CONVERSATIONS WITH MIKE MILKEN

Deb Liu

President and CEO, Ancestry

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Mike Milken: Deb, thank you for joining us today. It's great to see you.

Deb Lui: Thanks for the invitation.

You joined Ancestry.com as CEO less than a year ago in March of 2021. And Ancestry.com for those that don't know, is the largest for-profit genealogy company in the world, with revenues over a billion dollars, an online database of more than 30 billion records, and a user network of more than 20 million people. I know your 1,400 employees are making sure that everything works seamlessly, but before we go to Ancestry, I thought it might be interesting to start with your own family story. It begins in China, moves to New York, then to South Carolina, and finally, as every entrepreneur wants to do, to Silicon Valley. Tell us a little bit about you and your family's journey.

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My parents actually came here for college. And what was incredible was they went to a country they'd never been to with just a couple of suitcases and a few hundred dollars. They started a whole new life, and my dad used to tell me that he was so poor when he first got here that he would eat rice with milk; and that was all he

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This interview has been lightly edited for clarity and readability.

had. It was just incredible to see their journey, getting through college and eventually getting jobs. They were in New York where my parents met and married. When I was six, we moved to South Carolina and I grew up in a small town there; when I graduated [high school], I went to Duke and then I went to graduate school at Stanford.

One-quarter of all Asian ancestry in the United States lives in California. But I am assuming that the majority of your elementary school or high school was not Asian in South Carolina. What was that like for you?

I actually went back and looked it up. South Carolina at the time was less than 1 pecent Asian, and it was incredibly hard to be so different from everyone else around you. People would come up to us on the street and say, 'why don't you go back to where you came from?' And I was a kid, and so in my head, I was thinking ... New York, they're telling us to go back to New York? There just were so few people of Asian descent and people felt the need to point that out constantly and to remind us that we didn't belong. And yet for me, that was impetus to actually succeed and to say, 'you know what? We do belong. We're just as American as everybody else.'

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New York to South Carolina and then off to Duke. How did you pick Duke?

Honestly, I needed a scholarship to go to college. My parents had saved up some money, but it was very difficult. And so I got a scholarship to Duke that covered most of the tuition, and it was an incredible adventure. Duke was so much the place I needed to be, and I learned so much there.

Duke also is located in what's known as the Research Triangle but Duke's also been known for basketball. And there was another school that was known for basketball, University of North Carolina. Now I know in recent years in China, basketball has become, very, very popular; particularly, Michael Jordan made it very popular. So, when did you become, or have you become, a basketball fan?

Can you possibly go to Duke and not be a basketball fan? My husband who I started dating when I was at Duke is from UNC. And so I remember when there's a friendly rival – maybe less-than-friendly rivalry – between the two universities, and to this day we still watch the games.

How does this journey take you to Silicon Valley?

After I graduated from Duke, I spent a couple of years at Boston Consulting Group in Atlanta, and I had always dreamed of attending Stanford. And so I applied and I was fortunate enough to get entry into the Stanford Graduate School of Business. We got married, and a week later we were in Silicon Valley; this was 2000. And then there was the dot-com bust. And so Silicon Valley was a crazy place to be at the time, but it was such a great time also to be able to see the heart of Silicon Valley during such formative years.

> "My father was diagnosed with stage four, non-small-cell lung cancer. They sequenced the DNA of the cancer, and that led to the discovery that there was a drug available that had just come onto the market. It arrested the spread of the cancer long enough for him to meet my youngest daughter. I still have photos of her in his arms in his final days. I'm glad he had a chance to meet her."

Well, it brings great memories back for myself in that my wife Lori and I got married about a month before we headed back east to go to graduate school. So after Stanford business school, you decided that the world of technology, whether it was eBay and then PayPal or Facebook became a career path for you. How did that happen?

I kind of stumbled into tech. Honestly, I had actually interned at eBay, so I was a seller on eBay, and when they had an internship during my first year. We had actually planned to move back to North Carolina or Atlanta, and it was just really hard to find two jobs across the country. My husband is a lawyer – he was a startup lawyer at the time at a prominent law firm here in Silicon Valley. And so we said, 'well, it's probably easier for us to find one job than two.' So I stumbled upon a booth for PayPal at the career fair. And I loved PayPal as an eBay seller. I walked over and I just said, 'I just want to tell you how much I love your product.' And they said, 'do you want to interview?' And I thought, not

really, because I'm moving back east. But Tim Wenzel was a recruiter who built a lot of the PayPal mafia, who said, 'why don't you just come in and meet us?' And the next day I was there at PayPal, and a couple of weeks later I had an offer, and right after graduation I started.

Well, that's great. Now, when you think of your decision to eventually become the leader at Ancestry.com, did your own immigrant family story draw you to this?

So that's actually one of the stories that really resonated with me was as I was researching Ancestry. I've found my mother-in-law's immigration papers, and not only did I find the card she signed and her signature, I found the kind of attestation of good character, which actually had a woman from the church where my husband grew up, who actually helped my mother-in-law come to this country. It was just so incredible to see the documentation of her journey here and the documentation of so much of my family's journey here as well. We talk about the billions of records, but it's not the billions of records that matters; it's the one that tells you a journey that you didn't have any vision of or visibility into. It's really the story that it helps you craft.

