced pretty strict limitations on overly negative material, and our content became much more positive. In this way, ykt.ru is a somewhat softened reflection of the passions and predilections of its own audience.

This algorithm story is an interesting illustration of the problem with the singularity. Imagine if we hadn't noticed that our algorithm was inundating our audience with negativity; if people consume a high volume of negative content, it can have an unfavorable impact on their mental state and anxiety, which could lead to them worrying more about their safety, reading more crime news, and so on. So a simple article placement algorithm on a portal, the most primitive level of an artificial intelligence, is already capable of acquiring some power over humans!

Many futurologists believe that by the mid-21st century, human development of technology will advance to the point that we grow dependent on it and lose control over artificial intelligence, with unpredictable consequences. I completely agree that artificial intelligence has many potential dangers. We seriously risk becoming an evolutionary stepping stone, enabling the arrival of a more perfect, immortal being without any of our human weaknesses.

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The history of business is primarily one of people's intelligence and inner strength. The larger the business and the higher the goals,

the more exceptional the intelligence and strength must be. There is no generally accepted definition of intelligence, but the best I've read is from the American business writer Robert Kiyosaki: "Intelligence is the ability to make finer distinctions." In other words, if people see only black and white, good and evil, 0 and 1, then they are not highly intelligent. If they see, say, 0.7, things are looking better. And if their intelligence enables them to see distinctions all the way to 0.721526, they've hit excellence. This capability helps people accurately assess situations in their lives, and find strong responses and actions. In my opinion, intelligence consists of two main elements. The first is the mind we are given from birth—a gift from nature. It's like physical beauty. Here, I have to agree with Jeff Bezos, the founder of Amazon, who has said that being naturally smart isn't anything to boast about, as it isn't something you had any control over. Kindness and honesty are different matters, as they are completely within your control, and, if you demonstrate them, you have something to be proud of. The second element of intelligence is the totality of your knowledge and experience. Together, your natural brainpower and your knowledge make up the intelligence that enables you to see the finer distinctions in life. While it can be difficult to develop the mind, knowledge and experience are a limitless field for development, giving people the opportunity to strengthen their own intelligence. People also emerge from childhood with different levels of inner strength. Some are strong and responsible at 16, while others are still spoiled children at 25. But inner strength can be built up through targeted exercise, the same as physical strength.

A highly intelligent person with reserves of inner strength has much higher chances of success when building a business and in entrepreneurship, because it is a heuristic process with a great degree of uncertainty, and involves many high-stress situations that require quick decision-making.

Studies indicate that the average age of successful entrepreneurs

is 44. At that age, entrepreneurs have accumulated enough experience (and enhanced their intelligence while doing so) and can respond calmly to challenges and stressful situations, while still having sufficient physical strength and energy to work long hours.

I started my first business when I was just over 20, and I realized immediately that I was lacking several key skills, most importantly, social skills. As a typical programmer and introvert, with a severe stutter since childhood, I avoided interacting with strangers and any public speaking. It was my intelligence and inner strength that enabled me to run my small business more or less successfully. In addition, with an IT business, in-person communication can be replaced by written messages through email and chat, which was a great help to me. But as my company grew, it became clear that I had to engage in some self-development and transformation as well. And this personal crisis was the stimulus I needed to take action.

There's a psychological approach called the "life balance wheel." A circle is divided into various sectors, which correspond to important areas of life, such as career, family, health, and so forth. After that, you are supposed to analyze the current state of affairs in those areas, creating a visualization and understanding of which areas require development.

I use a similar technique I call the "lifeogram." You take a circle, split it into 8 or 16 sections, and assign to each section a quality that's important to you. These could be qualities like intelligence, emotional intelligence, professionalism, social skills, accuracy, responsibility, willpower, and so on. After that, rate yourself on these qualities in each section from 0 to 10, where 0 is very weak and 10 is very strong. Because many of us are prone to either self-deprecation or self-aggrandizement, get help from people who know you well, and ask them to rate you in these areas. It's best to set this up so that the participants can add their contributions anonymously, so they won't inflate their ratings. You could, for example, have a

party, and before everyone starts drinking, ask them to (honestly!) write their ratings down and toss them in a hat.

Taking the average from all these scores, and your own, will give you a more objective final rating. Enter these values on the scale in the appropriate section of your circle, and then draw a straight line connecting these points in different sections. The broken figure in the center of the circle is a visual representation of your personality. The more highly developed and balanced your personality, the larger the size of the figure as it extends to the edges of the circle. A less developed personality would be represented by a smaller figure, hunching toward the center.

You can see on the lifeogram which skills and qualities need the most work. Then you can choose several of the most problematic skills, and start systematic exercises to improve them. When choosing an area to work on, you may want to consider which skills are most important for your career, or which skills will lead to the automatic improvement of others. Choose one or two, three at most, and work on them for a year. At the end of that year, rate yourself again, and choose the next categories for development for the year ahead. Within three to four years, you will see that you've made significant progress in your personal growth, and have become a stronger and more balanced person.

In my case, my problem areas at the start of this process were my social skills and my physical shape. I already mentioned the issue with social skills above, and, as for physical exercise, I'd always had a difficult relationship with sports. In cross-country races at school, I'd come in second to last, gasping for air. My natural clumsiness prevented me from getting very far with gymnastics, soccer, or basketball. And who enjoys being bad at something? Eventually, I did everything I could to get out of gym class in high school and college, bringing in fake doctor's notes or just skipping class. The lack of physical activity, sedentary work, and poor eating habits led to weight gain: at a height of 5'11", I was approaching 210 pounds,

which I was not thrilled about. So, I picked those qualities first—social skills and fitness.

Social skills, like many others, can best be strengthened by intentionally putting yourself into stressful situations. Or, to use the clichéd but accurate phrase, “by getting out of your comfort zone.” What I found to be most effective was a high volume of communication with strangers, and setting up “extreme” communication situations. The first meant forcing myself to communicate every day, trying to find something in common with people of all different ages, ethnicities, and social status. An example of the second was when, on a trip to a different city, I put on the hotel bathrobe backwards, tied the sleeves behind my back, and walked down the street to the nearest mall. I went to the food court, stood on a chair, and began belting out an operatic aria—until I saw security guards approaching, at which point I had to make tracks. Another technique was to walk around and ask strangers to loan me their personal debit cards for an hour. To start out, the rule is not to give any additional information—just ask. But you do run the risk of trouble with the police in this situation, so you should have a convincing explanation if it looks like things are about to go south. The simplest thing to do then is tell the truth: “I’m shy; it causes me difficulty in life, and this is an exercise I’m doing to help me improve my social skills.” After such extreme experiences, you start to feel much calmer and more confident in ordinary situations.

I chose cycling to get in shape. There was a very friendly cycling club in Yakutsk that regularly went on rides out of the city. I liked the combination of sports and interesting travel. The first ride of a pathetic 15 miles one Saturday felt like the Tour de France to me. Gradually, after cycling every weekend, I started to get fit. The following year, I helped set the Yakutsk club’s record for ride distance

in a single day: we rode 125 miles on a hot July day! When I got home that night, I shambled over to the fridge like a zombie, drank down a 30 fl oz jar of lingonberry jam in one gulp, wandered to bed, and passed out in my clothes for about 14 hours.

After a couple of years, my communication skills had noticeably improved, and my weight had dropped to an acceptable 175 pounds. The lifeogram works!

In 2011–2012, we moved into a new e-commerce area at ykt.ru. Inspired by the success of Groupon and its many clones on the Russian internet, we first opened a coupon site. It quickly became popular, and is still one of the top commerce services of the site all these years later. Next, we opened the food delivery service eda.ykt.ru, with meals from any restaurant, as well as various pizzerias, hamburger joints, and sushi makers who don't have offline sales points. This service became even more successful than the coupon site, generating tens of thousands of orders each month. Riding the wave of these wins, we decided to launch a grocery delivery service. We thought that the residents of Yakutsk, a city with a long, harsh winter, would enjoy the convenience of ordering bakery items, canned goods, dairy products, and other food at slightly lower prices than those offered by their neighborhood grocery stores. Delivery would be free for orders over a certain sum. We conducted surveys with a large group of potential consumers, and about 75% to 80% were highly in favor of the idea. "It would be great if I didn't have to leave the house when it's -45 °F out, and I could just pick what I wanted on the site and get it delivered for free!"

Encouraged by this result, we took action. We found a supplier, a local supermarket chain, that agreed to the necessary prices. We created a site and decorated 3,000 cards with food, text,

photographs, and prices (which is quite a lot of repetitive work). We wrote an integration program with the supplier's website that would update goods on our site and submit the orders received on our site to theirs. When someone put in an order on our site, a printer at one of our supplier's supermarkets would automatically print out an invoice with the order, and a dedicated employee would set to work fulfilling it. We called our internet supermarket Pelican; we thought it was symbolically appropriate as pelicans have large beaks where they store their food (mostly fish). Our logo was a cute, diligent pelican carrying groceries in its beak to our shoppers.

Last, we bought two cars, Toyotas, put our enormous pelican brand on the sides, and rented a large, heated garage for them. This all took about six months, and then the start date finally arrived. We announced, with great fanfare, the launch on our portal of a convenient new service for city residents, and embarked on a large-scale advertising campaign.

It all went down like a lead balloon. The only people placing orders were those who had difficulties leaving the house to go shopping—new mothers at home with their children, and people with disabilities. The low-quality operation of our partner (again!) played a role as well. Their computer database was often out of sync with the actual availability of goods, and we frequently had to offer replacement products to customers. But I think that the real explanation for our failure lies deeper. Maybe hundreds of thousands of years of evolution have created the need in people to pluck their own fruit from the bush or tree, examine it, sniff it, and put it in a bag (or a shopping cart, as the case may be). Maybe bread and milk felt too ordinary to buy online, while pizza and sushi fell outside that mental category. This hypothesis is supported by the way online restaurant delivery services flourish, with many unicorn companies in that sector. But there are far fewer grocery delivery service success stories; most startups in the field end up closing, or

barely managing to make ends meet.

Pelican was one of the clearest demonstrations in our history of two well-known facts of customer development—customers don't always tell you the truth, and you need to check your hypotheses through MVP (minimum viable product) tests. There's a classic story about when Sony developed its Walkman Sport portable tape player, and was choosing a color for it—google it if you don't know it. Consumers aren't intentionally lying to us, but they often don't know what they want. In the case of Pelican, Yakutsk residents sincerely believed they would use our grocery delivery service but behaved differently in real life. They didn't actually know what they would do. As for MVP tests on the viability of ideas, all we had to do was put up a simple static website, a landing page, add about 100 of the most popular grocery items, and announce on ykt.ru that our Pelican supermarket was open for business. We could have done that without buying cars or making a real website, without even finding a supplier partner. If we started getting orders, we could have sent our employees or even interns in company cars to the nearest supermarket to purchase the items on the order and deliver them to our clients—while urgently creating an internet store on the basis of that landing page, finding a supplier, hiring special delivery drivers, and so on. But we would have seen within the first few days that there weren't many orders, that people weren't that interested. We never would have created the online supermarket, saving the company a lot of time, money, and employee effort.

The Pelican story is also a good example of the importance of using accumulated business knowledge in general, and internet business knowledge, in particular, in this complex, intellectually challenging field. I started working in the IT business in the 1990s, when high-tech entrepreneurship was practically unheard of in Russia. There were no IT videos, literature, courses, seminars, or confer-

ences—in short, nothing, especially in Yakutsk. I had to invent my own unique techniques and methods to build my business. When we combined them with existing, accepted IT business strategies, we acquired a powerful instrument, and gradually began to achieve success on a more global level.

To this day, many entrepreneurs, especially those away from major urban centers, create businesses seemingly on a whim, acting at random, unsystematically. I have heard some announce with complete sincerity that reading books is pointless because Russia (and particularly Yakutsk) is a unique location that requires a different approach. Franchises end up being the most competitive businesses, based, as they are, on a brand and aggregate knowledge and experience. I sometimes note as an example that no one tries to treat cavities without a degree, grabbing the first tool at hand, be it screwdriver or hammer. Business, especially in a complex sphere like IT, is no simpler in this regard. Knowledge is also critically important. Modern business has been around for 100 years, and a colossal sum of experience has been amassed, and is constantly growing. The task of founders, CEOs, and leaders is to apply their intelligence to selecting the knowledge most relevant to their company's needs, pass it on to their teams, and use it in their work.

An argument sometimes arises as to whether entrepreneurship is closer to an art or a science. To answer that, you have to take a closer look at what they are. Art, in my opinion, consists of the transmission of ideas and emotions of the creator to the listener, viewer, or reader. Something like induction occurs traveling across space and time, even millennia—a true time machine! This induction can result in the personal development of the recipient on the basis of the initial emotional and intellectual impulse. As for science, its objective is progress and development on the basis of constantly updated and systematized knowledge. Obviously, both art and science are truly magical, representing the pinnacle of human civilization. Going by these definitions, entrepreneurship is

more of a science than an art. Its objective is also the development and improvement of the world—progress.

But overall, in my view, it's best to look at entrepreneurship as something in between science, art, sport, and spiritual growth. Science gives entrepreneurship efficacy, art—emotion and the ability to see possibilities, sport—the striving toward constant improvement and patience, and spiritual growth—strength and motivation.

Meanwhile, I began to confront my personal crisis in earnest. I read everything on the topic of happiness—books, articles, blogs. As it turned out, the leading definitions of happiness from researchers came down to approximately the same thing—people are happy when they live the way they want, receive from life what they expect, and when positive emotions prevail over negative ones. From this it follows that a person could be happy living in a remote mountain cave with no material possessions, living very simply, eating only flat bread and drinking spring water, and admiring the sunrise and sunset. And a multimillionaire of high social status can be deeply unhappy. The first person is living as he or she wants, while the second is not. This definition, along with various techniques, can help you understand how to be happier. The subject of happiness and ways to achieve it is very engaging and profound, with new aspects constantly catching my interest. It became clear to me that to get out of my depressive state, to be happier, I had to understand how I wanted to live. This was a simple but important insight.

Then I started looking for a psychologist who would be able to help me deal with my depression. I quickly discovered a lack of skilled, experienced psychologists. One allegedly experienced psychologist in Yakutsk, for example, supposedly there to help me, spent our time pouring his own heart out to me. But all psycholo-

gists, after listening to me attentively, would ask kindly: “And what do you think you should do?” Huh? That’s what I came to see you for! I learned that it’s a violation of their professional ethics to offer advice. They can only ask questions that help their clients find the solutions on their own. But this was not the right approach for me.

I finally got the help I needed with an experienced psychologist from Moscow, who my friend, also a tech entrepreneur, recommended to me. This psychologist listened to me and, in addition to asking leading questions, used other methods of psychotherapy, as I later realized. She gave me direct advice: Go buy these vitamins at the pharmacy—they have zinc—that will help when you feel like this. Write a letter to your father in childhood, but don’t send it—keep it in your desk. Do something that lets you experience a different social status for a day—that was the first time I worked as a taxi driver, by the way, and I found it very interesting. And, wonder of wonders, after about 10 sessions, it was if a stone fell from my soul. As always, an experienced professional using intelligence and knowledge was highly effective.

So I gradually emerged from my depression and was able to get back into a fairly normal routine of work and life. But the big question remained unanswered: “Who am I and why am I doing all this?”

Speaking of psychologists, I always try to avoid conflicts, and employ my knowledge of psychology to do so. It all started on an airplane; my seatmate was a very heavy, older man, accompanied by a young woman. We were flying from Moscow to Yakutsk, which is nearly a seven-hour flight. When he sat down, he immediately leaned his shoulder and part of his arm into me. We were actually in economy-plus seating, which you had to either be an airline member or pay extra to have the benefit of. At first, I just tried to ignore it, but there were just too many hours to go.

After the plane took off, I turned to him and asked, “Excuse me, could I ask you not to put your shoulder on me?”

“What?!”

“I said, please don’t lean on me. We have this armrest between us, and you’ve gone over it into my seat here.”

“What are you complaining about? Don’t tell me what to do!”

When I offered to switch places with his “daughter,” my neighbor angrily declared that she was his wife, and he wouldn’t let me anywhere near her. My suggestion only added to his negativity. It looked like a simple case of bad luck for me—my seatmate was a thoughtless jerk. But I don’t like to back down in such situations either, and we got into an argument. The flight attendant came over, but told me that they didn’t have rules for this specific situation; all she could do was ask him to stay out of my personal space, but he was the one who would decide whether he wanted to comply with her request. The plane was full, so I couldn’t switch seats. Our dispute continued, and was heading toward an old-fashioned fist-fight. The senior flight attendant now approached and told us that if we didn’t stop, the crew would be forced to land at the nearest airport, and we would be arrested and have to pay a huge fine. When I offered to pay extra and move up to business class, she told me this was strictly prohibited mid-flight. The situation was finally resolved when she loudly asked for any volunteers to switch places with me. To our good fortune, a college student agreed to trade, and we flew the rest of the way in peace. My former neighbor, meanwhile, treated her very politely and kept his arms to himself, doing his best to show by his manner that I had been the trouble-maker who started it all.

This incident made me aware of a certain gap in my knowledge of human behavior. It can also be dangerous to get into arguments, especially in Russia. There have been many cases of drivers getting into a dispute about, for example, merging lanes, who start beating each other with clubs or bats on the side of the road, with

sometimes tragic consequences. This topic is doubly relevant for entrepreneurs, frequently poised at the edge of conflict, and public figures.

So, I turned to an expert—a psychologist. There’s a whole field of study on this, I found out, for conflict prevention and resolution. The psychologist gave me some excellent advice.

The first step is to calm down, if possible. You can take deep breaths, count to 10 slowly, or think about something positive. Then—this is the most important part—you have to figure out what your real goal is in the situation. Don’t strive for fairness, or try to lecture anybody. Figure out your goal. In the case of the plane incident, my real goal wasn’t to put my boorish neighbor in his place or fight for my right to be comfortable in public, or what have you. My real goal was to fly from point A to point B, preferably without any issues or major discomfort.

After you have determined your goal, you need to work to achieve it by using the following strategies. The simplest is just “forget about it.” Have patience. A situation is often so petty (for example, someone cutting in front of you in line when you’re not in a rush), that you can just let it go. With this incident, that strategy wouldn’t have been appropriate because I would have been too uncomfortable flying in that position for hours. The second technique is “leave the situation.” In my case, that wouldn’t have meant leaving the plane, but rather getting up without saying anything to my seatmate and seeing if I could find someone to trade places with me. I was in economy-plus and could have added a small sum in compensation (I was ready to pay for business class, after all!), so I’m sure I could have found a taker. The third strategy is “negotiate.” You can offer something in return for what you want. “Listen, let’s say if you don’t lean on me, I’ll order you three pizzas when we land— my treat. What do you say?” That could work. Next, you can employ the “threat” strategy. “If you don’t get off me, I’m going to hit you.” This is a negative and risky tactic, to be

used only in an extreme situation where you have no other option. The “new buddy” strategy starts by finding something in common with the other person and then asking for what you want. For example, I could have struck up a conversation about soccer or fishing, found out what my neighbor was interested in, and then just dropped the request in, as a side note. The expert gave me other techniques, but the one I liked best was that of “manipulation,” where you just say a few words, and the other person does what you want. It’s like saying a spell: using communication skills as a remote control to achieve your desired result. In my case, this could have looked like: “Pardon me, but I just want to warn you that I have a life-long phobia of being touched by strangers, especially on airplanes. Sometimes I get really nauseated. I just get really sick to my stomach!” or “Sorry, I’m a bit contagious right now, still in treatment for shingles. Please be careful, I don’t want to get you sick.” Or something along those lines. But you can’t go too far with that—you have to walk a fine line or you can aggravate the conflict, with all the ensuing potential negative consequences.

