The first moat: why Packy favors counter-positioning

Recommended Reading from Tech Founders

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Packy's strongest reading pointer is Hamilton Helmer's *7 Powers*, read through the lens of counter-positioning. The useful qualification is that it creates a temporary opening against incumbents; durable advantage must follow.

The clearest pick: *7 Powers*

Resource: *7 Powers* — book by Hamilton Helmer.
Recommended by: Packy (Not Boring). Packy says that, if he had to choose one of the book's seven powers, he would choose **counter-positioning**. [1]

Key takeaway: Counter-positioning means designing a business model that gives incumbents conflicting incentives, making effective competition difficult. Packy's reason for elevating it is practical: a young startup can use an incumbent's size and existing economics against it before the startup has built the other six powers. [1]

Why it matters: Ramp is the concrete example. Corporate-card incumbents benefit when customers spend more; Ramp built around helping customers spend less, so copying its model would also damage the incumbent's own revenue economics. The useful founder-level test is not only "Can we build a better product?" but "Would matching our business model force the incumbent to hurt its existing business?" [1]

The qualification is as important as the recommendation: counter-positioning buys time rather than permanent protection. Packy uses Base Power as the operating example—sell electricity and install a battery rather than sell the battery outright, reducing the customer's upfront cost by roughly 20–40x and forcing incumbents to change their business model. The startup then needs to use that window to build more durable advantages such as scale economies, switching costs, brand, or network effects. [1]

Two companion listens

- **Zach Dell's conversation with David Senra** — podcast/video conversation; **pointed to by Packy**. The relevant segment is a founder's explanation of counter-positioning in practice: Base Power avoids competing on battery quality or price and instead changes what it sells. [1]
- **Acquired, especially "7 Powers with Hamilton Helmer"** — podcast/episode; **highlighted by Packy** as a recurring source of counter-positioning examples. The useful caveat from the linked discussion is that counter-positioning is usually a take-off-phase power and only a partial source of durability; another moat has to follow. [1]

Sources

1. An Ode to Counter-Positioning