So the mission of Ancestry that you are shaping, what is that mission?

Our mission is empowered journeys of personal discovery to enrich lives. And when we talk about discovery and journeys, it's not just records and a family tree; it's really the story of all the people who made decisions, just like my parents leaving their home to go to another country. It's those stories that actually make us who we are today.

What has it been like over the last nine months since you took over the leadership of Ancestry in dealing with issues of keeping families together, letting families interact, and letting family search for where their roots are?

What surprised me most is just how passionate people are and about the discoveries they made about their families. I have not been to a party where I mentioned that I'm with Ancestry that I've not heard an incredible story, something that people discovered, something about their heritage, or that they did a DNA test and discovered new parts of their family that they had never met before. It's not just something static where you're putting together a paper family tree; it's really discovering such unique things about your own family and then sharing it with others.

How does this DNA capability that you spoke about help expand family searches? How do you go about it? And what is it brought to bear?

We have the largest DNA database in the world with more than 20 million people who are part of our ecosystem. And what's really cool about it is that not everybody has the luxury of having their grandparents or their parents there. There's a number of people who are adopted; there are a number of people who are just discovering for first time parts of their family that they had never known or they've had lost touch with. And so with just a small sample of your saliva, you can actually discover your origins. You can discover living relatives. You can talk to and connect with them through our messaging system. And you can figure out which of the 1,500 regions you're from as well. That's the power of DNA. It's such a story of discovery where you can actually discover all the people who came before you to make you who you are today.

> "All-women founding teams get so little of the venture capital funding; 88 percent of funding is going to all-male founding teams. We're really missing out on half the talent that's out there. Encouraging women to really go into venture capital … that is something which I'm super passionate about."

I know using DNA is a personal story for you. Can you tell us about your family and how your family interacted with the concept of getting the DNA relating to your father?

So, my father about a little over 10 years ago, was diagnosed with stage four, non-small-cell lung cancer. He was not a smoker, and so they were unsure where the cancer came from. They sequenced the DNA of the cancer itself, and that led to the discovery that there was a drug that was available, Tresiba, that had just come onto the market and it was recommended for those with that mutation that his cancer had. And it arrested the spread of the cancer long enough for him to meet my youngest daughter, he passed away when she was about five months old, but I still have photos of her in his arms in his final days. I'm glad he had a chance to meet her.

My father was diagnosed with advanced melanoma and and I had concluded by the middle of the 1970s that science could not move fast enough to save his life. So I moved back to California so our two sons at the time would get to know my father, and he passed away about nine months after we returned. So I think one of the keys of Ancestry.com is this living a history of your family. Lori and I are blessed with 10 grandchildren. Like anyone else, at some point those grandchildren are assigned to do a family research project in school. What a terrific way it is for them to get excited about their own heritage, where their family came from. Tell us about ancestry in classroom.

I think the power of Ancestry Classroom is that it's not just the output, which is the family tree, but it's really the experience of asking your parents and your grandparents more about their lives. It's really about that connection. It's about kind of having kids really learn more about where they came from, but also learning more about the people that they love. So we built Ancestry Classroom to provide access to every teacher in the U.S. which you can actually use in your classroom for free. And through this program, teachers really help students understand their own family history and it builds more resiliency when kids actually understand where they came from and that they're not just who they are today at a moment in time, but that they come from a long line of history that they should be proud of. Today we serve over six million students. We continue to invest in this program to do outreach and reach more students every single year. And it's really a program that we're incredibly proud of.

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I think it was around 1972, 1973; I don't know exactly when it was, but one day I looked up around my department and my group, and I noticed the majority of professionals were women. It was quite unique 50 years ago to find that in almost any industry, particularly finance. Today, the Milken Institute has 10 centers and the vast majority of the heads of those centers today are women. And I know you've been committed for a long time to expanding access for women in the workplace, both in innovation and particularly with greater access to venture capital. Tell us a little bit about that passion of yours.

There was a recent headline that said, 'women grow share of venture capital significantly.' And it had gone from 1.5 percent to maybe like 2 percent. All-women founding teams get so little of the venture capital funding and even mixed teams, including women teams, were only 12 percent in 2019, I believe, of venture capital funding. And so if you think about that, 88 percent of funding is going to all-male founding teams. And these are the teams that are investing in the innovations that will someday change our lives. We're really missing out on half the talent that's out there. And so encouraging women to both found companies, encouraging women to be seed

funders, encouraging women to really go into venture capital ... that is something which I'm super passionate about.

One of my friends founded a company and she said, 'I only pitched to venture capitalists who have daughters.' And I asked her why. And she said, 'I've never had any success pitching to those who don't have daughters because they can't see in me what their daughter can achieve.' And I thought that was very profound and also disappointing in some ways. And so I hope that that's something we will change in the future.