In other companies, if the founder and leader entered a serious personal crisis and started working less, it could create a risky situation, causing confusion and destabilization. But in our case, the company culture helped prevent that. In a team, as with any friendly and caring family, it’s important to create and maintain traditions. Ours include the company’s birthday that we celebrate each March with a SnowFest, involving winter sports. We usually spend all day in the mountains, skiing, snowboarding, going sledding on inner tubes, and playing paintball in the snowy spring forest. Our second traditional celebration is SummerFest, where we play summer sports and relax on the Yakut New Year, called Yhyakh, celebrated in the second half of June. We rent a boat out to a sandy island on the Lena River, and everyone spends the day swimming, riding jet

skis, and playing volleyball and soccer.

Both days are for having fun, playing sports, barbequing, cooking rice pilaf and other tasty dishes, but also for another important thing: welcoming new Sinetians into our ranks. This is how we do it: The new team members get down on one knee, put their hands to their hearts, and repeat a special oath after the “high priestess” (a role played by a long-time and well-liked employee), in which they promise to do good, assist in global development, and adhere to the company’s values. Then they kiss the flag that we sewed in our company’s first year, and we throw them (fully clothed!) into the water in summer, or the snow in winter.

It’s important that our employees’ families and children join us at these celebrations, and that we hold them on a working day. I’ve always believed that the weekend is for people to spend on their personal lives and families. Work and business are important, but there’s nothing more important in life than the people close to us and the time we spend with them.

We have a fun company party for the national New Year, where we reward employees who have done particularly well the preceding year. We do it like the Oscars; there are several categories, nominees, and grand prize winners for each category, who receive the Company Hero golden badge in the shape of our logo. Several employees have two or three of those badges. All grand prize winners receive—in addition to honor and glory, of course—cash bonuses each quarter, and they wear these badges, almost like medals, with pleasure at company events.

As soon as it was feasible for the company, we started taking the team on athletic trips once a year to sea or ski resorts. We went to Sharm El Sheikh in Egypt, Shymbulak in Kazakhstan, Boracay Island in the Philippines, the Gudauri Ski Resort in Georgia, and Ko Samet in Thailand. The company covered 70% of the cost of the trips. I can’t express how great it is to see your accountants, programmers, and marketers relaxing under palm trees or standing

on skis and snowboards for the first time in their lives. And it's a much better use of business profits than, I don't know, a luxury SUV for me or the company. As our staff grows, we're approaching the point where we can start chartering entire planes to take us to our destinations.

Once a month, the employees have a "fun day," choosing a different theme each time—it might be Halloween, or gangster style. The confused clients visiting our office that day have to discuss business matters with vampires, zombies, or gangsters, notorious local criminals in their characteristic caps, carrying bats. Of course, the intelligent, kind faces of the tech nerds still show through the costumes. Or the theme might be beach day in the middle of a long Yakutian winter, when it's -60 °F and overcast outside, and everyone comes to work in swim trunks, Hawaiian shirts, and sunglasses, which brightens things up a bit, and improves the general mood.

These traditions help maintain a family atmosphere in our growing company, and unite the team, creating a positive environment. It also helps promote the company more widely—on our celebration and trip days, the social network feeds are clogged with our photos. This may cause some grumbling from people who are tired of seeing so much of us in one day, but the most common comment on those posts is, "I want to work there!" All this helped me get through the most acute stage of my personal crisis unscathed.

One July day in 2012, the whole team was having our traditional SummerFest on Pirate Island, a sandy island on the Lena River opposite Yakutsk. Everything was going great, and we were all having fun. But as we walked around the island, we found piles of trash, and empty beer bottles, plastic bags, disposable cutlery, and other junk scattered everywhere.

When we got back, I published photos of the trash on my blog on ykt.ru. Among the outraged comments, someone posted a comment suggesting I go clean it up. “Why not?” I thought. My next post was a call for volunteers to come with me one evening after work. We found a boat owner willing to take us to the island for free, and, a few days later, 23 volunteers set off for Pirate Island. In three hours, we had picked up all the trash, filling 50 large bags. We even managed to sunbathe a bit in the evening and have a swim. We loaded the bags onto a truck when we got back, and I escorted it to the city dump. The photo report I posted on my blog got thousands of views and many supportive comments.

We called this initiative “No more trash!” and started organizing regular cleanups near the city on a regular basis, sometimes coming away with hundreds of bags of refuse. I’m sure that many who see photo stories like this, and everyone who participated in the cleanups, especially children and teenagers, will stop littering out in nature and the city. In that regard, it’s a great campaign, and we will continue to support it.

One thing we all know is that everyone makes mistakes. No one does everything optimally and accurately all the time, or makes only the best decisions. Employees make mistakes, and so do founders. Errors are potential problem points that can lead to demotivation, conflict, resignations, and other negative outcomes. My approach to these situations is based on three principles: (1) everyone has the right to one error of a particular type, (2) responsibility is not the same as being at fault, and (3) you should have high but not excessive standards for your team that correspond to their stage of development.

Regarding the first, a mistake made twice isn’t a mistake anymore—it’s a trend. Generally, this isn’t intentional sabotage, but a sign of a point of intellectual weakness or an employee being in a

position he or she isn't suited for. You need to either part ways or find a new position for him or her. As far as the second principle, it's important to separate the concepts of responsibility and guilt. If people do everything they can with the necessary speed, then a negative result is their responsibility but not their fault, and, because they are responsible for it, they must take measures to ensure a positive result the next time. A mistake is an opportunity for improvement. If they don't take any measures and the same thing happens again, then we return to the first principle, with all the ensuing consequences. Similar to the second principle is the idea that your failures in life do not equal your shortcomings.

At the same time, the merit of those who contribute to a success should be recognized, even if the external circumstances were already favorable. Thus, in the event of failures, provided that all the necessary and appropriate measures were taken, the focus should be on the circumstances, while also making a point to discuss how the actions taken should be different next time, for greater efficacy. In the event of success, the focus should be on the merit of the person who achieved it. This position fosters strength, confidence, and calm among employees.

This is an alternation between two different approaches, Western and Eastern. The psychologist Julian Rotter has coined the term "locus of control" as fundamental to these perspectives. In the American individualist model, the internal locus of control presupposes that events depend primarily on the person. With the external locus of control in the Eastern collective model, which includes Russia, events are determined in large part by external factors, edging toward fatalism. Fritz Heider's theory of attribution says much the same thing, and Richard Nisbett's research confirms much of it. In one experiment, Nisbett showed American and Japanese subjects images for several seconds comprising a central object and a background. The Americans focused on the central object, talking mostly about it in subsequent descriptions. When the Jap-

anese scanned the images, their eyes moved several times a second from the central object to the background. When they described what they had seen, they usually started with the context in which the central object was situated.

The third principle of having high but not excessive standards for your employees is illustrated by a simple thought. At my company's initial stage of development, I said to myself, "Arsen, if that employee always did everything perfectly, he would be a successful entrepreneur or a top manager at a global tech company. Be grateful to him." That thought grounds you, and you can calmly address possible mistakes, which helps you effectively deal with their consequences. But when your company begins to move into the ranks of global leaders and the conditions and opportunities of working there start to compare with the top IT brands, you, as founder, raise the bar for your team and yourself to the highest standards.

Also, you might hear people say that it's important for a leader to keep up with his or her company's development. I don't believe that companies develop on their own. First, leaders must engage in self-development and direct all their energy, willpower, and vision into their teams, drawing them forward along the same path.

Over the long New Year's holiday (in Russia, it lasts at least a week) of 2012, it was cold in Yakutsk, with temperatures reaching -40 to -50 °F. For residents of Yakutsk, practically in the south of Yakutia, this felt uncomfortably low in contrast with the milder temperatures of recent decades due to global warming. But I remember the temperatures hitting -75 °F fairly often when I was in elementary and middle school. School would be canceled on those days, which did not, however, prevent us from playing hockey all day in the courtyards of our apartment buildings, and taking breaks to eat ice cream.

Most taxi services in the city took advantage of the cold snap, doubling their rates overnight. This clear collusion outraged the city. The different taxi services had collectively raised their rates before, but this time the increase was too high. Its timing during the cold snap also made the move look even more cynical. As it stood, their customer service was already deplorable. The dispatcher would promise you a car in “five minutes,” but they’d actually keep you waiting for half an hour more, before a beater with a rude driver and a smoky interior finally showed up. Or they might not send a car at all, telling you off in no uncertain, but definitely obscene, terms, and no longer answering your calls. So as far as the city residents could see, the only reason taxi services were raising their rates was simple, cynical greed.

Because all the main taxi services were in it together, customers had no choice but to either walk in the -50 °F temperatures, or accept and pay the new rate. At least, that’s what the taxi companies thought. But, unexpectedly, their move triggered a series of events that led to the disappearance of over 90% of the taxi services in Yakutsk within the next few years.

On the social network VK.com, popular in Russia, a 20-year-old college student named Alexander Pavlov created a small group, inviting his friends with cars, other students like himself, to join. They started offering rides to other members of the group at pre-increase taxi prices. It worked like this: The group administrator would create a new post titled something like “Rides for February 25, evening.” In the comments, passengers would write the details of their trips and offer a price. The bidding mechanism, price offers by the passengers, developed naturally. The drivers sat in their cars, constantly updating the browser on the screens of their smartphones, hoping to be the first to see a profitable request. After they selected a job, they had to quickly find the telephone number of the rider, copy it, enter it into their phone, and then call the passenger before the other drivers could. The agreement was con-

cluded in that phone conversation. For lucrative jobs, other drivers might continue to call a passenger after a deal had been struck, only to discover that a driver had already been found. Pavlov called the group “The Association of Independent Drivers. Yakutsk,” or the Russian-language acronym SNV, for short.

In an unforeseen turn of events, without any advertising, thousands of users began joining the group. Moreover, people were registering with the social network just to use this service, both passengers and drivers. In a matter of months, the group had gained tens of thousands of members, generating a couple thousand rides a day. For Yakutsk, with its official population of 320,000, this group quickly became a noticeable phenomenon.

At first, I, influenced by stereotypes about the taxi industry (professional drivers, contracts under the labor code, driver’s background checks, pre-trip inspections, and so on), believed SNV to be an unsafe service. You wouldn’t know who was coming to pick you up among the private drivers with unknown histories and driving records in cars of all models, colors, and ages. But over an entire year since the group’s founding, with thousands of rides every day, not a single dangerous or criminal incident occurred, nor were there any major accidents. The group continued to grow, reaching 50,000 members and climbing, consisting of mostly passengers. The number of drivers, drawn in by the increasing pool of orders and the absence of any obstacles to starting work, also grew with each passing day. All you needed was a car and a smartphone with an internet connection. Competition grew for the best rides. Because these could be won or lost in a fraction of a second, drivers started recruiting so-called “navigators”—friends and relatives whose job was to update the group feed constantly, and to pick up a suitable order as soon as possible. With the navigator on board, the number of open seats in a passenger car went down to three. Besides, many passengers didn’t like to see a driver pull up with someone else in the car. This was especially true for female pas-

sengers, who weren't happy to see two men arrive to pick them up at night. In Yakutsk, we spent the first few years of our business fighting against the presence of navigators, as drivers had gotten so used to having a companion.

As the group's popularity surged, with the general love and support for it, particularly among the younger generation, and the lack of any major problems, it became clear to me that this was a phenomenon to note as a possible basis for a tech startup, and that the general setup was safe. This is a key point—an entrepreneur has to be able to view new opportunities through the lens of intuition as well as logic. This is one of the few aspects of entrepreneurship closer to art than science. Once you've made a decision, you have to act decisively on the basis of experience and knowledge—and that's where the science kicks in.

After discussing it at Sinet, and despite some objections and doubts from top managers, I decided to act. We had several meetings with Pavlov, and he agreed to sell us the "Association of Independent Drivers" for USD 10,000, which meant transferring the login and password for the super administrator of the group. A convincing argument for him was that other groups had started to pop up on VK.com, and people were creating simple mobile apps that automatically downloaded jobs from SNV. This gave drivers a significant advantage in the speed with which they were able to contact passengers, and there was a mass movement over to apps. One of these apps even introduced a subscription fee, earning good money off someone else's group, in essence. The next step was obviously getting passengers to move over to the apps as well, given that the standard functionality of a social network page was not a convenient user interface for this service. The prospect of someone else seizing the initiative and luring away SNV members to an external mobile app loomed. Pavlov had no skills or experience in IT and wasn't able to lead the transition of the group to a mobile app. He had no advantages over the creators of the apps, apart from the

power to make official announcements in the group. It was a good deal for him. We shook on it, paid him the money, and control over “The Association of Independent Drivers. Yakutsk” was ours.

During our conversation with Alexander, it was obvious that he was a sharp, capable guy. We met up several months later; he had already graduated and had a job installing video surveillance systems. I immediately offered him a job with us at inDriver. The work of installation was too simple for someone of his abilities, even for a starter job. Plus, it was only logical and fair that the creator of the service prototype should be involved in its further development. As time has shown, this was an excellent decision. Alexander became a director of inDriver, one of the company’s key leaders and shareholders. He is truly a find, and an irreplaceable member of our team, with his ability to accurately comprehend all the nuances and subtleties of our service.

It was clear to us that our first step should be to develop a simple, free mobile app that allowed drivers to conveniently pick up jobs, as was featured on the existing apps. And we needed to do it quickly, before the creators of those external apps seized the initiative.

To start, we needed to come up with a name for the project. After long discussions, we settled on the most obvious—inDriver, an abbreviation from Independent Drivers. Choosing names for companies, websites, and mobile apps is a whole separate topic. An analysis in 2015 of the names of the top 100 global brands found that one name (Xerox) was suggested by a professor of classical languages and one was developed by a creative agency (Blackberry), but the names of the remaining 98 companies came from their founders or the founders’ friends. This shows that the company’s own team does the best job coming up with a good name.

Because ykt.ru was a web project that predated mobile apps,

we needed a new team of developers for inDriver. We were lucky; we found iOS and Android developers pretty quickly—Michil Androsov and Mikhail Kharbanov. They had both come to programming fairly recently, but went on to become top-notch directors of their respective development subdivisions in the company. Experienced Sinet engineers were on hand to help them, and the prototyping was done by Sinet designers headed by art director Yuriy Kostenko.

The team quickly developed and launched our first convenient and free app for drivers in the summer of 2013, which automatically loaded the jobs from our group on VK.com, making the development of other apps pointless. Those drivers who preferred using apps instead of VK.com to get jobs soon transferred to our app because it was easier to use and free. In addition, everyone saw that a regional IT leader had taken over the project, and had control over “The Association of Independent Drivers” group. This stripped potential competitors of motivation and strength. The threat of losing the initiative had been eliminated, and the first half of our operation to protect our nascent project was a success. But the main action, and the greater risk, still lay ahead.

Our task was not just to transfer passengers from a social media group to a mobile app. In essence, what we had to do was alter patterns of behavior that had formed over the year and a half since the group’s founding, a difficult endeavor. Habit really is second nature to users of applications and online services. We also had to make the app viable on the two main platforms, iOS and Android, for two separate categories of users, passengers and drivers. The app had to be of high quality right from the start, with an interface that was convenient to use and free of bugs, to maintain our good reputation. With new apps, like new people, first impressions are

key and difficult to change later. And the project was on the shoulders of a recently formed team without much experience working on apps.

We completed app development and the marketing materials by November, made other final preparations, and on November 17, 2013, began the operation to transfer users over to the mobile app. I worked as a driver during the initial period to see how the app was working, and talked to passengers to make sure everything was going smoothly for them. I usually went out in a company car, but sometimes I didn't have the chance to switch cars and took my personal BMW X6. It was entertaining to observe the reactions of passengers, expecting a basic Japanese car like a Toyota Corolla, when I pulled up. The passengers sometimes circled the BMW a couple times before getting in to make sure that it was the car they had called. When they got in, they were usually a little tense, relaxing only when I explained that I worked at inDriver and was conducting interviews with users of our service.

For the first couple weeks, passengers could book rides on the app and through the group, as before. Orders came from both sources and showed up on the mobile app for drivers. The app didn't have a map—drivers entered in their starting and ending location manually. To accept a job, a driver called the passenger to discuss the details, as before. But it was much easier and simpler to do; they just clicked on an order in their feed, without having to copy and paste the passenger's telephone number.

To our relief, many passengers were soon convinced of the greater convenience a specialized mobile application provided in comparison to the standard functionality of a social network, and began to switch over. The app was well-made and operated without glitches. We waited until about half the passengers and most of the drivers had switched to the app, and one fine December day, nearly two years after “The Association of Independent Drivers” first

appeared, we stopped incoming orders there. From that moment, orders were accepted only through the app.

Within a few months, orders and rides had tripled, thanks to the increased convenience we were offering and an extensive advertising campaign on ykt.ru and other sites, exceeding 10,000 rides per day. People had accepted the service. inDriver was born.

When planning a new startup and considering why certain tech startups are successful, there are the three main models (or combinations thereof). They can be summarized as:

- “The supernova explosion.” A new model that hasn’t been used before, which takes over the market. Examples: Airbnb, Groupon, Uber/Lyft. As a rule, this type of startup is not based on the novelty of their idea, but the fact that they chose the exact right moment to launch, when the market is ready to accept their model. For WhatsApp, this was the mass distribution of smartphones that could connect to the internet, enabling users to find clients and communicate with them using the application

- “The copycat.” A repeat of the supernova model in an unoccupied or emerging niche/market. Examples: Didi, Yandex, Naver. They all repeated the model of mega-successes in their own countries or niches.

- “Critical improvement.” Startups of this type are not afraid to take the model of existing leaders, make it significantly better and, through this higher quality, become leaders themselves. Examples: Facebook, Google, Apple.

In our case, ykt.ru is a copycat of other multifunctional portals in our own niche, the regional market of Yakutia. inDriver, meanwhile, is a hybrid of the supernova explosion and the critical improvement models because it is based on a fundamentally different model than Uber-type services.

As I continued working my way out of my personal crisis and came to understand the nature of happiness, I began intentionally surrounding myself with people whose company I found interesting and comfortable, and to do the things I really wanted to. I rearranged my apartment, getting rid of a pile of unnecessary stuff and most of my clothes. I started doing more of what I enjoyed—spending time with my children, reading books, taking ski trips, and playing volleyball and soccer. I also continued to use the lifeogram for personal development, and now focused on inner, spiritual growth, with an emphasis on mindfulness and cheerfulness, as well as on improving my communication skills.

For the first goal, I met and consulted with various experts on psychology and spiritual practices and went to a few training courses on personal growth, including psychologically stressful courses. I find this type of training useful and risk-free for a mature person, although I'd avoid organizations with a questionable reputation or of a sectarian or religious nature. But, in general, to get into the highest levels of business, an entrepreneur needs either fabulous, one-in-a-million luck, or to move independently into the highest levels of personal and spiritual growth.

To improve my communication skills, I attended a series of traditional courses and masterclasses: oration, public speaking, foreign languages. I took a long course on getting rid of a stutter, for which you have to remain silent for a week, spend a week speaking slowly at a third of your normal pace, and then pick up speed gradually over time, as if learning to speak again. But my energetic nature made it difficult to speak slowly, and I put only perfunctory effort into following the process. Maybe that's why the course didn't have an effect on my stutter.

During all these trainings, courses, and consultations, I found myself in Kiev for a three-day course on communication techniques. Kiev is a beautiful, ancient city I had visited before. This

time, however, it was January 2014, and Euromaidan was in full swing throughout the city.

I reserved a room through booking.com, choosing a hotel in the center. I flew into Boryspil Airport in the evening, got a taxi, and gave the driver the address. He dropped me off in front of some huge barricades, telling me that my hotel was across the square and that cars couldn't approach. I paid and got out. The air smelled of smoke and bonfires. There was a narrow passage through the barricades, guarded by several dour men in camouflage, wearing ski and motorcycle helmets. They were armed with clubs and bats.

Hoping that they would be uninterested in an apparently peaceful, Japanese-looking nerd in glasses, I cautiously squeezed by them. Behind the barricades was a boulevard full of tents. I walked to the end, and came out onto Independence Square, Kiev's main square, and a startling sight. The huge square was packed with people, and there were tents and campfires everywhere. People were cooking over fires in barrels. Tents of various sizes bore the names of Ukrainian cities. Some eccentrics bearing posters, slogans, and flags strode through the crowd of otherwise ordinary-looking people. A large stage had been set up by one of the buildings lining the square, which held a large screen, bright in the evening darkness. People were holding a rally there. I could only catch snatches of the speech, something like "independent, European state..." "Ukraine isn't Russia or Belarus..." Occasionally someone shouted, "Glory to Ukraine!" And an inharmonious chorus would respond loudly, "Glory to the heroes!"

I took some photos, then went looking for my hotel, which I found not far off the square. The next day, the journalists at ykt.ru saw the photos I'd posted on the company chat, got excited, and asked me to do a more thorough report, since I was right there in

the epicenter of events. I promised to do so on my next free day, after the training course was over. I was interested, myself, to see what was going on there.

On a free day, as promised, I went over to Independence Square. This time, I spoke to the people there, trying to understand their motives and goals. I soon realized that Maidan was split into two main areas. The first consisted of a permanent tent city and rallies in Independence Square, while the second was situated close by, on Hrushevsky Street, the site of increasingly violent clashes between the demonstrators and police.

Through my interviews in Independence Square, I gathered that most of the people there were members of the intellectual class—teachers, doctors, and IT professionals, most middle-aged or elderly. They were drawn to protest by their dissatisfaction with President Viktor Yanukovich's government. They called the current authorities a criminal gang, giving examples of injustice and illegal actions. I didn't hear a particularly negative attitude toward Russia from those people, and they discussed Putin calmly, but emphasized that they wanted to live independently.

The nationalists and militants were concentrated mainly on Hrushevsky Street. The atmosphere there was entirely different; I felt as if I were in a war zone. The air was thick with the smoke of burning tires. From time to time, I heard the explosion of stun grenades. Many young men and older ones stood on top of the high barricades, wearing medical masks, respirators, and a variety of helmets, armed with whatever they could find. They all watched the other side of the street, where the police and special forces stood, shields together. It was still a few weeks before the real shooting, and the mass casualties, would begin. For now, the conflict was limited to the throwing of stones and Molotov cocktails on the part of the demonstrators, and tear gas from the Berkut (the name of the Ukrainian riot police) and the police. The first casualty from a

clash between the two sides had occurred several days prior, however, and the atmosphere was electrified.

I took photographs, recorded a few brief interviews, wrote up a quick text, and sent it back to the team. The next morning I flew out of Kiev.

My story on ykt.ru garnered significant interest and response. Comments varied from “thank you for the uncensored, objective reporting” to “now the true, anti-Russian face of ykt.ru has been revealed.” Many wrote that for true objectivity, we needed to hear from residents of other Ukrainian cities and regions, not just in Kiev. So we decided to send a reporter from news.ykt.ru to Ukraine, especially because the situation there was heating up and attracting international attention, including from the people of Yakutia. In March, our reporter visited Kiev, Donetsk, Lviv, and Sevastopol in Crimea. As expected, there was a diversity of opinion. In Donetsk and Sevastopol, the residents were opposed to Euromaidan, while in Kiev and Lviv, the majority supported the movement. Our journalist reported what he observed, describing the attitudes of the Ukrainians he met, without adding his own opinions and without distortion. Our comment feed also displayed a variety of reactions—from total support to furious criticism.

The publication of this series set off a chain of events. I was removed from the Council of the President of Yakutia on regional IT development, where I had served as deputy director under the President. Then members of the security forces wanted to ask me why we had done that reporting and to what end, and strongly recommended that we avoid the explosive and unpredictable topic of Ukraine. Much later, I was told that FSB (ex-KGB) operatives had flown from Moscow to Yakutsk, where they carried out video and audio surveillance on me for a period of time, as well as going

through all my corporate and personal financial transactions. After they were convinced that everything was aboveboard, no hostile foreign influence to be found, they left. And our valiant leaders in Yakutia, hearing of the investigation, removed me from the IT council, just in case, as a precautionary measure.

If we had known the dramatic course events would take in Ukraine, how toxic and painful this subject would become, ykt.ru wouldn't have gotten involved. But in life we never know what awaits us in the future, and this experience was also valuable.

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That wasn't quite the end of this story. A year later, on March 3, 2015, someone put out a fake press release, purportedly from Sinet, and an accompanying article, alleging that ykt.ru had been sold for RUB 1 billion (about USD 16 million) to Hearst Shkulev Media, a holding known for buying up Russian regional portals. The article provided information about the holding's ties with the US State Department, concluding that Russia's enemies were trying to gain access to the audience in Yakutia, the country's largest region, and one of strategic importance. The authors then went on to characterize the Ukraine news that ykt.ru had published in 2014 as the first sign of the approaching deal and the start of its "smear campaign." They also claimed that we had sold inDriver to some organizations called the "British Territory in the Ocean" and the "International Financial Center." To support their story, they even went to the trouble of creating a bogus Sinet website at the domain sinegroup.su (our actual URL is sinetgroup.ru), where they published the fake press release. The link was sent to dozens, if not hundreds, of media sources and news sites. Fortunately, only a few third-rate publications carried the story, the kind that publish absolutely anything that comes their way without doing even the bare minimum to verify the information.

It was clear that we were under a full-scale information attack. What wasn't clear, however, was the driving force behind it. We were the leading media resource in the region, and we had published a number of stories that showed the powers that be in an unflattering light. But we always stuck to the truth, and we were honest in business as well; we didn't use any underhanded or dirty tactics. We didn't have real enemies, and never had.

We quickly put out our own press release to repudiate the fake one. I made a post on my personal blog, with the takeaway line: "We aren't selling ykt.ru to anyone at any price. Not because it's the better business decision, but because this platform has a positive impact on social development in Yakutia. This is very important to us, more valuable than money." In the end, the public attitude toward the attack was fairly relaxed, some even found it funny.

After that, we started looking into who was behind it. Yakutsk is not a large city, and even though our anonymous friends had worked hard to cover their tracks, hiding IP addresses and the like, we eventually figured out who they were. It had been the brainchild of just one Yakutsk businessman, who had a small-scale advertising company. He thought that he would get a grant from the regional government to create his own version of ykt.ru by demonstrating his servile loyalty. He had asked for about RUB 20 million for this initiative, and the authorities redirected him to a local investment company that managed government funds. His plan was rejected by an expert group from Moscow as obviously unviable—taxpayer money would be wasted to no effect, sinking out of sight like water into sand. But while he was still in the application process, hoping to receive that funding, he decided to organize this attack, to show the government that we could sell ykt.ru to international buyers any time we wanted, putting the region's leading media resource under foreign control. This could be a potential security risk, initiated by politically hostile external forces.

This strange plan was, in the end, a total failure. And its extremely clever initiator, in addition to not receiving his grant money, also ruined his relationship with us, the largest company in the market. As the person who did the technical work for the fake news attack later told me, “He messed up twice: first, when he decided to do it, and, second, when he got busted.”

But this was all still in the future for us. Meanwhile, at the start of 2014, our main event of note was the monetization of inDriver. Drivers in Yakutsk were now paying for access to ride requests, divided into 24-hour slots. This created an instant, significant revenue stream, and the company was making a profit. It’s been profitable ever since—a key difference between inDriver and many other major ride-hailing companies, which operate at a loss for years.

February 2014 was also when we conducted the first test launches of our service outside of Yakutsk. We chose nine cities at random in Russia’s Far East and in eastern Siberia. We then added them to the app, and put about USD 10,000 into ad campaigns in each city. inDriver began showing good growth in two cities; passengers liked the app, and they discussed it actively with their social circle. They pulled more drivers in, attracted by the growing order volume. We took success in two out of 10 cities as a positive indicator, given the simple functionality of the app, minimal advertising budgets, and the lack of any well-established business processes or launch experience.

Most importantly, we saw the same organic audience growth through word of mouth as in Yakutsk. We had WhatsApp as a recent example of a service that gained a huge number of users in record time without paying a dime in advertising. inDriver was proving to be more than a local phenomenon, and it looked like we had the potential to build a larger network. In general, I believe the

only way to build truly wide-scale success in an online business is through organic growth—when a product is so engaging, useful, or entertaining that people are happy to start using it, and encourage their social network to try it out.

We redoubled our efforts to find all the programmers, designers, and marketing specialists our team needed to finalize the app and prepare for new launches. Several experienced and talented executives moved from Sinet to inDriver—Egor Fedorov, the chief operations officer, who swiftly became my right hand at the new company; Yuriy Kostenko, chief product officer; and Marina Arzhakova, head of growth. They significantly strengthened the team when they came on board. By summer, we were launching the service in a new city every month, traveling for each launch, gradually gaining expertise, and training our team.

From the moment that “The Association of Independent Drivers” turned into inDriver and we began introducing it to new cities, I was faced with the question of how to finance this new startup. On the one hand, it was a small team, there were no expenditures yet for expansion, and the project began to cover its own expenses almost immediately, even turning a small profit. On the other hand, it was a classic startup case, and it was tempting to try and develop the company by attracting investment, instead of diverting funds from Sinet. So I decided to look for investors. This was a first for me, as our interaction with SakhaInvest was more in the M&A category than a case of investment. I first went to the so-called Yakutia Venture Company, recently created by the regional government, and offered them 25% of the company for an investment of a little over USD 200,000, implying I was valuing the whole company at a little less than USD 1 million. As a counter proposal, the management of the fund offered me an interest-bearing loan, with my

personal apartment as collateral. Clearly, despite its name, this was not a venture capital company.

Next, we turned our attention to the Internet Initiatives Development Fund (IIDF), a prominent organization in Russia, new at the time, which focused on pre-seed and seed investments. inDriver completed its first online accelerator, the only time it was conducted remotely, with the team's presence in Moscow not required. All our work with IIDF came down, in essence, to a single video call, during which I talked to the "tracker" assigned to us, a 20-year-old who attempted to pass on some allegedly cutting-edge information on the development of IT startups. He may well have had some valuable know-how to pass on, but our conversation felt to me like I, a seasoned polar wolf, was listening to a poodle puppy trying to teach me how to hunt. So I gave this new trainer the attention I felt he deserved; that is—none. After that, our only communication with IIDF was through the reports we submitted for the several months the accelerator lasted. Even this effort, we only made because the fund promised to pick several projects at the end, to which they would present investment proposals and set up networking opportunities with other investment funds. But it was all for naught. IIDF determined that the remote format was ineffective, and rejected all the startups from their online accelerator without making a single funding offer. And so we missed the opportunity to acquire USD 40,000 from IIDF in exchange for a 7.5% share in our company. More precisely, IIDF missed the opportunity.

After that, in the summer, we went to professional Russian venture capital funds, where we began to have more serious conversations about financing. Friends gave me an Excel spreadsheet with the email addresses of active investors, and I wrote about 20 of them. Eight funds responded, and I met with half of those. At the end of this process, inDriver had two potential investors from Moscow with real interest in the company, Frontier Venture and

one other. They both began making offers around the same time, and I played on the competition between them to reach the most advantageous terms I could—investment of USD 2 million, with a post-money valuation of inDriver at USD 7 million, a significantly better capitalization value than what we were getting from the Yakutia Venture Company and IIDF. It's important to create competition during fundraising; it can lead to much better terms in offers to the startup.

We ended up signing a term sheet, a preliminary agreement, with Frontier Ventures. Their managing partner, Dmitry Alimov, was quite interested in inDriver. At our first lunch together, he told me that our company had growth potential to USD 200 million. This seemed like an incredible figure at the time, and it was the first time I felt like we were entering the big leagues. But, to our surprise, Frontier's investment committee rejected the deal, even though Dmitry assured us that he had defended it vigorously. The committee had judged it too risky.

Immediately upon learning this, I wrote the second fund that we would agree to an investment of USD 2.5 million in two tranches, at a valuation of 7.5 million, for 33% of the company. We signed a term sheet right away, were approved by their investment committee, and went through their due diligence process in just a couple weeks. This wasn't difficult, as our company was only about a year old, and all our payments were done in compliance with the law between our company and Russian LLCs and individual entrepreneurs.

After that step, the fund confirmed their intent to invest in us, with the condition that we register a company in Cyprus as the holder of the intellectual property. This was standard practice for Russian IT companies because highly advanced English law is applied in Cyprus, and, because Russian court judgments are not always independent or objective, entrepreneurs run the risk of illegal business seizures. If you've got the will, money, and connections, a

court case can be decided in your favor, or the security forces can be employed in the resolution of economic disputes. This represents a serious threat for any business. Such a risk is cause enough to abort any project, and is one of the key problems in expanding entrepreneurship in general in Russia.

We created a company in Cyprus, officially transferred the intellectual property to it, and were ready to sign all the documents for the investment deal, when an unexpected problem arose. The bank account of the Russian company we had used before beginning talks with investors had about USD 100,000 in revenue. We didn't discuss this in our negotiations with the investors; the company was ours, so we considered this money to be ours, and were planning to put part of it toward bonuses for our team and transfer the rest back to Sinet. When the money was discovered, their investment director, with whom we'd been negotiating, suddenly took a very tough stance, demanding the transfer of the entire amount to the new Cyprus company. Moreover, while he had always been calm and polite up to now, he made this demand in a rude, emotional manner, even cursing at us. I felt like someone had dumped a bucket of cold water over my head. It wasn't even the money—it was the tone of communication. If the fund was treating us this way now, right at the start of our honeymoon, what would happen later? It was as if the friendly teddy-bear face had been lifted to reveal a real bestial snarl beneath. It was unpleasant, and after thinking it over for a few days, I turned the investment down.

The general partner got in touch to find out what had happened, apologized on behalf of his colleague, and asked if we would continue with the deal, but it was too late. I decided not to accept investments at that stage, and to develop the company using our own funds for the time being.

In the startup crowd, among the company founders, tech media, and experts, attracting investment is practically the main measure of valuation and success. That whole culture is focused on investment. And this attitude is supported by those in the business of investment—investors, lawyers, auditors, and consultants. New startups are specially created for investments, and the founders spend months or even years fundraising. If they do manage to find investment money, they'll burn through it in an attempt to develop their business, operating at a loss until the money runs out and the company goes belly up. The typical lifecycle of startups looks like this: (1) idea, (2) minimal viable product (MVP), (3) unsuccessful search for investment, and (4) closure of company. In rarer cases, it goes like this: (1) idea, (2) MVP, (3) search for investment, (4) get funding, (5) blow through funding, (6) unsuccessful search for more investment, and (7) closure of company.

But if you really think about it, investment at the initial stage of a company's development is more of a failure than a success. It's like you're admitting that the company has insufficient internal resources for small-scale development, and the founders lack the minimum resources necessary to support their team at the stage of looking for a viable model (which means they also lack a successful entrepreneurial background). For that matter, founders should try to avoid investment at the company's subsequent stages of development as well, unless absolutely necessary, such as when the company could miss out on significant opportunities due to insufficient funds of its own. Among other things, the erosion of founders' shares from investment is a serious pitfall.

You often hear from startup gurus, and especially from investors, that, "It's better to have 10% in a billion-dollar company than 50% in a 100-million-dollar company." Actually, it's better to have 80% in a billion-dollar company. That goes double for Russia, where many wealthy people who are now venture investors and business angels first made their fortunes in the turbulent

1990s during the emergence of capitalism. I wouldn't be surprised to find several numbers under "hitman" in the contact lists on their phones.

Every founder is tempted by the vision of an easy start for their young company, without all the money headaches. But it's better to operate on your own if you can find a way, and there almost always is one to be found. You should seek investment when you have a proven business model with healthy business fundamentals, from reliable investors with a good reputation, to accelerate your company's growth.

I always wanted to visit Kazakhstan, a country whose people are related to the Yakuts. Our features are so similar that we must have been one nation at some point in the past. Those who spend a lot of time with different Asian ethnic groups have little trouble distinguishing Yakuts from Buryats, Mongols, or Koreans, and have no difficulty at all telling us apart from Chinese or Japanese people. But Yakuts and Kazakhs are almost indistinguishable. Whenever I'm in Kazakhstan, I always have the feeling that I'm in Yakutsk, resituated somehow far to the south—a very cool sensation. They all take me for one of their own. Kazakhs are split into three main groups, or zhuz. There is a senior, middle, and junior zhuz. I am usually taken for a senior zhuz, which is probably a good thing, because that group is currently in power. Kazakhs are warmer and less reserved than Yakuts, don't keep their distance from others as much as we do, and are generally more communicative and positive. But we have one thing in common—the desire to show off for others. You'll often see an ordinary Kazakh, or Yakut, going into debt and spending his last dime on a fancy car, a smartphone, and a fur coat for his wife.

When I arrived in Almaty, I was struck by how street car-ride hailing worked there. No one ever called a service—they just walked

out and hailed a car with a wave of their hand, as people used to do in Russian cities before internet aggregators and large chains came onto the scene. But, unlike in Russia, where you sometimes had to wait quite a while before hailing a ride, as soon as you raised your hand in Kazakhstan, a car would stop in front of you, maybe even two or three at a time! (The cars behind the first one would wait in the hope that the passenger and driver would fail to reach an agreement on price.) Everyone works as taxi drivers on the side! Even drivers of expensive SUVs pick up passengers on their way to or from work and earn a couple hundred tenge.

I saw a similar situation in the capital city of Nur-Sultan (still Astana at the time), bolstered by a climate even more conducive to taxi use; with winter temperatures reaching -45°F and strong winds, people preferred to get around in cars. Moreover, in this ambitious and rapidly growing city that calls itself the Dubai of the north, the average income is higher and people can afford to take taxis.

There weren't any ride-hailing aggregators yet in Kazakhstan in 2014, and when I got back, I told my teammates that we had to launch there; it would be either a complete failure or a resounding success. I was struck by just how much people used taxis, and the fact that almost every single car owner also worked as an occasional taxi driver.

After going through the necessary preparatory steps, which were pretty much the same as for a launch in a Russian city, given the prevalence of the Russian language in Kazakhstan and the people's use of familiar platforms like VK.com, we launched our service in Astana in December 2014. That was inDriver's first foray out of Russia, and we chose the largest city at that time: the Kazakh capital had about a million inhabitants. We waited with bated breath to see how the city would react. As we watched, an amazing picture gradually began to take shape: inDriver took off in a matter of weeks! There were several contributing factors: a free market,

the aforementioned custom of drivers picking up passengers, the relative financial security of the residents, widespread smartphone ownership, the Kazakh love for bargaining and saving money, and users' enthusiastic discussion of this new company with their social circle. It was also the first time that people perceived inDriver as cutting-edge Western tech—from Russia. (Ignoring the fact that Yakutia is quite a bit east of Kazakhstan.) We were like the iPhone entering a crowd of outdated flip phones—our app versus the practice of hailing a cab from the curb. The passengers were riding in pretty much the same cars as before; it was just the method of access that had changed. Astana was a major success for inDriver, and inspired the team even more.