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When I went to business school there were very few women in my business school class. When my son went to Stanford Business School, I think 35 percent to 40 percent of the class was women. And today at many of the leading schools, 50 percent of the classes are women. And if you go to parts and Middle East, UAE and others, you will find more than 50 percent of the students are women. Tell us a little bit about your business school class at Stanford.

It was around 2000 when I entered and I graduated 2002, and the school had made tremendous effort to recruit women to apply to the school. I think now business programs are more women friendly, and I'm really excited about that because that's where you learn where to get access to innovation, where you can build your network for the future.

Instead of just talking about it, you created a nonprofit. Let's talk about that.

When I first started, tons of product officers were women. And I learned from some of the best women product leaders in the world. And suddenly I noticed a few years later, the women had started to disappear from the industry and I couldn't figure out why. What happened was in 2004 Google had decided to require a computer science degree to become a product manager, and so women who had entered the industry and been successful couldn't get their next job. I spent years reaching out to other women, product leaders and connecting with them and building a community where we would meet every three months and have dinner and talk more about the industry. After four years in doing youth dinners, we decided to start our own conference. We opened up registration and for 300 spots we got over 3,000 applications; we realized there was such a need to build this community. And so we have something like 25,000, 30,000

folks in our Facebook community, as well as chapters in a couple dozen places all over the world and we're doing hundreds of events a year. It's really brought together a lot of women who felt alone and wanted to learn from other women, to get support from other women. And so we've been able to build a community that's been really strong and we're very excited about that.

Interning at eBay, working at PayPal spending many years at Facebook, how do you plan to use that background at Ancestry?

I think I had a chance to work at such amazing tech companies over the years. And I leveraged my learnings from those previous companies to help with the work that I do today. But Ancestry is actually really unique as well. It's not about doing a transaction; it's really about capturing something about your family and sharing it with them that no one else would ever know if you didn't spend the time to do it. I hope to bring that kind of tech background, but also to make sure that what we build at Ancestry is not just a tool to share information, but it's really about storytelling and actually building something that hopefully you'll give to your children and your grandchildren someday.

Deb, you've mentioned a number of times the ability to tell stories. How is that story captured?

You start with yourself and you add your parents and you start branching out. And once you put in some people into your family tree, our system actually starts doing something we call 'hinting,' where we basically take our records and we say, based on who you've put into the tree, here's all the things we know about them. Come take a look and tell us whether or not these are the right people. And you start stitching together a story of maybe a place that your grandfather lived that you had no idea. Or maybe your cousin actually has a special record of maybe a marriage that might come with a newspaper article that has a photo of the wedding.

And so you see these come to life a little bit at a time, and as you unfold the story, and you start adding records. And then beyond those records you're seeing photos; you're seeing draft cards; you're seeing military records. You can actually see the names of your family and the 1940 census, for example; they put a star next to the person who actually answered the door and gave the information.

One of the things that they used to store in census records is the occupation: shopkeeper, engineer. Then you can supplement with your own stories. You can add your own photos and then add the members of the family that appear in those photos, and they actually show up in your tree as well. So it's really that kind of storytelling where it's a mix of content records. We want to bring that all together so that when you

come to your tree and you show it to your children, it's actually a living memory of all the people who came before.

You're leading a company still trying to come out of a pandemic. How are you taking care of your 1,400 employees? What are the company's policies? Are people working primarily digitally? How are you managing?

During the pandemic the employees of Ancestry didn't miss a beat. There are a lot of companies that talked about how challenging it was to go into lockdown, but the teams here were able to actually go into lockdown without losing momentum on our product. Over the last two years, people have changed their lives significantly; they've moved to different places, they have different setups than they did 18 months ago, and so one thing we launched recently is what we call Flexible Future of Work.

We did a survey and people told us that going into work five days a week was not what they wanted for the most part; they wanted either a hybrid option or a remote option. So we're offering everyone the opportunity to choose the option makes the most sense for them. And so rather than invest a ton of real estate and bringing everybody in, instead we want to build a flexible team structure where teams can decide when they need to get together. We've trusted our teams for the last two years to deliver to our customers, and we will continue to trust them for the next 10, 20 years to continue to do just that, even as we change the work policies to give people more flexibility.

The last few years have also concentrated our efforts on diversity of the workforce. Tell us a little bit about the diversity of the employees at Ancestry.com.

Diversity is one of our core values because we're building a product for everyone in the world. And so bringing together different communities, bringing representation of those who we want to serve across the world, is really important. We also want to make sure that we're challenging ourselves and asking the hard questions. Hey, you know, 'how do we really think about diverse family relationships?'

For example, it used to be, you had marriage records, but things are changing. People have different structures of their family: adoption, genetic surrogates, those types of things. How do we think about building an inclusive product that represents what families look like today, which might be very different than families look like 200 years ago? We want voices from all over to help us shape that product.

Deb, I want to thank you today. We couldn't be more excited about the role that Ancestry.com plays as families become more diverse all over the world and want to learn more about their roots and their heritage. It was a delight, having a chance to visit with you today.

Thank you for the invitation. It was wonderful getting to know you.