I had a free day in Almaty, so I signed up for a one-day Erickson Coaching seminar, led by Marilyn Atkinson, student of the famous psychotherapist Milton Erickson and founder of Erickson Coaching International. This was an extraordinary stroke of luck, especially because I went to the training without knowing anything about coaching. I was just continuing on with my systematic work in personal growth. Coaching, in its classic form, is motivational psychology, a powerful and effective tool. While traditional psychology explores a subject's past, coaching looks towards the future, employing the safest possible psychological techniques.

I liked the seminar, and Atkinson herself, and I decided to take the training course to become a certified coach in the Moscow branch of Erickson Coaching International. It took me about four months and was mostly done remotely with several in-person sessions. This was the best of all the various courses and seminars I'd ever taken. We learned a lot of theory and fascinating techniques for visualizing the future and finding answers to questions when you don't know what to do or what choice to make. As part of my training, I conducted over a hundred coaching sessions with

students, friends, acquaintances, and strangers who responded to my blog post calling for participants. This whole process was very valuable for me as well in terms of the development of my communication skills and emotional intelligence, i.e., empathy.

But the key takeaway for me was a clear and precise understanding of how motivation works, which is essential for any entrepreneur and leader. I found the Dilts pyramid, the pyramid of logical levels, to be the most effective instrument. According to this model, people commit all their most important and meaningful actions based on their sense of identity and their values. That is, if you sincerely consider yourself a hero, and committing noble deeds and exploits is important to you, then you will do them with great energy and motivation, while subconsciously or consciously putting yourself in an environment where such exploits are possible. Conversely, our environment motivates us to a much lesser degree. Imagine a person stuck in an elevator: His environment—the broken elevator—will determine (but not inspire) his actions. He'll pull out his smartphone to try to call for help or kill time until he is rescued. The most valuable resource in this situation is time, and the loss of it will provoke growing feelings of frustration. The most appropriate self-identification in this scenario is that of an unlucky person, which is not a powerful or motivating position.

When they explained this model to us in the course, everything suddenly fell into place for me; the puzzle that I'd been struggling so painfully with during my personal crisis came together in front of my eyes. To find meaning in my life, I needed to answer the question, "Who am I?" I needed to find my true identity and mission in life, and determine my key values. From there, according to the Dilts pyramid, I would understand what to do and how, where to live, and what type of people I wanted to interact with. This would serve as motivation and be a powerful source of strength.

The importance of finding yourself can't be overstated. Without that knowledge, it's as if you're wandering around in a thick fog

or floating with the current in an unknown direction. When you find yourself, you have a clear understanding of which direction to take, what to do, and why you need to do it. You begin to cut away the unnecessary parts of your personality, no longer trying to be what you are not, and, in the end, achieve greater harmony. And harmony in life is the foundation of happiness. Many famous philosophers and psychologists have written about the search for the self, and finding oneself. Carl Jung, with his concept of individuation, saw the vital importance of human drive to achieve wholeness and balance of the self. Daniel Levinson introduced the idea of the “dream,” positing that the personal development we experience is influenced by our own aspirations. Abraham Maslow used the term “self-actualization” to describe his ideas.

At the end of the Erickson course, I passed the exam and was certified as an official coach. I set aside time over the next several months to consider who I was, as well as the goals and meaning behind everything I did. I thought over my past, sketched out different options, visualizing ideas and using metaphors. Finally, one day insight struck. I recalled a message I’d received for one of SakhaInternet’s first company anniversaries: “You’ve done great, but don’t stop growing. It’s like riding a bicycle—if you stop, you’ll fall down.” I liked this metaphor so much that we incorporated it into our first official slogan: “Stability through development.” We started putting it everywhere with the company name and logo. Then, what did I do many years later to find my way out of a personal crisis? I decided to work on personal development! I set up a lifeogram, took training courses, and did psychological exercises, mastering a high volume of new knowledge. It worked. Why was I interested in doing what I do as an entrepreneur? Money was never my main goal. First, freedom was important to me. I wanted to do what I found interesting. Okay, the key word was “interesting.” So what was interesting to me? What did the seemingly quite disparate endeavors of my professional life have in common: transforming a

small website into the number-one regional portal in the country by percentage of use per region; turning unknown players from a remote corner of the country into some of Russia's top eSports athletes; and taking a regional university and helping it evolve into one of the country's few federal universities? Why was supporting independent journalism important to me? Why did I stay in Yakutia instead of emigrating? The answer to all these questions was one key word—"development." I am deeply invested in promoting the development of the things I care about—in building something huge, brilliant, and excellent from nothing. This inspires me, my team, and many others, giving us strength and energy. And I'm the one helping to make it happen, a "Developist," a true believer in development's power and opportunities—that's the word that best describes my sense of self and my personal mission.

This was an amazing discovery for me, one of the most important I've ever made. Moreover, the insight didn't stop there—if development inspired my team as well, then maybe this mission applied to them as well? Perhaps Sinet was a development company, staffed by Developists? The answer to that was a resounding yes: a direct hit, right in the bull's-eye. We were Developists, and it was important to us to assist in the development and improvement of everything around us, starting with ourselves, then the company and its projects, moving further out—our home region of Yakutia, and even further out—the whole world. All our projects are really about the development of something, whether it's a news site or career training for orphaned children in IT or commercial projects. With the portal, for example, we provide small businesses an effective platform to advertise their services, giving our users a way to order sushi, pizza, or hail a car-ride, through our quick and accessible platform. We are developing our city, country, and the world, and ourselves as well.

When I grasped my mission and my company's mission, in essence, finding myself, I was able to finally emerge from my crisis. I was able to meet the challenges life threw at me.

PART FIVE

DEVELOPER

Money won't create success, the freedom to make it will.

- Nelson Mandela

In the entrepreneurial world, and business overall, “mission” and “values” are boring, overused words that are sometimes not entirely understood. They are seen as some pretentious corporate attributes that every company needs, although it’s not entirely clear why. But, in actuality, a company’s vision statement, which consists of its mission, values, and goals, can be a very powerful instrument, one of the best in entrepreneurship, leadership, and team building. It’s striking how much time and attention business training and courses, books, and journals, spend on applied technologies and tools like active sales, time management, negotiation, overcoming objections, and so on. These are all very useful, of course, especially when you’re talking about practical things like CRM implementation, project management, and methodologies like the agile business approach—where applicable. But it’s surprising how little time and attention is spent on deeper motivation and team values. A parallel example would be mountain climbers preparing to scale a difficult peak focusing only on their equipment, without think-

ing about why they want to make the ascent. If it is truly important to them, then they'll grit their teeth and overcome every obstacle to get to the top, regardless of whether they have the perfect equipment. If it's not truly essential to them, they might give up halfway through, even if they're carrying the very latest in high-tech gear.

Let me give you an example of how it works. If you call your team a gang of lowlifes and constantly tell them that what matters to you is deceiving and stealing, confirming this with your actions, then, eventually, the only people who'll be left on your team will be lowlifes who enjoy deceiving and stealing. When you choose your team's mission and values, you are positioning it in the world, and it forms a kind of nucleus that begins to attract people who find that mission and those values a good fit. I've seen it many times: a business quickly takes off, grows into a major company, and then collapses because its leader behaved dishonestly in dealings with outsiders in the process of building the company. The company's top managers and employees aren't blind; they saw what their founder was doing and that taught them by example, until they too began to behave dishonestly in dealings with their founder and company. The manifestation, and especially the intentional introduction, of destructive values inevitably destroys a company. It would be better in this case just to take on the default values of entrepreneurs who don't worry about these things—those of earning money and making a profit. But you have to remember that this is quite a weak vision statement. It isn't very inspiring to work so that the owners and directors of your company, usually well-off to begin with, get even richer. If your company has nonmaterial goals that are actually important, it's much more motivating to employees.

There's a well-known story about this. John F. Kennedy stopped by NASA and met a janitor mopping the hallway. They struck up a conversation, and JFK asked him what he did at NASA. The other man replied, "I'm helping put a man on the moon!" You see? He wasn't working for a couple hundred dollars a week—he was

contributing to one of the greatest endeavors in human history. If he could have managed it, he would probably have worked there for free. There's another story about three bricklayers working together. When a traveler asked what they were doing, one of them replied angrily that he was earning his pay, the second, that he was building a wall, and the third, very inspired, that he was helping to erect a cathedral. The point of these stories is that when people are given a nonmaterial goal they find important and meaningful, they will work with enthusiasm and energy. They'll work 15 hours a day instead of eight, because even when they're home, they'll be thinking about work—what to do next and how to do it better. Conversely, in companies that don't pay attention to nonmaterial motivation, people may be in the office for the standard eight-hour day, but they'll only spend an hour actually working, or not at all. That's a 15 to 1 difference in productivity—15 times more productive in the first instance! People who work in companies with a strong mission are happier. And it's a great feeling to make your team happy. In short, a vision is a truly magical element that can transform a company.

As I said, a vision statement consists of a mission, values, and goals. A mission is what your company and team are, the self-identification of your company, the peak of the Dilts pyramid. The mission should be inspiring, and reflect what differentiates the company from others. How you phrase it matters—instead of “We provide the best surgical services in our field,” say, “We save lives and improve health, using and improving advanced cardiac surgery technologies.” Missions are intended to serve for many years. Goals are better for shorter-term plans, and they should be both exciting and measurable, like Nike's initial one: “Crush Adidas.” Values are something like a set of instincts that every employee needs to adopt. If, for example, a leader expresses and constantly cultivates the value of “accuracy,” he or she will see over time that employees stop missing deadlines and are providing accurate,

undistorted information. If someone doesn't know some figures they've been asked about, they won't name some at random just to pacify their managers; rather, they'll reply that they don't know but will find out and report back. In this instance, they will understand that accuracy, in that company culture, is more important than just looking knowledgeable. Meanwhile, if the value the employees get is "always look knowledgeable" instead of "accuracy," then employees will start tossing out information at random to adhere to that value. So improperly established values can cause damage. In addition, those values have to be real, not artificial.

I saw a good example in one of Jim Collins's books—the leadership of a certain company announced: "We're all one big family." At the same time, the executives had offices in a separate wing with expensive interiors, mahogany furniture, and a separate dining area full of gourmet options. What kind of family is it, if some members live and eat separately, and better, than the rest? With that, for employees, the value goes in the trash, and together with it—please note—go all the rest of the values expressed by that leadership. Each and every one of them will be seen as a fake, pseudo-motivational lie. Employees are very good at sensing a false note. When the staff at Sinet grew larger than 150 (that's the number when you stop being able to recognize everyone's faces), we changed the value "We support one another like family" to "We are more than a team," meaning that we should support each other, be more than just a work team. Because it isn't really much of a "family" if some people don't even know one another. A vision statement needs to be kept up to date.

I was talking to a random driver in Kazakhstan once and got off the subject of taxis. He told me about two executives he knew. One, an older man, managed a large pool of drivers and his management style was based on constant swearing, shouting, and punishments. All his employees hated him. They came to work reluctantly and left at the earliest opportunity.

The other, a 25-year-old man, was the top manager of a supermarket. He knew every detail of its production processes, helped out if difficulties arose, and praised his employees whenever he got the chance. When a water pipe burst, he spent the night there with other workers in a hole they dug, repairing the pipes. The people working there had enormous respect and love for him. He may not have officially declared a value of “We are all one big family,” but the team realized that intuitively and all began to treat their colleagues accordingly. Values manifested in actions work; values that are declared but not implemented don’t work at all. The best approach is to clearly identify your values and strictly adhere to them.

Values should be concise. A 10-page, small-print description of a company’s values is hard to read and almost impossible to remember. Sinet’s current list of values consists of nine points, each elucidating two to three values. You can find them on our site. They include: “We bring benefit to others,” “We value accuracy,” “We inspire development,” “We care for others,” “High-level professionalism,” and “We are more than a team.” Values are less static than a mission; they evolve over time as the team develops.

How do you cultivate your mission and values? Talk about them constantly. Write them in big print and hang them up in a prominent place. Write motivational letters and posts on the company blog about them. Find continual ways to motivate employees, like holding special competitions. Praise and encourage those who follow the values; be merciless in parting ways with those who violate them. Gradually, you will create the kind of team you described in your vision for the company. It’s like cutting a sword out of a piece of iron or carving a sculpture out of a block of stone. By acting systematically and cutting away the excess, you’ll get what you need.

I’ll give an example of how this is done at Sinet. One of our initiatives related to development and personal growth is an annual athletic competition, the Sinet Challenge. Employees who partic-

ipate name difficult but achievable goals. The company then helps them put those goals into action. After two months, we choose the winners and reward them with a trip abroad that is connected in some way to their objectives, on the company's dime. One year, for example, the winners were two young women, a designer and a marketing specialist, who had aquaphobia. They had both nearly drowned as children and were too terrified ever since to go even knee-deep in the water. So the two women chose learning to swim as their two-month challenge. The company paid for the services of a swim coach. He gave them lessons at a swimming pool and helped them gradually overcome their fear and learn how to stay afloat. We chose them as winners of the Sinet Challenge that year and paid for a two-week trip to Sri Lanka to go kitesurfing! They learned the basics. Just imagine, from aquaphobia to kitesurfing in the waves of the Indian Ocean. Things like this really inspire a team and send a powerful signal that we are, in fact, focused on development, that we are Developers. These instances inspire me on a personal level, infusing me with great energy and a desire to keep doing what I do, even all these years after the start of my entrepreneurial career.

Another example relates to the value of "caring." If employees adhere to this value, if they care, it leads to many positive things, both at work and outside of it. Say some employees from the news department of ykt.ru see a post on Twitter about someone forgetting his phone in an inDriver car. They take the initiative and use their internal company connections to find the right person at inDriver who could help get the phone back to its owner. Such behavior stands out even more strikingly against the background of general negativity and cynicism in the world and improves the company's image, thereby assisting in business development. These kinds of actions would be difficult or impossible to draw up in the form of specific job instructions. Life and work present us with an endless variety of situations, and a director could write a multivol-

ume encyclopedia of instructions that would quickly grow outdated, and would be simply impossible to read through and remember. It is much more effective to name about a dozen core values.

One of our young marketers was walking out of his apartment building one day, and looked up to see a thin, almost imperceptible stream of smoke coming from one of the windows above. Maybe due to his own innate decency, or maybe partially because of the value of caring that the company had encouraged in him, he went back inside and found the apartment, saving the life of an elderly man in the apartment where the fire had started. Values can save lives! Leaders should support that kind of behavior. To celebrate him, we brought all our employees together, told them what he had done, gave him a gift, and published a story about his good deed on the main news page of ykt.ru. People see continual evidence of the fact that caring is a real value of the company.

My team gave me a spectacular birthday present one year—they did a good deed for every year I'd been alive! They found a home for a stray dog, brought groceries to an elderly person who lived alone, and gave presents to children in an orphanage, among other deeds. It was an amazing, touching moment. They understood that this would mean much more to me than, say, a gallon bottle of whisky or a marble pen set. I realized, meanwhile, that they truly shared the values I was transmitting. And that I had put together a great team.

Up to this point, we had focused on development instinctively, subconsciously. That was what helped us survive in difficult circumstances, when dozens of similar companies that launched around the same time as us later failed. Now we began to intentionally and systemically focus on contributing to the world through development and to employ a visionary and values approach in everything

related to our company, to an even greater extent than we already did. One step in this direction is the motivational letters I write occasionally to the team and posted on our corporate blog. Here's a (summarized) example from 2015:

The Path to Happiness

The main purpose of our lives... the very motion in our life is towards happiness.

--Dalai Lama, XIV

My dear teammates, I set forth in this letter a number of thoughts, plans, and dreams, which are the fruit of long reflection and the transformation of my personality over the course of my entire life, and particularly the last several years. I hope that it will help you, as it helps me, understand what we do and why, how to set goals, and how to live happier and more consciously.

Everyone wants to be happy. It is a powerful urge, an innate element of our nature from the moment we are born. Happiness is a wonderful state that is natural for a person, one which we need to strive toward for ourselves and help others to do so as well.

How can we achieve it? How can we become happy?

This question has always troubled humanity's best minds, and many different paths and solutions have been proposed. One traditional idea of happiness through the acquisition of material goods and pleasures, dating back to the Epicurean school of philosophy in ancient Greece, is now demonstrating its weakness. This is becoming increasingly obvious. Perhaps because the era of famine, war, pandemics, and shortages of basic resources, which lasted for thousands of years,

has gradually transitioned into an era of abundance since the mid-twentieth century.

Researchers estimate that 30-50% of the food people produce today ends up in the landfill, thrown out by producers, retailers, and the consumers themselves. Our great-grandmothers and grandfathers had never seen electricity and ate roots they gathered in the forest, while today, the middle class can afford scallops from Vietnam for dinner and high-speed internet with IPTV at home, on both televisions and five gadgets. But none of it brings happiness. The car we want brings pleasure, but not happiness. Travel gives us new experiences, but not inner harmony, one of the fundamental components of happiness. And each time a person in the consumer world does not feel the expected happiness, he or she will decide on and select the next object of desire, believing that this is the thing that will bring happiness at last, be it designer clothes, a prestigious car, or a house. It is the endless pursuit of an elusive mirage of happiness.

We need to realize that consumer culture was created and is maintained artificially. It is an engine of business, economics, and progress that helps civilizations develop, but, in and of itself, material wealth doesn't bring people true happiness. While still maintaining a comfortable living environment, access to high-quality education and medical care, and doing the activities that are important to you and give you positive experiences, you should try to focus on achieving happiness.

The strongest, most powerful, and most convincing idea that I have come across on the subject of finding happiness is love. I like the following definition of love: when you are prepared to share the best things you have in life with the person you love, generously, selflessly, and unconditionally. The highest form of this selflessness is giving your very life. A person who loves another will give his or her own life for that person.

A mother would get between a lion and her child without a second thought, would defend that child with her bare hands, with fierce and unwavering intensity.

Some Eastern religions have given us the idea that people who love, who share and give instead of taking, are on the true path to happiness. And you can't love others unless you love yourself--this is a key point. You either have to become the kind of person you can love, or you need to learn to accept and love yourself the way you are. This is a complex topic for another letter. For myself, I chose the path of development and transformation, particularly because personal growth is an engaging and interesting process.

You can share with others on a material, emotional, psychological, or intellectual level--through positive manifestations of human nature. Conversely, it's possible to take something away through negative manifestations of the same. For example, by acting honestly and responsibly, you give the gift to others of reliability, confidence, and help. But if you demonstrate laziness or discouragement, you take the lost results and opportunities from someone else--and yourself as well. The stronger you are, the more people you can embrace with your giving and love, starting with yourself, your family, and on to the rest of humanity.

I want to share the best of what I have with you, Sinetians. I love you. I share with you the very best work in Yakutsk, the results of which I am proud. I share my knowledge, experience, and sources of strength and motivation, including this letter. I share opportunities for travel and sports--one of the best things I have in life--and the opportunity to achieve material well-being. In the coming years, I will give key team members 25% of the share capital in our existing companies, including the parent company, and I will keep doing the same for all future companies. As a result, the most ambitious, capable, and

energetic among you will become USD millionaires. Sinet is probably the only place in all Yakutia where all employees have a realistic chance of achieving that aim through their own hard work, talent, and extreme input of energy. Material wealth isn't a cause for happiness in and of itself, but it does help to create a comfortable living environment, provide resources for helping others, and gives one more very valuable thing--freedom. Freedom is among the greatest achievements in my life, earned through hard work, through long years during which I voluntarily gave up my freedom. I want to share that freedom and the knowledge of how to achieve it and use it. There's much more--high-quality medical care, education, personal growth, self-actualization in life, profit from business--now or a little later, all the best that I will create and earn in life on my own, I will share with you. And that will make me happy!

Let this be an additional argument in favor of the positive approach--people who share, who give instead of take, receive support from others. It's a winning life strategy. Those who share with others through honesty, kindness, caring, hard work, trust, openness, and other positive qualities, will succeed. Egotistical, selfish, irresponsible, hot-tempered, and lazy people will fail. I realized only recently that much of my success in building a very successful internet business in unfavorable conditions was due to my application of some of these positive strategies.

Giving, you go through life like you're riding a bicycle on a smooth asphalt highway, while if you are always taking, you'll end up in the sand. Harmful actions, deceit, and betrayal always breed enemies, the desire for revenge, and harmful actions in return. Kindness, good deeds, hard work, and trust, in addition to increasing your own happiness, often bring additional benefit to you. Diligence and persistence will help you create a solid material foundation. Keeping the promises you

make to partners and clients, behaving in a caring way, and providing high-quality services for them will engender gratitude and long-term loyalty. The desire to continue growing and learning new things leads to a high level of professionalism. We have never deceived anyone or done anyone harm. Share intentionally, consciously, without expecting anything in return, contributing to your own happiness, but be ready to accept gratitude and reciprocal kindness.

I have always followed a positive approach without realizing its true role, just based on my upbringing and common sense, expecting benefits in return for myself and the company. In Osho's lexicon, I was behaving like an unconscious person who wanted to look good. Now I understand that to achieve happiness, the foundation of my actions must be love, and these actions must be unselfish. Reciprocal benefit is nice, but should be a secondary and nonobligatory consequence.

The main elements of the positive strategy necessary for professional activity in Sinet are reflected in the company's values: honesty, accuracy, effectiveness, caring, development, friendliness and mutual assistance, and prevention of wrongdoing. There is a deep meaning in these values. Let us adhere to them going forward, climbing the upward spiral of good. Picture it: a close-knit team of first-class, experienced professionals, following a positive life strategy, building a global business, selflessly and unconditionally sharing their talent and hard work with their friends and the world around them, sincerely happy. This vision is truly inspiring—it's a dream.

Choose a positive strategy in all areas of your life: in work and personal life, with family and friends, and even with strangers. Use your common sense at the same time and a correct understanding of the situation. Be honest with yourself and your own conscience; that internal integrity is the true meaning of the word. Trust those who have shown themselves

to be trustworthy. Share the best of what you have, and love those who deserve it.

I want to create and share the best of what I have with my family and friends, with you, with the inhabitants of Yakutia, and with the whole world. This motivates me and fills me with energy. I am prepared to move mountains to make that happen. Because it has that effect on me, maybe it will do the same for you! Take this idea as a source of motivation and vitality--as a path to happiness. Let us grow, help others to grow, build a great company, love our homeland, create something valuable, share it with loved ones and the people we care about, give the world something good, and be happy.

With love,

Far

February 2, 2015

Interestingly, self-identification and values have an impact not only in regards to a single person or company, but on the level of whole nations and countries. Take Russia, for example. In my opinion, one of its main problems is the absence of an identity, mission, or, as it is sometimes called, a “national idea.” What is Russia? What is its national idea? Its aggressive positioning is perceived negatively outside of the country and internally as well, and people get tired of endless conflicts. What is Yakutia? We can try to start from the traditional phrases that come to mind: “diamonds, cold, permafrost,” and the characteristic of an economically specialized region. Yakutia can be described as a “remote, vast, but underpopulated northern region with a very harsh climate, supplying the rest of the world with diamonds, gold, oil, and natural gas.” This is a first draft but isn’t very inspiring, and it’s bound to grow weaker as the

importance of hydrocarbons continues to fall.

If we consider values, the situation is equally problematic. Consumer culture is the reigning value system now. Everywhere you look, people are, by default, focused on “consuming,” “buying,” “getting rich any way you can.” From morning till night, ads are telling us: Buy this, buy that, and you’ll be happy. It becomes absurd sometimes: Buy this toothpaste and you’ll be happy!

Other countries are paying attention to their national idea, their self-identification. Israel and Finland, for example, specialize in new technologies. Singapore, a port city and center of international business and trade in Asia, is safe and clean. China has claimed the position of number-one country in the world in all the main categories. The US, in my view, has two main national ideas. The first is the “American dream,” that by working hard and applying your talent, you can succeed in life. According to the second, the US is a global outpost of freedom and defender of human rights. And these ideas have worked for a long time, with many Americans proudly displaying the country’s flag in front of their homes.

We also need a strong national idea in Yakutia—a mission. I believe that our mission in Sinet, to foster development through new technologies, would suit here. Imagine an entire region focused on creating a high-tech, efficient, and comfortable living environment for people. Where being competitive on a global level, mastering advanced knowledge, being honest, and working hard were valued. Sounds great!

I have a friend, Viktor Saltykov, who is an entrepreneur in the field of sports and fitness. Viktor has had an interesting life: he started out as a skinny little thing, then began working out and transformed himself into a super-muscular bodybuilder, and after

that he switched to running and triathlons, turning into a lean, tanned athlete. I saw his most recent transformation myself. Viktor had become an ardent fan of running, and every time we saw each other, he would tell me what a fantastic sport it was. He told me when he ran his first half marathon, then his first marathon. As his rate of speed increased, so did his enjoyment of the process. As for me, I've hated running since I was a little kid. I found it boring, monotonous, and exhausting. I like high-speed, adrenaline-fueled sports like skiing, or games where you're playing for points—tennis, volleyball, and soccer (unfortunately, my love for the last one is matched only by my lack of skill at it.) Kitesurfing is a new sport for me. You have to be able to coordinate the movements of the kite—a large kite flying up in the sky—and steer the board that is carrying you across the surface of the water. Kitesurfing fills me with vivid impressions and emotions. I fell in love with this sport when I went out onto the open sea in Thailand: I was racing across the tops of enormous waves when a warm rain suddenly began to fall, the sun still shining. It was a fantastic and very emotional moment.

Gradually, however, Viktor's fascinating stories about running won me over, and I decided to try training for a marathon with him. I chose one of the six major marathons, Chicago. In May 2015, I was in New York and went for my first run in Central Park. I spent 36 agonizing minutes running three miles in the hot sun, and didn't enjoy the experience one bit. But I had made my decision, so I had to follow through. Gradually, using an app made by Asics, I got into training, running an average of 20 to 25 miles each week. After about a month and a half, I began to enjoy my runs, and I chose a variety of different routes, often in interesting and beautiful places.

Training for a marathon takes a minimum of four to six months, even if you're in good shape to start with and don't have any health issues. If a person isn't very athletic, it's better to spend

at least a year preparing. I put myself on a strict diet, and went from 175–176 pounds to 163–165 pounds. I sometimes lost even more weight and started looking a bit like a strange teenager. For the first time in many years, I got asked for my ID when buying beer. My alcohol intake, by the way, was very limited during this period. A couple of shots of hard alcohol will set you back a week or two in your progress. I could have a beer after a long run, because it has the salt and other micronutrients the body loses with sweat during exercise. In addition to the fact that a cold beer after a 9- to 12-miles run, especially in the heat, is a delight, and a reward for the effort.

Initially, unaccustomed to the exercise, my body tried to resist, especially with pain in the knees, but I worked on mastering the proper running form, taking a couple of sessions with physical trainers and watching a series of educational videos on YouTube, and the problem disappeared. I also used kinesiology tape on my lateral knee ligaments to good effect. These special adhesive strips improve circulation and metabolism where you place them. So, in short, if you go running four times a week, watch your diet, and don't overexert yourself, in six months you'll be in good shape. A couple of days before the marathon, I caught myself thinking that I was tired of walking—I wanted to run!

In October 2015, I ran my first marathon in Chicago in 4 hours 17 minutes. The average marathon goes like this: The first 10 miles are just delightful. There's a holiday atmosphere, the city is lovely, tens of thousands of runners with you, hundreds of thousands of people lining the street to cheer you on. People stick out their hands, wearing enormous novelty gloves, saying "Give me five! You're doing great!" They offer you water, bananas, or candy. They hold signs like "Pain is temporary, medals are forever!" and "The beer is getting warm at the finish line" or "I know, it seemed like such a great idea yesterday." Orchestras set up and play along the route, cheerleading troupes perform thrilling routines, and

companies of firefighters dressed to the nines shout unintelligible slogans in unison. There's a general roar of shouts, songs, music, and the conversation of the spectators. Next to you are runners of every race, nationality, and age group. Many runners are in costume—some just had a fun wig, but I also saw an Elvis, and someone in an enormous Godzilla suit (how hot must they have been in there after 26 miles?). All in all, it was an incredible, energizing spectacle!

After 10 miles, the first wave of tiredness hits as the supply of energy fuel in the body, glycogen, runs out. Carbohydrate gels help, providing a quick infusion of energy for the run. After mile 20, you begin to suffer, gritting your teeth and pushing on, and, after the 22nd mile, you have absolutely no idea why you volunteered for this torture, and you're thinking—never, ever again. But finally, you hit that mile 26 and 385 yards, the finish line is up ahead, you take one more step forward, and volunteers are there to hang a well-earned finisher medal around your neck and hand you a towel and some snacks. A pleasant fatigue spreads through your body. You move through the crowd of other runners like yourself, tired and happy, and you think, "I'd like to do that again."

So I signed up right away for my second major marathon in Tokyo, which was supposed to take place only four months after Chicago. I decided not to put it off and set myself the goal of running this one in under four hours. The runners I knew told me that four hours was the boundary past which it was a "real" marathon, and you become a marathoner.

My goal was set, as was the day and place—Tokyo, February 28, 2016. The Tokyo marathon is one of the six most prestigious and popular global races, along with New York, Boston, Chicago, London, and Berlin. I had never been to Japan, and running through its capital, one of the world's most famous cities, was in-

teresting and exciting in and of itself. Aside from everything else, as far as I knew, I would be the first Sakha to run the Tokyo marathon (as I'd been the first in Chicago), which was an honor, of course, and gave me additional motivation.

I began my preparatory training at the end of November, in a more concentrated and intense regime than before Chicago, running for longer distances at a faster pace. In three months, I ran over 350 miles in all kinds of different terrains and conditions. In comparison with my preparations for the first marathon, everything went smoothly, without any knee issues, and I was at an optimal weight already. I finished training and flew to Tokyo a few days ahead of the race. The Japanese capital impressed me with its perfect cleanliness, the forethought that went into every detail of life there, and the politeness of its inhabitants.

The day before a race, you should just relax, read a book, basically do nothing, and make sure to get a good night's sleep. You need to drink a lot of water and load up on carbs, like a big plate of pasta. The morning of the race, I got up at 5 a.m., ate breakfast, and took a bus to the starting line near Tokyo's city hall. Because I arrived early and didn't want to freeze outside waiting (it was about 40 °F), I spent an hour hanging out in the lobby of the nearest hotel, along with a number of other runners. Then I went over to my sector, passed the security screening, took a few photos, checked my bag and set about waiting for the race to begin. The starting line in Tokyo, and the whole race, as a matter of fact, was noticeably more crowded than in Chicago due to the narrower streets.

This was the tenth year the marathon had been held in the Japanese capital. The number of runners increased every year, reaching 37,000 in 2016. Meanwhile, there were over 300,000 applicants, who had about a one in 10 chance of winning a slot in the lottery. Given the ever-increasing popularity of the race, the city will probably have to find a more spacious place for the starting line in the future. I think the success of Japanese runners in long-distance

races (they often place in the top 10 of major marathons) may have contributed to interest in the race, among other factors—as well as a short and interesting book by the famous writer and avid runner, Haruki Marukami, *What I Talk About When I Talk About Running*.

At 9 a.m., the wheelchair athletes started, and the elite, invited runners immediately after them, almost all from eastern Africa—Ethiopia, Sudan, Kenya. They ended up coming in the top seven places, both men and women, with times a little over two hours.

A few minutes later, we crossed the starting line as well, and our marathon began. The run felt great, although the crowding made it a bit difficult to maneuver around the other runners. The race organizers had put me in the middle, sector F, based on my time in Chicago, 4 hours 17 minutes. In Tokyo I ran much faster, aiming for a final time of 3 hours 40 minutes. That was the pace of sector D, and I made my way up to their group in about an hour and a half, passing many runners on my way. I even began to see the odd person from sector C.

Everything was lovely: we had beautiful, sunny weather at a very comfortable temperature for running, 50 °F, and around us we saw magnificent architecture and many well-dressed fans energetically supporting the participants. One thing that stood out in the Tokyo marathon was the number of cool costumes—I saw Eastern princesses and King Kong running along past Stitch, Minions, and many more. Their marathon rules include the funny prohibition that a runner's headgear may not extend wider than his or her shoulders. So a SpongeBob SquarePants costume would be just fine!

I was on the tenth mile, right in the middle of the running fun for me, knowing as I did from my training not to expect the fatigue to hit until the 15th mile, when it began: the collateral ligament on my knee, which had given me trouble back when I first began training in May/June of the previous year but hadn't bothered me

since, began to twinge, and, in another couple of miles, it was really hurting. My pace dropped to a ten-minute mile. The main cause of the problem, I think, was choosing the wrong shoe. I had decided to run in Adidas lightweight running shoes with a thin sole. The weight difference helped you run a little faster and tired you out less: during a marathon those 100–150 grams add up to a transported cargo of three to four tons.

I had read warnings from other runners on the internet and in books against running marathons in shoes like those. But I'd gone on 18- to 21-mile runs in them, close to marathon distance, without any problems, although it was on a treadmill. I would manage to finish on the asphalt, too, I thought. It turned out that asphalt and the treadmill were two very different things. If you've only been running a year or two, professional light sneakers are not the best idea for long distances on a hard surface! My Tokyo experience is an excellent illustration of that. I did have a little better luck as far as my nails went, only losing one this time, although it did bleed (in Chicago they came off bloodlessly).

So back to the race. I took a painkiller I had with me to dull the pain in my ligament. At the 13th mile, I stopped at the first-aid station and wrapped my knee in an ordinary bandage, not kinesiology tape. I lost about four minutes waiting in line there and filling out a form. I would have lost more if I had waited in line politely, Japanese-style, until the doctor was free, but I couldn't do it—I grabbed a bandage lying on a table, wrapped my own knee, and ran on. It was better at first, but then the pain began to grow. By the 15th mile, I was limping badly, almost hopping to compensate for the pain. My pace dropped even further, to an 11-minute mile. To give myself a desperately needed boost, I ate two carbohydrate gels with coffee and propolis, intended for the final miles of the race. At one point I was close to despair and even slowed to a walk for a minute. But I felt then that I wasn't ready to give up, and that I was going to fight till the end. Moreover, I wasn't just going to finish,

I was going to try to do it in under four hours. I still had a chance after my fast pace in the first 10 miles. I started running again.

A little while later, I noticed that one of the spectators was holding an anesthetizing coolant spray. I ran over, quickly sprayed the painful area and kept on going. It helped! I was running with almost no limp, my pace picking up to a mile in 9:15 minutes. The pain began to return five minutes later, and I kept my eyes on the spectators, searching now for someone carrying that spray. I spotted someone—an elderly Japanese man had some and let me take it with me. Thank you, kind stranger, arigato!

I ran, spray in hand, freezing my knee every three to four minutes. Somewhere around the 19-mile mark, the calf muscles on my other leg started to act up; they kept seizing (probably also because of the thin-soled running shoes), but the coolant spray helped there as well. After 21 to 23 miles, my body seemed to have resigned itself to the fact that its owner was determined to keep running, and the intense pain subsided. I just felt the usual fatigue of the final phase of a marathon. The only hitch was that I had run out of the carbohydrate gels, so I stopped at an aid station for a sports drink and some bananas. I stopped running for no more than 15 seconds, but when I started back up, I felt a ferocious pain in my ligament and decided not to stop again until the end of the race. For the last two to three miles, I steeled myself and picked up the pace, getting up to 8:45–9:00 minutes per mile despite my intense fatigue and a pulse definitely over the anaerobic threshold. I still had a chance to make it in under four hours, and that spurred me on, but it was a matter of seconds now. It would be extremely disappointing to miss the cutoff by just a minute or two. It would be like winning second place in a losers' competition.

But when I did cross the finish line, I looked up to see the clock showing 3:58:40. Only a minute to spare! If I had spent any longer at the first-aid station, spent one more minute walking, if I hadn't picked up the pace at the end—I wouldn't have made it. Not to

mention what would have happened if I hadn't found someone with that coolant spray. I would have limped across the finish line at close to a walk, with a time of something like five and a half hours.

I found myself in an unusual emotional state after I finished—I felt enormously proud of myself and the sense of some indestructible, steel foundation within. This triggered an unexpected emotional catharsis, a rush of adrenaline, and I burst into tears, for the first time in a long while. I didn't know it was possible to cry out of pride and the feeling of inner strength, or from feeling overwhelmed by happiness. Human psychology is full of paradoxes and the combination of opposites. It was a special moment, and made that day one of my most vivid and meaningful memories. I had become a real marathoner.

After the Tokyo marathon, I fell truly in love with running. This simple and democratic sport lets you fully experience life with an alertness that many of us lose in the midst of our daily routine. It's a path to self-actualization and personal growth, to core values, and to your true self. Any run can turn into a fun, entertaining, and emotional adventure. This is particularly true if you start out well-rested and choose an interesting route—along the seashore (a couple of times, while running by the ocean, I've seen dolphins leaping out of the water, as if they were accompanying me); down a picturesque, shady forest trail; through puddles and a warm summer shower; or under the vast, starry night sky. Running wakes you up. It often feels like we're half-asleep as we do the same things, day in and day out, and running is one thing that makes you feel alive and like you are living in an amazing world!

I was so inspired by running that I wanted to share this phenomenon with my fellow Yakutians. In the summer of 2016, six months after Tokyo, Viktor Saltykov and I held the first half mara-

thon in Yakutsk. We completed a substantial amount of organizational work in a short time, including getting various approvals and resolving numerous major and minor issues. But it was well worth the effort. The result was a fabulous celebration of sports, willpower, and development! Since then, the half marathon has become an annual event in Yakutsk, and the number of registered participants, which grows every year, is currently over a thousand. We're also starting to see more and more signs of a real running celebration—joyful spectators along the route, volunteers, cheerleading teams, and runners in fun costumes. I think the day isn't far off when city residents, seeing people wearing medals on the day of the race, will applaud their efforts, as often happens in other cities.

After the second year, Sinet stepped down as direct organizers of the race, as Viktor does an excellent job of handling everything, though we are still one of the main partners or sponsors of the event. The Yakutsk half marathon has become one of the key parts of the Sinet Challenge, our company's annual athletics competition. We send two or three winners of the challenge to international half marathons.

The Yakutsk half marathon is one of the projects I'm particularly proud of, and I'm happy that I helped make it happen. It's so cool to watch the children's race—you see a whole horde of joyful children, puffing away, their tongues sticking out, running with all their might to the finish line, and each of them receives a well-deserved medal at the end. I was also happy to see that they introduced a separate start for wheelchair athletes. I think this event will get tens of thousands of people in Yakutia running and they will discover all the benefits of this excellent sport. And that's great!

When I think about running and about my marathon experience, it seems to be a good metaphor for the development of a company. You get ready for the race, you study, you train. As the day draws

closer, your excitement increases. Finally, the day arrives, and you start the race. I believe, as Einstein did, that the universe is generally a friendly place—that there always are spectators cheering for you along the sides of the road.

You might think that you only have a couple miles till the end of the race before realizing that you're only at the midpoint and need to endure more and put all your effort into it. You might tear the ligament in your knee halfway through, begin to experience difficulties and failures, but these might be, in retrospect, the prologue to an epic success story, a narrative of overcoming greater challenges and fights, to a great, victorious day for you, ascending to your life's summit. No matter how difficult the process, the distance is finite. If you are strong and prepared to endure and get through it, at the finish line, an enormous sense of pride and happiness is waiting—a new you is waiting.

Metaphors, in general, are a very powerful tool, and they work. They're effective in self-motivation, and in motivating a team, to describe goals and for the induction of emotions and ideas. I'll give an example: When I spoke with Artem Myryanov about his promotion from commercial director to general manager of ykt.ru, I used the metaphor of a vineyard to describe the difference between the two positions. Tending to a vineyard isn't just a matter of harvesting grapes (what a commercial director does); more importantly, you must cultivate it, fertilize the soil, look after the plants, get rid of weeds, and so on. This labor is especially important considering the fact that we are growing grapes in northern conditions, a difficult environment for the development of IT companies.

When I hear someone saying that you should “never give an inch,” I give the example of steel. The best steel is both hard and flexible, and therefore more resistant to wear and pressure. When journalists are sometimes too eager to jump into a fight, I ask them to be a bit more careful and think of themselves as Mike Tyson at 17. They still need to grow, get stronger, learn, and train. Don't

get into a fight with someone not in your age category. That's the only way to become a champion and bring the maximum benefit to people in the future.

Metaphors provide a clear, easily comprehensible, and convincing visual image, which aids everyone as they go through the process of making and implementing decisions.

Throughout 2015 and the start of 2016, we were launching inDriver across Russia, but our main focus gradually shifted to Kazakhstan, where our service blew up in every single city, without exception. The inDriver model was ideal for the cheerful and easy-going residents of that country, who value freedom of choice, the opportunity to save money, and the convenience of ordering a ride through an app instead of hailing cars on the side of the road. In just over a year, we became the number-one passenger transportation company in all 17 of Kazakhstan's major cities, and throughout the country.

Then, one fine day, I had a meeting in Moscow with an important personage, someone who, according to him, represented the interests of certain influential figures in Kazakhstan. He told me that because we were doing business in their country, I had to share with them, give them half our revenue, and that if we didn't cooperate, we wouldn't be able to operate in their country.

We had a strict, long-standing principle at Sinet not to comply in these types of situations. We never took part in any corruption schemes, avoided taking government clients, and had long ago stopped running any political ads. That was not only reasonable but vital for the safe development of the company. The ethical aspect of corruption is key. When, for example, people take their "cut" of money allocated for medicine for hospitals, it means in essence that they are stealing the life and health of patients, includ-

ing children. I don't think that example requires further comment.

I understood that there might be serious problems ahead in Kazakhstan, but I also knew from experience that we had to stick to our principles and values. It always pays off in the long-term. We turned them down flat. Around the same time, I had to reject two more enterprising mid-level bureaucrats from the Transportation Ministry in Astana, who also threatened us with trouble if we didn't agree to do business with them.

I should note here that several months later, just weeks apart, Yandex.Taxi and Uber both launched in Kazakhstan. They were still two separate companies in Russia and the CIS at the time. So we can't say for certain who initiated the attack. All I can say is that on the morning of April 17, 2016, all of inDriver's IP addresses were blacklisted as prohibited addresses throughout the entire territory of Kazakhstan, under the false pretext of "ensuring the safety of travel." The country has one main channel to the external internet, which has a filter, like "The Great Firewall of China." Sites that are politically inappropriate in the eyes of the government sometimes end up blocked by the filter—even Wikipedia suffered that fate at one point. As far as I know, inDriver was the first nonpolitical resource to be blocked, which is certainly recognition of the company's staggering success.

Suddenly, no passengers or drivers in Kazakhstan could open the app. In an instant, we lost all rides in a country that we had taken pride in, and which we had considered a great success. But they didn't know who they were dealing with.

The excuse for this action against inDriver by corrupt officials was the allegedly unsafe travel conditions. In fact, the situation was the exact opposite: by running checks on drivers, tracking the entire route of each ride, and banning drivers who got low ratings from

passengers, inDriver had actually significantly improved the safety of travel. We transformed cities: people were no longer standing on the curb to get picked up by unknown drivers whom it would be nearly impossible to find again. To this day, in the first six years of operation with over 300 million rides completed, there have been no serious violent incidents between passengers and drivers. There have been some minor incidents and fights. And there have been some serious car accidents. These are simply inevitable when you're talking about that number of rides. We have created an internal charitable fund to assist victims and their families in those cases.

Widening our perspective, inDriver improves the lives of people in every city where it operates. This goes for smaller cities where once, prior to our arrival, there was only an outdated traditional taxi service with rude, unreliable dispatchers and drivers, as well as for major cities where users value the freedom, transparency, and choice they have with inDriver. Drivers no longer want to serve an unseen, algorithm-wielding boss at large ride-hailing services that force them to conduct rides only on their terms, sometimes even mapping out the route before the trip starts. Drivers with these services are obligated to always fulfill orders, otherwise, they will be blocked by the system and lose a source of income. With us, the driver is free to decide whether to accept a ride at the price offered by the passenger, to bargain, or to decline the offer. This is an important point in many cities with safety issues such as South Africa, Mexico, and Brazil, where the ability to see the whole itinerary of the upcoming trip, along with the rating and history of the potential passenger, could save the life of the driver.

When I travel to cities where we operate and conduct interviews, people often thank me for what this service has done. I've been thanked in large- and mid-sized cities and in small cities and villages. In the latter, prior to the arrival of inDriver, people often had to walk to get where they needed to go, because buses and taxis run inefficiently or not at all. Uber and other similar services,

as a rule, can't operate in those places—there are no maps! These services need maps and computerized address layouts of cities to calculate fares. With inDriver, people in those places can just type in the app “the blue house next to the post office,” and everyone knows exactly what they're talking about. After that, the price is established in direct bargaining between passenger and driver. In areas with a small population, inDriver is often the only real opportunity for car owners to earn some extra money. It's a social mechanism for distributing wealth from the middle class, which has the money to pay for taxis, to people who need additional sources of income to feed their families.

We have also heard of many cases where inDriver helped to save someone's life. The first of these cases occurred in the company's early days. A girl in Yakutsk who had asthma was woken up in the middle of the night by an asthma attack, but found that her main inhaler was empty and she'd left her back-up at work. In these situations, you only have minutes to act. She called an ambulance, but they told her that all of their doctors were attending other patients, and that no one would be able to get there quickly. So she put a request to the inDriver group online, briefly describing the situation, and asked for someone to bring her an inhaler with her medicine to save her life. Someone delivered it to her in 15 minutes! A true example of compassion and the miracle of supporting each other. Another time, a group of people got lost trying to cross the iced-over Lena River at night by car, became stuck in a snow-drift, and their engine died. This is a seriously dangerous situation in Yakutsk winter conditions. Lucky even to get a cell signal, they posted about their situation to inDriver. Several drivers responded immediately. One of them, driving an SUV, got their GPS coordinates through WhatsApp, and managed to find and rescue them. We see cases like this all the time! This kind of example of people reacting with compassion and helping one another is impossible in the airless, automated systems of big corporations.

Price manipulation is impossible in inDriver. If you look online, you can find numerous articles in reputable publications like Forbes and Bloomberg, or in blogs, about how the big ride-hailing companies manipulate prices and other terms of rides. They've been caught setting higher rates for regular customers (they've got no choice!) or for someone whose phone is running low on battery. At rush hour, when there's higher demand, services raise their rates—for example, two times the usual price, but no one knows why it's two times higher, and not 1.3 times or 1.7 times. These are closed systems using confidential algorithms that can be easily manipulated. That's simply not an option with inDriver; it's an open, transparent market system, where rates and terms of rides are set by the users themselves.

Given all that, the claim that inDriver is unsafe or in some other way worsens the lives of the people who use it is simply a pretense for bureaucrats to lobby for their own or some third party's private interests. The service is clearly in demand and useful and, as a result, people support it: a year after we launch in a typical city, the data shows that 85–90% of active users came to us via invitation from their friends or family. What could be a better illustration of the benefits we provide?

We put up a fierce fight from the very first day of the block in Kazakhstan. To borrow a phrase from *The Godfather*, our team “went to the mattresses.” The attack on the company electrified and mobilized the team.

We began to constantly change the IP addresses of the app, which were then immediately blacklisted by our opponent, and the whole cycle would repeat. We sent several million text messages out to our users in Kazakhstan, recommending that they use a VPN to connect, paying a hefty fee to the SMS provider for it. We spoke

to the media and bloggers. We hired a legal firm to take our case to court and to the Anti-Monopoly Committee. The way they black-listed us—without a court ruling, and on the basis of a dubious order issued by a single department—clearly violated proper legal procedures. We also began official negotiations with the Transportation Committee to find a legal resolution to the situation.

As a result, within two to three months, the intensity of the blocking began to recede. Apparently, the bureaucrats were tired of dealing with it, and they also must have realized that they were getting a lot of negative PR. Moreover, no one had come to them, bowing and scraping, with the offer they were expecting. Within about six months, we had restored the order volume we had prior to the block, and continued to grow. It took us two years to get the block officially lifted, through the application of the anti-monopoly legislation. We had won another unequal battle against a stronger foe. That is the way of it when truth and justice are on your side and you don't give up. Both you and your team gain experience and strength in circumstances like these. Which is why, although you shouldn't go looking for such problems, you shouldn't fear them, either.

People dislike and fear failures. Failures can demotivate you, sap your energy, and make you lose faith in yourself. I'm no exception, but I have learned over time to react more calmly, and see the upside in it. I've had three major failures in my entrepreneurial career: the situation with the university and Three Valleys, the failed attempt to expand our regional portal model, and the blocking of our sites in Kazakhstan. These were strong blows to me and the company. However, please note the following simple and important fact: these failures led to the greatest successes in my life and business career.

As I've explained, Yakutsk University was granted the status of an "innovative university" after the competition, and was able to take the next step several years later to be named a federal university, along with seven of the country's largest universities. Our work on the portal project necessitated a major upgrade in ykt.ru's technology, which went on to become Russia's foremost regional portal in terms of penetration of the regional internet audience. I took the attack in Kazakhstan very personally and became very involved in inDriver, spending most of my time on it. Before that, I had seen it as an important project, but one of many. We repulsed the attack in Kazakhstan and increased our indicators there by many times their previous level. Over the next several years, due in large part to the team's and my personal mobilization and focus, we took a huge step forward in the development of the project, improved the technology, moved into many more new cities, and began our international expansion.

It's not worth it to go intentionally looking for failures, of course. Failures only teach you and your team what not to do, while success is valuable in that it teaches you how to achieve more of the same. The book *Rework: Business without Prejudice* cites an interesting fact: a study by the Harvard Business School has determined that the chances of building a successful business are the same for an entrepreneur who has already made an unsuccessful attempt and one who is starting his or her first business—23%. An entrepreneur with existing past success has better chances—37%.

From this, we can conclude:

- We all take hits from life. You just need to be one of those who don't give up—someone who learns from and overcomes failure, and grows stronger.
- Experience is an achievement that you can never lose, and is thus as valuable in its own way as the final result.
- Failure may turn into a wild success. Don't rush to conclusions. What seems like defeat now will turn out to be either a

complete victory, or the necessary stimulus driving you to one.

- Most importantly, don't be afraid to take action. A person who does nothing gets no results and no chances. When you do undertake something, work on it as hard as you can.

In May 2016, we launched inDriver in two important locations, and both ended in failure. The first was in Tashkent, our first foray into Uzbekistan. Although Tashkent appeared on the surface to have much in common with the cities of its neighbor Kazakhstan, it turned out that the residents of the Uzbek capital had a different mind-set and didn't enjoy bargaining. Also, the majority of them were not active smartphone users. After a short period of initial activity, as soon as we stopped the advertising campaign, the numbers began to drop. And if we're not growing organically through word of mouth in a city, we don't keep supporting it artificially. inDriver is the WhatsApp of the ride-hailing world, a company that has learned to develop primarily through organic traffic and mass launches.

The second unsuccessful launch was our first outside of Russia and the former Soviet Union. The city was Yangon in Myanmar (formerly Burma), in Southeast Asia. We chose this city for three main reasons: the large number of taxis on the streets, the fact that none of our competitors were operating there, and that motorbikes were prohibited in the city center, meaning that the inhabitants were forced to use taxis more often. It was lovely to visit this exotic, vivid, bustling Asian metropolis, and to spend time talking to the local drivers and passengers. I was struck by the plaid skirts that many men wore, and the dark red color of their teeth from chewing betel nuts.

We translated the app into Myanmarese, recruited the required number of drivers, and then launched our advertising campaign for passengers. Immediately, all manner of technical and logistical dis-

crepancies and errors emerged. Some were absolute blunders and lapses on our part, from our team's lack of experience. For example, we had a few days when users of one of the major mobile operators weren't receiving the SMS they needed to confirm their registration in the app, and it took us far too long to notice. But that wasn't the main problem. The city seemed simply not to notice us. We were getting a few hundred rides a day—nothing, for a city of eight million residents. Our budget for the launch, over USD 100,000, was clearly insufficient. Moreover, people didn't like the app very much—we had a semiautomated system at the time, which meant that users who wanted to bargain had to call each other. Yangon residents didn't understand our ads. We adapted the same clip we'd used to great effect in Russia and Kazakhstan, translating it into Myanmarese and bringing in local actors. In it, a young man in a supermarket approaches the cash register and begins unloading his cart, giving his own price for each item as he places it in front of the speechless cashier. The final packshot of the app is accompanied by a voiceover on the topic of ride-hailing and inDriver. But in Myanmar, people watched that spot and decided that it was an ad for a grocery store, where you could pay for your products by bargaining like that, and got in contact with us, trying to find out where it was! It's key to verify that your audience understands an ad before you publicize it. Culture and mentality are different everywhere, with their own specificities and nuances in each place. The last factor on the list, but not the least important, was that the country simply wasn't ready for mobile applications. The internet in Myanmar was just opening up after the long rule of the military junta. Fees for internet access were just starting to decrease and switch to unlimited or per-megabyte plans after a long period of per-second billing. Most locals were still in the habit of switching on the internet on their phones when they needed to use it, and turning it back off when they were done. After several weeks of fruitless effort, we were forced to admit the obvious: neither we, our launch process,

nor our technology were ready for operation outside of the familiar markets of the former Soviet states.

These two failures of important launches, along with the blocking in Kazakhstan and some less than stellar launches in Russia, led to a serious morale crisis in mid-2016 in the team. We lost faith in ourselves and the product, and questioned whether it was something necessary and useful. We felt like giving up. I even told the staff at one meeting that we needed to reinvent inDriver all over again. To emerge from this crisis, we had to either rebuild the service from scratch, or at least introduce some serious modifications and improvements. The following situation with Mail.Ru also helped restore our faith.

After our first contacts with venture capital funds in 2014, we kept in touch with the investment community, without doing any targeted fundraising and avoiding any PR initiatives. One day, I met Alexey Milevskiy, the investment director of Mail.Ru, one of Russia's two major technology holding companies, along with Yandex. Alexei was an intelligent, pleasant, 30-something professional. We met a couple of times, and I told him about the company and our technology, sent him the basic numbers, and he became really interested. We signed an NDA and gave him complete access to our data. Milevskiy flew to Yakutsk for a few days, talked with our key executives, saw how we worked, and went for some rides using inDriver. He liked everything he saw, and subsequently invited me to the Moscow headquarters of Mail.Ru to a meeting with the head of the entire holding company, Dmitry Grishin. As a partner of the Russian oligarchs Yury Milner and Alisher Usmanov, he has had a brilliant career in the IT industry, making the decisive contribution in the creation of Mail.Ru, a powerful organization.

Grishin and I spent an hour or so on the top floor of their skyscraper on Leningrad Avenue in Moscow talking about a range

of topics. I could see that Dmitry was assessing me as an entrepreneur and a person. From the little he said about the ride-hailing industry, I remember him telling me that Mail.Ru had missed its moment to get into that market, and wanted to take us on as an experienced team to, in his words, “catch the last train.”

They invited me back a few days later to make an offer. I didn’t know coming into the meeting whether investment or an acquisition was on the table. Oddly enough, I wasn’t that worried. I was bolstered by the thought that we had created an excellent company and were deserving of a good offer. In addition to Milevskiy, Boris Dobrodeyev, head of the social network VK.com, was at the meeting—he went on to become managing director of the holding company. Alexey Milevskiy named their terms. They were offering to buy 90% of inDriver for USD 68 million, with payment over three years and KPI indicators. Mail.Ru was also prepared to make significant investments in inDriver, both in cash and through ads on its advertising platforms, the Mail.Ru portal, the social networks VK.com and OK.ru, and its games and other resources.

After everyone had finished speaking, the room was silent for a little while. I sat on the 27th floor, looking out at the sun and the sky through the floor-to-ceiling window. I could hear the sounds of cars on the highway far below us. Voices reached us from reception down the hall. I thought that a valuation of the company at USD 75 million was not a bad assessment of our work these past three years. And it was how some enterprising young Yakutsk residents started a public group on the social network VK.com, and now the owners of that network were offering us a deal. I thanked them for their offer and asked for a week to consider and talk it over with the team. Then I said my goodbyes and left.

The proposal gave us serious cause to think. On the one hand, it was a big sum of money, however you looked at it, and then there

was the opportunity to gain access to the almost unlimited resources of a company like Mail.Ru. The remaining 10% could, as the company grew, bring in more than the USD 68 million that they were paying for 90%. On the other hand, we had seen the powerful potential in the technology and prospects of our company, even if we'd had a bad year and were in the middle of a run of failures and a crisis of faith in ourselves. The team was motivated and burning with the desire to scale the highest mountains—especially because we were working in ride-hailing, the hottest field for tech startups, where companies like Uber, Lyft, Ola, and Grab were doing multi-billion-dollar business before our very eyes. A good third of the top 20 unicorns (i.e., companies valued at USD 1 billion) are currently ride-hailing companies. Moreover, unlike those companies named above, we didn't have access to serious investment resources, or to large-scale international PR and other resources that are difficult to get for a startup from a small, remote city in eastern Siberia.

I spent several long hours on the rocky banks of the Lena River, in the picturesque countryside by the village of Yelanka, about 100 miles from Yakutsk, where I had happened upon a rock-climbing festival on a beautiful summer day. The current of the enormous river flowed steadily downstream, the clouds drifted across the sky, and I sat there and thought, and couldn't reach a decision. Our other top executives were having the same trouble.

Finally, after all our doubts and discussions, we decided that we wanted a price of at least USD 100 million. This was a certain milestone for us: we could say with a clear conscience that we had achieved genuinely outstanding success, and our story could inspire many other people in their own IT development efforts. We told Mail.Ru that we were prepared to discuss a deal for USD 100 million. A little later, Milevskiy responded that their offer remained unchanged. At that, I turned down their offer, free of my previous doubts.

I learned much later that Mail.Ru rejected the higher price tag for the following reason: Grishin had decided that I, as an experienced entrepreneur with my own established culture and beliefs, wouldn't fit in at their corporation and wouldn't stay long. After I left, inDriver would be at risk of failing, and Mail.Ru wasn't prepared to risk more than it had initially proposed. This story provided an incredible boost to the team's confidence. In the language of gaming, one of Mail.Ru's main businesses, we got +100 in morale.

Once you've made a decision, it's important never to regret it—especially if it was made on the basis of your principles and values. And all is for the best in the best of all possible worlds. The best confirmation of this postulate in our story is that, only three years later, inDriver had grown tenfold.

In the winter season of 2016–2017, we launched inDriver mostly within Russia and finished the launch process in cities in Kazakhstan, where we had simply run out of new cities. In those two years, the team did a major revamp of the product: we got rid of phone calls, added the counteroffer function and smart notifications of new ride requests, introduced driver ratings, and added numerous other updates and improvements. The technology became much more complex and multifactorial. Each city or town was described in the system with more than 100 different variables and parameters, giving the service maximum adaptability to the conditions of any city. We quickly perfected our method of selecting new cities for inDriver, the process of preparation and launch, subsequent development, and tech support. We switched our databases into high load mode, adapting to the growing number of requests and data volumes. We paid particular attention to developing the organic potential of the service, making improvements in both the app itself and in marketing.

After we introduced driver ratings by passengers and linked that information to the distribution of rides, drivers quickly became more polite and civilized. The average rating by passengers rose from 4.3 to 4.85 out of 5 in just a few months. A driver once opened the door for me from the outside as I was getting out. I wrote to my team in the chat: “Hurray! We’ve finally got perfect customer service!” To which they replied: “Come on, Arsen. He just recognized your face.”

Oleg Serkin, the former head of our main competitor in Yakutia, the taxi service Maxim, came to work for us, and greatly improved our inter-city and cargo transport segment. Some time later, we discovered that our Intercity Department, staffed by only two employees and with close to zero extra expenditures, was generating nearly the same quantity of rides in countries of the former Soviet Union as the recognized market leader, BlaBlaCar. That company, on the other hand, was pouring effort and investment into expanding into the regional market, and couldn’t turn a profit. For inDriver, intercity service became profitable almost immediately, with the figures steadily rising to quite respectable levels.

We got more creative: In addition to ordinary advertising channels, we began for the first time to use new, nonstandard methods of promotion to maintain our organic audience growth. We did things like put a cat on a lamppost, which a group of inDriver drivers then “saved,” creating a positive social media and mainstream media moment. And we plunged a piece of scrap metal into the hood of a car, posting a photo of it with a dramatic story about how the old taxi services were unhappy about the arrival of this daring new app to their city, with its significantly more advantageous conditions, and this was how they were trying to stop us. Those photos caused a sensation online. But the best gift of free PR we received were the complaints taxi services filed against us with various government bodies—the Prosecutor’s Office, Anti-Monopoly Commission, and traffic police. The general public

was outraged by these complaints and rushed to support us and our service, posting numerous messages about it in social networks and media resources. We publicized each such case in every way possible, and came close to encouraging taxi services to file new complaints against us.

We got through our crisis in 2016 with hard work—we focused, strengthened our team, and improved our product, launch process, marketing, and other processes, and saw that our company had taken off.

With successful new launches and improved technology, we could now accelerate our expansion of the network of cities, and we began to start thinking about fundraising again. It would let us do more launches and move into cities with populations in the millions. Not far off beyond that loomed the prospect of a new attempt at expansion abroad. We prepared simple presentations, arranged our data into tables, and I started meeting with venture capital firms again. Foreign investors were not an option for now: inDriver was still a purely Russian company, with 100% revenue in Russia and the CIS. We tried to contact several international VCs, and either received no reply, or were told to seek out Russian VC funds. So we did.

Russia has a small, but quite active and advanced venture capital market. It began growing at the end of the 2000s and was on the rise at the start of 2010, but was then severely undercut by the political crisis of 2014, when the value of the ruble fell nearly by half. Many funds stopped investing or left the country, and the market for venture investing moved from developing to stagnation. One of the main downsides of the market in this country is that large corporations rarely buy startups. The number of such deals is orders of magnitude below similar indicators in the US, China, or Europe. So, a startup from Russia focused on the domestic

market will have difficulty achieving an exit either by selling to a large company or doing an IPO and becoming a publicly listed company. This, in turn, is a serious demotivating factor for venture investors. Why should they invest in a company if they won't be able to get a return on investment by selling their share in the future? Cases of Russian tech companies successfully expanding into the foreign market are rare—more the exception than the rule. The domestic market is a bit of a trap, as I see it. On the one hand, the Russian market is large enough that startups can focus solely on the domestic market, but, on the other hand, it's not large enough to have developed its own full-scale infrastructure with IPO and M&A mechanisms. For example, startups in Israel or Estonia, say, simply have no other option but to immediately focus on global development. Meanwhile, companies in the US or China have sufficiently large domestic markets and infrastructure to go from concept to a multi-billion-dollar company within a couple years, before successfully going public or selling to a large corporation. Russia is somewhere in the middle, and this hinders local companies that are trying to determine a clear strategy.

Another significant factor is that Russian tech companies are advanced in terms of programming and technology, but lacking in business development and entrepreneurial know-how. Founders and top managers often take action seemingly at random, without using modern methods and business development strategies, which aren't all that complex. At the bare minimum, they could read *The Lean Startup* by Eric Ries.

inDriver needed an investment of about USD 5 to 10 million. Venture investment funds handing out those kinds of checks were thin on the ground in Russia, maybe a few dozen in total, a hundred times less than in North America and China. We began trying to reach them through our existing contacts. They were generally positive and interested in hearing what we had to say. We definitely stood out from other startups with our rapidly growing indicators,

profitability, and unusual business model. The company's point of origin, Yakutia, was also unusual. The majority of Russian startups come out of Moscow, St. Petersburg, and other major cities.

We did encounter a few funny and perplexing situations with investors. Once, the managing partner of a large, well-known Moscow venture capital firm, at the end of our meeting, proposed that I transfer the technology to them, so that they could create their own company and start on the Moscow market with our technology. He kindly offered to discuss the "size of the stake in this new company that they would be prepared to provide" to me. Yes, business is business, and negotiating parties have the right to put any legal offer on the table. But there is a line past which an offer ceases to be ethical. In this case, in my view, the investor crossed that line.

In a second meeting with another VC firm created by a large Russian corporation, my counterparts started playing "good cop, bad cop" with me. One of the managers was supportive and friendly, while the other was tossing out negative questions. I don't know what the goal of their manipulative game was, but in the end, I just threw the marker on the table and walked out. The general partner of the fund then went around telling the investment community that I threw a marker at his face and left the meeting. The funny thing is, he wasn't even at that second meeting.

Yet another fund, after we held lengthy discussions and meetings with its limited partners, offered us USD 20 million, twice our highest asking amount. They upped the amount to get more of our shares. We considered the offer seriously, but in the contracts and shareholder agreements they sent over, we found some unacceptable points. For example, the investor could at any time change the CEO of inDriver, or put the company up for sale in the event of a vaguely defined situation of "unfavorable business development." The fund reserved the right to decide what was favorable or unfavorable business development. The fund rejected our request to remove those points from the documents, saying that these were

standard conditions for them.

Founders should say no to agreements containing landmines like that one—sooner or later, they're going to blow up. Legal documents should be inspected with great care. One little destructive clause in fine print on page 30 can destroy your company. Experienced, reputable lawyers should be hired for this process, and the Founder/CEO should gain familiarity with the basic concepts of English law, and be able to read and understand the main documents to be signed.

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In May 2017, we held our first strategic session with all the executives from Sinet, ykt.ru, and inDriver. Strategic sessions are a special format of collective work to build a company's development strategy. A professional facilitator is hired to run the session, and two to three days of brainstorming generate a large volume of ideas, from which the most interesting are selected to form a concrete plan of action for the future.

The difference between a strategic session versus ordinary meetings and brainstorming sessions is the use of the ecosystem approach that gives all participants voting rights, without exception. Researchers have found that, in traditional meeting formats, people with strong ideas are often hesitant to share them, fearing criticism and objections. The most eloquent and convincing participants win out in discussions, not necessarily the ones with the best ideas. In response to this weakness, a special format of joint work, the strategic session, was designed. It gives everyone the opportunity to speak their mind, protecting speakers from criticism and allowing participants to more accurately and objectively assess the quality of ideas produced. Strategic sessions should be conducted out of the office, preferably in a way that removes employees from their daily work routines and family obligations.

We rented a small hotel near Yakutsk in a picturesque location on the shore of a lake, and over the course of two days, 45 of our top managers, from the directors of departments to me, constructed a vision for the company and its goals for the next several years. I think the most important thing we did there was to fully accept our mission and self-identification as a team focused on development: “We are developing ourselves and the world around us through new technologies.” That is a strong and positive mission, and the values and goals that follow from it give the team and the company astounding strength and make it organic and whole, uniting and mobilizing employees.

In short, we liked the strategic session format, and we hold one every year or so.

The team is the main strength of a company. A weak team can ruin any thriving business. But a strong, motivated team can grow a business in the most difficult conditions. Many companies are still using material means as the basis for employee motivation. Money is important, of course, but it can't serve as the main or most powerful driver of growth, especially in an intellectual sphere like IT. Why not? We need to take a step back here and look at the bigger picture.

There is no generally accepted, universal definition of the meaning of life. In my opinion, life can be viewed as a large-scale deistic experiment with certain established rules of the game. Who is running it and for what purpose, we don't know, at least for now. But I believe it is clear that the main direction of life is development. Everything grows from the simple to the more complex. Single-celled organisms have evolved into the intelligent Homo sapiens; tribes have evolved into complex, highly organized states; fishing villages have grown into modern metropolises; and rotary phones have transformed into smartphones. In my view (from the

point of view of a confirmed Developer), good is what helps everyone continue to develop, and evil is what gets in the way. For example, helping orphans contributes to societal growth, while thievery and corruption hinder it.

The famous historian Lev Gumilev said: “Ethnogenesis repeats ontogenesis.” That is, the cycle of development of peoples and nations resembles the life cycle of an individual person—a nation has its own youth, maturity, and old age. To extend the analogy, human societies resemble multicelled organisms, and these societies (including companies), like multicelled organisms, are also focused on survival. This is a basic instinct. States and nations, like living organisms, have immune systems (i.e., morality, religion, and laws) that protect them from harm and support development. These ancient systems strive to prevent murders, theft, violence, and other destructive actions, but they also gradually lose their power—particularly religion. People stop believing in dogmatic, immutable statements, and things written in books composed thousands of years in the past. As a result, communities lose their guideposts and goals, which hinders their development.

Civilization’s response to this challenge was a new immune system, which emerged in the 20th century: the values of consumerism. Within this framework, people themselves constantly create new goals and meaning for their career, personal welfare, down to the level of planning individual purchases. Deviation from the norm and antisocial behavior carry the risk of losing status in the social consumer hierarchy. This simple, universal system may be the most effective of any ever created, but it has some significant flaws. It’s like a shoe of a particular size and shape: easy to make in mass quantities, but doesn’t fit everyone all the time. The consumer system is based on egotism, which, in its extreme manifestations, brings people once again closer to the animal world. This is well illustrated by footage of fistfights over discounted products on Black Friday or the serious crimes committed for personal gain. In the

case of companies, the consumerist system of motivation, based on material incentives, is also egocentric, and of limited efficacy. It divides the team instead of bringing it together.

What is to be done? Sinet has for many years demonstrated that its focus on constant development and contribution to the world is highly effective. With that focus, it's as if you're riding a wave, the driving force of the world at large (development), and you feel the universe beginning to support you. The second component, in addition to helping externally by contributing to others, makes the team members themselves feel happier. Researchers have found that at the moment a subject performs an action to help someone else, their brain releases oxytocin, which is associated with prosocial behavior and increased spirituality.

In addition, it's a very interesting fact that the drive to help others is embedded deep in human nature. About 75,000 years ago, the Toba supervolcano erupted, causing a global winter and the mass extinction of species. A number of scientists believes that out of all Homo sapiens in existence, only a few thousand in central Africa survived that period. How did they survive? What made them different from other animals and, perhaps, other tribes? Members of the tribe helping each other!

These scientists believe that tribe had a DNA mutation that created an instinct for helping one another. It's an interesting theory, but that instinct may have been generated not by genetic mutation, but by the culture of the tribe formed over thousands of years, in which it was habitual for members to help one another. Research by psychologists David Rand and Ziv Epstein on cases where people have risked their own lives to save others showed that those people rushed to help automatically, reflexively, without weighing the risks and possible consequences. This is a mechanism embedded deep in the subconscious. Humans are one of few species of animals who will give up their lives to protect the children of others as well as their own. However this came about, the reflexive

support of other people developed through evolution has helped humans achieve success and reach the top of the evolutionary pyramid.

In motivating your team, you can and should use this instinct for helping one another, and the drive to give to others and make our contributions to the world. All our experience shows that this is an effective approach that truly works. You can intentionally look for businesses that work to make the world a better place, and avoid those with a negative impact. We, for example, have never sold alcohol or set up online gambling, and we never will.

The result is a team, inspired to contribute and develop, that is cohesive, happier, and accepts these values. The company begins to grow, and it is stable organic growth that won't crumble over time, enabling you to scale the size of the team up to hundreds, then thousands of employees. With a team like that, you can create a remarkable business story, and the founder can be proud and happy with those results. Building such a company is also your contribution to the world.

Commercial success follows development and contribution to the world, and we can also consider commercial achievements a measure of the benefit extended to as many people as possible. I like this quote from a letter written by 21-year-old Bruce Lee:

My goal isn't just to make money. I have many motives, including the following: I want the world to know the greatness of this Chinese art; I like to teach and help people; I like having a nice house for my family; I like to create something; and lastly, but among the most important reasons—kung fu is a part of me. I know that my idea is right, and so the results will be satisfactory. I'm truly not concerned about the reward, but I do think about how to achieve it. My contribution will be measured by my awards and success.

For him, the award or material success was a side effect of a person's contribution to the world. That's a deep and powerful idea.

Development also has an intrinsic, astonishingly powerful inspirational effect. We can see this, for example, in the growth of a small group on a social network in Yakutsk, founded by ordinary city residents in response to price-fixing, into a major global company. Or in Sinetians, suffering from aquaphobia, afraid to even get into the water, who through effort and personal growth could get to a place where they can go kitesurfing in Sri Lanka and the Philippines. The Sinetians and I, and many other people, find stories like these truly inspiring—when willpower, intelligence, and talent make something valuable and important out of nothing. I invite everyone to take this approach—it works. Just imagine thousands of people focused on developing and improving the world, inspiring others through their actions. A few candles can light millions.

Eventually, we found an investor, the LETA Capital venture capital firm, which we contacted through networking. We talked a few times; we liked them, and they liked us. It's important for a start-up to feel like the investor is on the same wavelength. In the case of LETA, this may have been related to the fact that the firm was founded by LETA Group, a technology company created by tech entrepreneur Alexander Chachava. He and I are about the same age and come from similar professional backgrounds. Like me, he spent many years working in Russian IT building his own company, and we quickly hit it off. We valued the firm's good reputation, and Alexander himself has a very respectful and calm communication style. In English, I'd say the best adjective to describe it would be "gentle."

After we signed the term sheet, the fund did their due diligence, during which Alexander flew to our office in Yakutsk. I was actually on a business trip at the time. He saw a modern company working at the same level as leading tech companies, with a motivated and

experienced team of professionals, and that sealed his decision to invest in us. We concluded an investment agreement for USD 5 million and soon had inDriver's very first investment money.

Those funds enabled us to begin serious preparations, in late summer 2017, for our most complex and important launch out of all the cities of the former Soviet Union—Moscow. Moving into Russia's capital was not only a resource-intensive effort due to the city's enormous size, it was also an extremely competitive market. There, the biggest companies in the industry were all fighting for each percentage of market share—Yandex.Taxi, Uber, Vezet, and many more, all pouring dozens and hundreds of millions of dollars into it. Moreover, Muscovites are more capricious and demanding consumers, with high expectations for customer service.

We had to go out into that red ocean (to use Stephen Covey's terms), a much smaller company with limited resources, even considering the USD 5 million investment. In such situations, with unequal opponents, you have to make a forceful move out of step with the rest, based not on the material resources you don't have, but on the intelligence and creativity of your team. I spent several weeks in Moscow using the main taxi services and aggregators and talked to hundreds of people, both passengers and drivers. My conclusions were that everything was working fine in the short-ride segment of the market. Rides were cheap, about RUB 70 to 80—the same as fares for a bus, trolley, or subway ride, and more comfortable for passengers than those mass-transit options. For drivers, the problem of excessively cheap short rides was solved by additional payment from the aggregators. I also learned that people would be willing to pay in cash or in direct payments through an app if they could save 15 to 25% of the cost of a ride. By using direct, peer-to-peer payments, inDriver is able to avoid paying 4%

to banks and payment systems, and it transfers those savings to passengers. We also learned from our unsuccessful launch in Yekaterinburg, where inDriver quickly gained a bad reputation among drivers, that the rates offered by passengers were too low, and they fought us because of that.

After these internal discussions and subsequent design and development, we had a special version of inDriver for Moscow that focused on mid- and long-distance rides and that didn't let passengers offer rates too low. In three months, we recruited about 3,000 Moscow drivers, professionals with licenses. It wasn't very difficult, because the majority hated the big aggregators for gradually making conditions worse, squeezing everything they could out of drivers with low rates and an ever-increasing commission.

Having gathered several thousand drivers, we went ahead with the launch. It was very exciting to see the inDriver icons moving around on the map of Moscow in our app and then to watch the order feed growing more lively, plus the positive feedback we were getting in the app store from Moscow passengers. In just six months, we were getting tens of thousands of rides per day. That was a definite success, especially because we didn't give out any promotional offers, rewards for inviting friends, or bonuses to drivers. In short, we didn't pay for these users or artificially inflate their numbers; their loyalty and appreciation was real and organic.

Three months later we launched in St. Petersburg, also successfully. I was even more delighted to see our cars riding along the legendary streets and squares that I remembered from my childhood. Convinced that we were prepared to operate in complex, highly competitive markets, we began preparations to expand into foreign countries. LETA Capital had seen our team in action and supported these plans, signing another agreement with us for an additional USD 5 million. I also gave my first short interview to a global media resource, *The Financial Times of England*.

The invention of a special model for Moscow is an interesting example of what I see as one of the main functions and tasks of the CEO of a tech company. An intelligent leader shouldn't simply formulate a development strategy for his or her company, but personally invent and implement an algorithm for solving strategically important tasks. A leader needs to be able to correctly understand a situation, see all the nuances of a task, and devise a strong sequence of actions. Then he or she must personally oversee the implementation of that process the first time, debug it, and pass it on to other top managers after teaching them how to implement it. This is how the best, most experienced pilots, mountain climbers, and gymnasts operate: they formulate complex new elements and perform them, then others repeat what they have done. Real leadership is about providing an example and teaching, not about directing or controlling the actions of your staff.

Another important function and duty of a leader is the ability to inspire and motivate the team, setting ambitious goals and using material and nonmaterial incentives. To inspire people and assist in their development is one of the best forms of caring for others. If a CEO has mastered the skills of strategy formulation, personally resolving key issues, training, and motivation, he or she becomes a skilled and powerful director, a true leader who the rest will follow. I like how Roland Huntford described the different leadership styles of Amundsen and Scott in his book *Race for the South Pole*. Amundsen was well aware that people's personalities were an instrument on which the most beautiful melody could be played with light touches. Scott saw his companions as puppets on strings—the result was a depressive, passive expedition team, waiting like lifeless, voiceless robots for orders from above. Another sign of a true leader is a strong, outward-looking transformative will, which is fundamentally different from one's personal ambitions.

A CEO who motivates and trains can unlock tremendous potential in his or her team, and in each member. As Einstein's famous

equation shows, $E=mc^2$, or energy equals mass times the speed of light squared. Based on that equation, we can determine that there is no less than 7×10^{18} joules of energy in a person of average weight, the equivalent of 30 large hydrogen bombs. A strong leader can release part of that energy, and do it in a way that benefits the whole world as well as that one specific team.

The value of creativity in business development is difficult to overstate. But the best creative approach, paradoxical as it may seem at first glance, works in combination with a systematic approach. This implies being creative while simultaneously assessing the key indicators—and giving the team free creative reign, while organizing work based on uniform cycles.

This is one of the main approaches I've developed and used throughout my entrepreneurial career—combining the incompatible. You need to be able to fantasize like a child, but be as systematic and punctual as a German engineer. Desperately brave, and cautious to the point of paranoia. Hard as tempered steel, and flexible as rubber. To do everything at maximum velocity, but not rush with important things.

The team needs to make a positive contribution to the world and avoid wrongdoing, but, when necessary, be ruthless and cold-blooded. For example, when the question arises as to what is better—improving the lives of thousands of people in a city by providing accessible and comfortable rides, increasing freedom and transparency, or saving the jobs of a couple hundred people working as dispatchers for traditional taxi services—the team needs to act decisively and without hesitation.

You need to work on developing that skill of combining the incompatible; it gives you the ability to come up with the best fixes and vary your actions to adapt to all situations, even the most com-

plex, which you are bound to encounter while building a business. Work becomes more interesting and this energizes the team, making its output more effective and unpredictable for competitors.

After the success in Moscow, we realized that the team and technology were finally ready to move into foreign markets. After multivariate analysis and many tests, we decided on Saltillo in north-eastern Mexico as our starting point. We sent an advance squad of experienced launch specialists and marketers, rented temporary office space, and began our preparations.

Saltillo is a mid-sized provincial city, with a population of about 700,000. It is known for its location near one of the main battles in the Mexican–American war of 1846–1848, in which the US claimed Texas and New Mexico. Mexicans are friendly and pleasant people, similar in some ways to residents of the former Soviet Union. But there is one aspect of the culture that needs to be taken into account when doing business in Mexico—people don't rush here. If a meeting is set for, say, 2 p.m., arriving on time for Mexicans means coming at 2:40 p.m. and being a little late means arriving around 3:20 p.m. They have a short period of morning work, which transitions into the mid-day break, the siesta, when no one does anything. Promises to send a file on Tuesday might mean you receive it on Friday. And so on in that vein. But it is all done with genuine charm and a positive attitude.

During our preparations for launch there, it became clear that, despite certain regional specifics and various discrepancies, on the whole, the strategy of launch preparation we had created and improved for all these years worked in Saltillo as well. We learned that Spanish varied between the countries of Latin America, and we had to take this into account during localization of the app and our promotional and training products.

We quickly set up a call center, and, at the end of April 2018, we launched the service in our first city on the American continent. The significance of Saltillo for us cannot be overstated. It was a true combat test of whether the technology we had created and overhauled would be in demand and interesting for people outside Russia and the CIS. If they saw value in our product, the rest of the world was open to us. Again, like many years before in Yakutsk, or later in Astana and Moscow, we spent the first few days of the launch watching the numbers with bated breath. The service took off! Every day, at first timidly, then more boldly, the curve of orders and trips rose upwards. The team and I were incredibly inspired; success in an individual Mexican city heralded our major success on an international level.

A month later, in May 2018, we launched in Cúcuta, one of Colombia's largest cities. Then, in country after country—inDriver started operating in Peru, Ecuador, Guatemala, El Salvador, and Chile. Our employees worked in very difficult conditions, sometimes in the most dangerous cities in the world, in conflict with existing taxi services. inDriver's launch in Guatemala City in June 2018 took place while the nearby Fuego volcano erupted, spewing ash and stones, and the city declared a state of emergency. In Brazil, when our BDO Egor Fedorov was doing marketing research in Sao Paulo, a group of young people from the slums, the favelas, showed up in the city center. They were barefoot, but carrying guns. They stopped a bus, took everyone off it, robbed the passengers of everything they had, set the bus on fire, and disappeared back into the favelas. In comparison, all the cities in Russia and the CIS seem perfectly safe.

But all this dedication paid off. The cities in Latin America took off, one after another. Our best launches of years past began to look pretty mediocre when viewed against our stats in many Colombian and Mexican cities. Over the course of a summer, inDriver was launching in 10 new cities a month. In December 2018, we

set a new record for rate of expansion, experimenting with launching in over 30 cities in one month, an average of one city a day. By the end of the year, all of the top five launches in our history were in Latin America. We had achieved tremendous success on this enormous continent. There were several reasons for this. It turned out that Latin Americans love to bargain, value freedom of choice, and are highly communicative, which was immensely helpful for word of mouth, our main driver of growth. We came on the market with a polished, powerful and flexible technology, product, marketing plan, and tested and carefully considered business processes. The expansion was led by an experienced, highly motivated team. When we needed to quickly open an additional call center in Medellín, the team rented and furnished an office, and hired and trained 10 local employees in a week's time!

All these factors together led to our success in Latin America. Throughout Central and South America, we have taken over large parts of the market share that belonged to companies like Cabify, EasyTaxi, and even Uber. Latin America was the only microregion in the world in the first quarter of 2019 where Uber's revenue dropped 13%, then 24% in the second quarter. In certain major cities on the continent, we took the number-one spot, coming out ahead of all our competitors. In Mexico, and then in other countries of the region, we first entered into competition with the largest ride-hailing service in the world—the Chinese giant, DiDi. Despite our disparate budgets and sizes, inDriver competes quite confidently with all these huge corporations.

Moreover, if we are already in a city, and a major ride-hailing service comes into the market and starts investing, within a certain period of time, we see growth for inDriver. This is because our competitor's investment encourages many new people using smartphones to order a car, at which point they discover inDriver offering more freedom and transparency, which they like more.

A few words about our competitors. The first high-level chain we dealt with was Maxim, a large dispatcher service in Russia. This chain began an aggressive expansion campaign in our core region of eastern Siberia and the Far East, including Yakutsk. When you are a young company and you run into a strong competitor with big pockets, streamlined processes and technology, and an experienced team, it's like a novice teenager getting into the ring with a professional boxer in top shape. You have to move fast, quickly gain skills, take and handle hits, and also learn how to deliver punches. Hopefully, no one hits below the belt in this round. I have to give Maxim its due—it always competed with us honestly, never stooping to nastiness or deceit. Funnily enough, after first encountering it in Yakutsk, we ran into Maxim again in Chile, at just about the opposite point on the globe. In 2014–2015, we managed to hold onto Yakutsk, never letting inDriver's market share dip below 50%, and then increased it to 70–75%. Maxim shared the remainder with other chains and local taxi services.

The next competitor for us in Russia and several CIS countries was Yandex, Russia's most famous and successful tech company. Yandex has the largest market capitalization and had the biggest IPO in the history of Russian tech companies. This is a large corporation that will, if necessary, be pretty aggressive and ruthless with smaller companies, while still maintaining its positive public image. In mid-2019, inDriver caught up to Yandex.Taxi, and then surpassed it in the number of monthly app installs.

Our main competitor in the international arena is Uber. The name of the company comes from the German word meaning “super.” In comparison with this American giant, inDriver is not that big. That company started out in 2009 in San Francisco as a black car service before gradually designing the model that all the other ride-hailing companies would take on, including Yandex.Taxi, DiDi, Ola, Grab, and many others. The company moved aggressively across the country and into cities, ignoring the require-

ments of local law, and began to pay substantial subsidies to drivers for each trip, thereby slashing the price of rides for passengers. It also distributed free promo trips with endless generosity and gave referral payments for bringing friends and acquaintances to the service. To implement this model, given the scale of its operation (approximately 700 cities in 65 countries worldwide), Uber has spent, and continues to spend, colossal sums of money, incurring serious losses. But the company is supported by major institutional investors. Over the course of 10 years, they have invested about USD 24 billion in Uber. Uber held an IPO in 2019, which became the second-largest IPO of a tech company after Facebook. As a public company, Uber will inevitably face pressure from its shareholders to move away from its traditional loss-making model, and the future of the company is uncertain. After capturing most of the market in a given city, companies working on the Uber model often begin decreasing subsidies to drivers, little by little, and raising the commission on rides from 0–10% to 25–30%, and sometimes even up to 50%, while keeping rates for passengers the same. Drivers eventually find themselves in poverty, sometimes forced to work 14- to 16-hour a day to provide a basic level of income for themselves and their families. The company's entire strategy is aimed at getting drivers to act like robots, and will in the future replace them with actual robots—self-driving cars. These services also have full control over pricing and payments, making the system vulnerable to centralized manipulation. In particular, surge pricing raises questions about fairness. Unlike those companies, inDriver offers a completely free and transparent market system, in which everything is determined by the users themselves. And our competition with Uber-style companies is increasingly turning into a standoff between people's capitalism versus corporations' capitalism, as characterized by Stephen Spahn, a well-known New York entrepreneur and philanthropist.

Paradoxically, our Siberian startup has a more market-driven,

open, American system than Uber, an American company.

Having achieved success in Central and South America, the inDriver team began planning for our move into North America and Africa. In North America, we chose New York as our pilot city, one of Uber's strongholds. There was one main reason for that—New York has the largest ride-hailing and taxi market in the US, far exceeding that of all other major cities. Only a quarter of households in Manhattan have their own car, in stark contrast to the rest of the country, where families often own two or even three cars. If a family in a large city doesn't have a car, that means they are actively using public transport, including taxis and ride-hailing services. As of summer 2018, the city was averaging about one million rides a day, 600,000 of which went through Uber and Lyft. This is an enormous volume of trips, and with the high cost of an average ride, the New York market is incredibly tempting.

To prepare for the launch and to integrate into the city, a center of international business, in the summer of 2018 we opened a small representative office in the heart of Manhattan, in one of the famous Rockefeller Center's skyscrapers. This is inDriver's sixth office after Yakutsk, Moscow, Mexico City, Bogota, and Cape Town.

To get a black car service license from the Taxi and Limousine Commission of New York (TLC NYC), we hired the lawyer Matthew W. Daus, a former head of that commission. He helped us get a license in 16 days, a new record. Before inDriver, the record was 21 days, while the standard period was 90. We also got a license in California, planning a launch there after New York. Tanya Terenteva, our general counsel, and I met New York Mayor Bill de Blasio at a charity event in his mansion in northern Manhattan. He greeted us, saying, "Welcome to New York! We welcome the increase of competition in the city. Good luck!" And we raised a glass to that.

We began recruiting TLC-licensed drivers in August 2018, signing up over 5,000 in three months. To accelerate the process, we set up a large office to work with drivers in the JFK airport area on the first floor of a shopping center. Ride-hailing services in New York are prohibited from accepting cash payments and direct payments through apps, and people are used to paying with cards. Our developers quickly created and implemented a payment system for bank cards, the same way that Uber and other similar services do. We added new functions, such as deductions of sales tax and insurance costs, and the feature to tip drivers. The team completed an enormous amount of high-quality work in a very short time. We translated and adapted our ads, landing pages, and other materials. The top prize was at stake—one of the largest and most famous cities in the world, and a point of entry into the North American market.

In late October, inDriver did a beta launch of the service in the Big Apple. We waited tensely as the first numbers started coming in: number of installations of the app, registrations, orders, and rides. Here, once again, we saw quick growth from the very start. The team and I began to move from a state of anxiety into an optimistic, celebratory frame of mind, anticipating a new major success.

But, almost immediately after that, we took a big hit. It all started when we noticed that certain passengers were taking 5 to 15 rides a day. Strange, we thought—not too many passengers take multiple rides a day, and, if they do, it usually only amounts to three to five trips per day. Then, about a week later, we got the first chargebacks from banks, with more to follow. We quickly conducted an investigation and found that a significant share of our rides in New York were being paid for with stolen card information. Some unknown group of people bought stolen card numbers wholesale on the dark web and used them for inDriver. But the trips did actually take place, with different drivers. When asked, they described

their passengers as very young, not much older than teenagers. The rides usually started and ended in low-income Brooklyn neighborhoods.

We were facing a large-scale, well-organized fraud attack that our payment provider was powerless to prevent. Hiring local companies specializing in cyber security reduced the fraud, but it remained critically high, and we risked ruining our reputation with local banks. Tallying up all the pluses and minuses, I decided to stop the New York launch. Another factor in the decision was the recently adopted law requiring a service to pay a minimum wage to all drivers if it was generating over 10,000 rides a day, practically equating them to full-time employees of these services. This put Uber and Lyft at a disadvantage, and they incurred additional losses.

But the deciding point was this: For a successful launch, we realized that we needed to create a full-fledged online payment division with capable local professionals who had experience dealing with fraud and money laundering. We also needed to set up a bigger team overall for a US launch, with generous budgets.

We decided to relaunch later, after we had prepared thoroughly and gathered more resources. For now, to get the maximum benefit out of what we had done already, our PR staff sent press releases to leading American media outlets, and Forbes USA, Bloomberg, Fox News, and Mashable, among others, discussing our story. After a few weeks, we shut down ride-hailing on the app in New York.

The failure in New York City was a significant blow to our ego. The team and I hadn't had any serious misfortunes in a long time and had grown accustomed to success. As I stood one evening on the roof of the Rockefeller Center, where our office was, looking out over the vast glittering expanse of the city, its skyscrapers, and the brightly lit ravines of streets between them, I thought that, although you can learn to react to failures with a calmer attitude, it was probably impossible to get used to them. They still had a

debilitating and frustrating effect on me and the rest of the company. I also thought how strange and unfair it was for the team to do so much—to put so much talent, intelligence, and energy into a launch—and come out with zilch. The key question in all of this was one of strength and maintaining motivation.

My closest friend is named Alexander Skripin. He’s a great guy, an athlete, and a successful entrepreneur in the restaurant business. In February, for his birthday, I gave him a joint trip to climb Mt. Kilimanjaro, the highest point on the African continent. We decided to go in early November 2018.

When we decided to launch our service for the first time in Africa, our marketers analyzed the entire continent and gave me a choice between two cities to start. The first was Arusha, in Tanzania, the second was a city in Kenya. When I looked at the cities on a map, I discovered that Arusha was only 50 miles from Kilimanjaro. A symbolic coincidence, I thought. Of course, I chose Arusha. In October, it became clear that the days of our climb would roughly coincide with inDriver’s first African launch.

We flew to Tanzania at the start of November and joined a group that would be making the ascent up Kili, as it is sometimes called. Tanzania is a young country in eastern Africa, formed in the 1960s through the merger of two territories, Tanganyika and Zanzibar, after they gained independence from Great Britain, with parts of those names also merging to create the name of the new nation. The country is home to about 120 different ethnic groups, the most famous of whom are the Maasai, warriors and cattle herders whose diet, paradoxically, is mostly vegetarian. They don’t eat their cattle, only drink their milk and blood. One of the spoken languages there is Swahili, the language celebrated in *The Lion King*. We heard the catchphrase from that film, “hakuna matata,” many times on our visit; it means something along the lines of

“don’t worry; everything’s fine and is going to get even better.”

Kilimanjaro is 19,341 feet tall—a mountain of volcanic origin, and not part of a mountain range. There is only one nearby peak, a little lower, called Mawenzi. The climb begins at Kilimanjaro National Park, situated at a height of 6,233 feet. The first day, you’re walking on a trail through a tropical jungle among densely growing trees and hanging vines, watching monkeys jump through the branches. Further on, the trees gradually grow shorter and turn into bushes. The heat becomes simply warm weather. You don’t see any more monkeys, but you may encounter some cute chameleons on the path. On the third day, it grows cooler, and the bushes turn into savannah, covered with low grass. Then the landscape becomes entire Martian—a stone desert. Finally, on the fifth day, the day of the final assault, you see the snow and ice that surround the peak of Kilimanjaro. The landscape in the mountains is unbelievably beautiful, and difficult to put into words.

When we got to this point, we made acclimatization ascents and descents but, even so, most of the climbers showed signs of altitude sickness at 2.5 to 3 miles—headache, nausea, weakness. It takes about 12 days to become fully acclimatized at that height, but we were in a national park that limits the time mountain climbers can spend there, so the whole ascent must be completed within a week.

The guides led the group at a very leisurely pace to help with the acclimatization, and everyone had time alone with their own thoughts. I walked along, thinking about how this ascent resembled an entrepreneurial career, and that we ourselves are responsible for creating conditions where the result is binary—0 or 1. On my way up, I was hit by the insight I described in the introduction to this book. Regardless of whether you manage to achieve your goal, the peak, if you act with intelligence, energy, and talent, engaging in self-development at the same time, contributing to the development of the world and enjoying yourself, then that is a worthwhile

life experience—that is life itself, and it is a result that can't be taken away, continues to grow in value, and will always be with you. The peaks seem to stretch not upwards, but along the scale of your life. You should take everything in life as a valuable and interesting lesson that makes you better, stronger, and closer to your real self.

All my failures, including the fresh one in New York, have meaning, and are valuable for that. We did everything we needed to do, and put all our energy into it. The inDriver team gained important experience, which we can put to good use when we re-launch. Another metaphor for strength came to me later—the sequoia, the tallest tree in the world, grows without having a goal of reaching a particular height. It grows, and whether it is 50, 100, or 250 feet tall, it is still a sequoia, a massive, strong tree. That is an inalienable result. And here again, there is no 0 or 1. In the meantime, tired but happy, we stood, embracing, at the top of Kilimanjaro, surrounded by views of incredible beauty. Next, we unfurled our flags, took photographs, and started on our way back down to the Tanzanian valleys.

The next day, we launched in Arusha.

Since then, inDriver has started operating in Brazil, Bolivia, Honduras, the Dominican Republic, South Africa, Kenya, India, and many other countries. We moved our headquarters to Mountain View, in the heart of Silicon Valley. I'm no longer a shareholder at ykt.ru, focusing all my energies on inDriver, thereby starting the process of transforming Sinet from a commercial group of companies into a certain business ideology, based on development and contribution. We started a project called Spark, focused on community development, starting with Yakutia. Under this project, we will be installing the first test domes over houses in Yakutia. If they're effective—warmer inside in the winter without a negative impact on the permafrost—we will gradually start installing domes

over entire blocks, letting children play outside on days when the temperature drops to -58 °F. These tech solutions could serve as an example to other cities in northern climates. We are financing scientific research to determine the cause of the high levels of dust in Yakutsk. At some point in the future, we will look at issues associated with cargo transportation, medical care, and education in the underpopulated, vast territories of the northern parts of the world.

We have created a fund to support film and animation in Yakutia called Sakhawood, and have already issued the first grants for film projects that stimulate development or have export potential. Film and animation are also an export product, like IT solutions, that can be easily delivered to anywhere in the world and are highly scalable. We have continued the charitable educational project that we started in 2012, BeginIT, under which inDriver finances the training of children in the basics of programming in dozens of orphanages and remote village schools around the world.

We don't have an exact equivalent in Russian for the English term "underdog." The closest thing we have is "dark horse," the contestant no one noticed or expected to win. We are underdogs or dark horses—we didn't graduate from Harvard, we didn't have access to investment resources, and we had difficulty finding IT specialists. Even costs to connect to the internet in Yakutia were sky-high for a long time. When we made our entrance to the external market, at first the experts and the media didn't believe in us. Competitors didn't take us seriously. Despite that, we have created an outstanding story and a major company, one of the national and global leaders. And we did it honestly. Our success is based on the intelligence, talent, and motivation of our team. By achieving it, we inspire other underdogs and dark horses, the thousands and millions of ordinary folks just like us.

The fascinating story of Sinet, Ykt, and inDriver continues, and there will be many more interesting days ahead, but that is the future. It is like a fog, covering the entire city. You don't see all the

details of your surroundings; you make out some blurred shapes, and noises from somewhere up ahead, but you can only guess at what they are. And that is where I will end the story of our adventures. Or rather, where I will leave it for now.

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