

Andrew Draper / Margachon March 16/2011

- Rhode Island - based now. FBI

- Flour to Ireland / Ireland Internet Assoc. IT/IRISH

- idea / risk / execution. SLOGAN

- played in Ireland Solving  
can

- graphic designer (grad 1995)

- no job build  
castles

- roamed around                     

- code html → feared on his own.

- worked 4 design agencies

- lot of work w/ startups (in Calif)

- laid off in dot-com bubble.

- 2007 1st startup

- Ken (co-founder, Margachon)

- working 4 himself for 10 yrs  
as sub-contractor \$125K/yr  
1-man show !! 2005.

- 2009 started Mayades
- we make men's lives easier
- "retfix of underwear"

But  
(Don't mail it  
BAerc)

- Started a record label <
- no revenue model.
- Book tours 4 bands (2007)
- Bands have \$ money
- too long to revenue

fail

wow!

~~Paas~~ Paas  
Product as a Service!

- "underwear as a service"

- 1st status (1 customer)
- cool code but didn't work.
- relaunch was successful
  - 5 launch tweets / 24 hrs
- changed the way Andrew tweets (150 followers)
- connected followers who got it
- "Donate Now"
- Testimonial worked
- Tweetly worked
- Strategic partner - worked w/us.
- Single explanation of what we do
- March 2010 → buyup
  - direct from Hakes / Chervon
  - delivered to their house
- Contributor 14,000 visitors in 24 hrs
  - Hacker News March 5 / 2010

- 17,000 unique visitors (with. now)

- ran out inventory

↳ Walmart } bought  
↳ Target } retail &  
fulfill orders

- Found fulfillment Co.

↳ Sweet Water  
Logistics

↳ Charlotte N.C.

- 5,000 tweets / < 57,000 FB posts.


- NBC / HuffPo / Maximize / ESPN  
Radio / NYT picked up entire  
story.

- created "Purple Cow"

- Seth Godin

} So  
Unique  
that I  
wanted  
2 talks  
about it

- this gave them a base
- got a tweet from R.I. Incubator to come & work w/ them
- NAFAA category (graphic designer) → Andrew got to go to USA.
- Age 36 (Andrew).
- New Site launch in a month
- Experiment a lot
- Simplifying things
- -vely affected conversion rate by being 2 complicated.
- 3 more yrs to perfect the site.
- trying to make things 2 more factors

- It helps to be a designer & coder which is what Andrew.
- He's insane, "2 geniuses."
- Perfecting user experience & massive iteration
- analytics guides this process
- simplify the shopping experience
- "Men don't like to shop."
-  on-demand yr customer
- idea of Manmode is work  
⊙\$
- it's execution that counts
- a guy tried to sell the idea of subscription & failed of man mode & labor.

- ideas are worthless unless  
seen.

- "An idea's worth is  
multiplied by execution"

- Bootstrapping capital.

= \$500 (initial + \$10 (dinner)  
inventory)

\* Time

- "The riskiest thing we can  
do right now, is nothing."

Risks

Seth Godin

Responses

- Laughed at  
stupid

with \$510

could be doing something else watching  
TV?

Funny on purpose

Pat forgot fact

Tring I needed

TV?

- Sun big already existed

"MentallyBoxers"

- They wanted to name "Mentals"

- Don't overplan. Do, then see if it works.

- "An executioner"

- Someone who gets what needed done

- "Be Awesome"

- "don't be mediocre"

- "Be passionate"

↳ simplify ppl's lives

- "Inspire love (or hate)"

- feminists have written -vely  
about Margaret.

- likes the emitters.

- "Find the essence of the  
idea."

- How 2 convey your values  
prop quickly

- Commercial writing - cut in 1/2  
then 1/2 again  
word count:

- #1 Distill idea to simplest possible form

- #2 Create quickly / test / change

- #3 iterate until a set results  
a want.

- Startup is a process of  
finding/discovering the biz

check:

- Explain yr. idea to some!
- Hustle + hack
  - ↳ see off in everything
- Code like its yr 1<sup>st</sup> time, every
  - ↳ don't worry about being perfect - just set it done. / set it out there

- if it is useful, or wanted 2 long 2 get it out there

- is it usable / credible / useful / desirable?

self explains

getting out to send a friend email address

- an email address is almost as good as money

- VCs sign up for Memcards!
- Design is more how it works than how it looks.
- LAUNCH IT
- GET FEEDBACK

↳ ppl will have their own way of using yr grid.

- 2 CHOICES W/ LIFE
  - Be "a" cog
  - or
  - Be "the" cog.

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Black Socks.com → free  
experience dress socks. Buy  
10, ans for the yr.

Took their model & applied  
Netflix / Zagres model to  
managers.

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It's a reinvented idea.

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↳ Powerful thing esp w/ APIs  
everywhere.

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The SN inspired Andrew  
to code until 4am.  
engineer

Every FB / has ~~access~~ access  
to push FB changes in RL/RT.  
Peer review their code.

So FB can iterate fast.

Winklevoss can bid a lot or  
Sue Flew.

The billions of FB to  
get to the 1<sup>st</sup> few million  
users was:

"Relationship States"

↳ notifications

When they change it.

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"Social Commerce" — loose Bottom up?

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— Push the side to women <

Father's Day.

Feminists?

— Capture gift giver email address & gift receiver email address. 241!

— 2x as likely to sign up if they go to "learn more" page than if they go into the sales funnel from the home page.

— Collect twitter handles?

— lose 15 to 20% of each QTR's customers. But if we keep them > QTR, churn ↓

— Calculate lifetime value.

Stone Energy

\$1.5m financing

23yrs of

bootstrapping.

Printed T-shirts

to support themselves.

Social Commerce

↳ did offer \$1 off  
for each tweet.

All of our media attention comes  
from Social Media.

Have never gone to a  
journalist to ask  
them to write  
about us.

# Paas

/ Wld u like to see what other ppl who bought this also bought?

Start running a business →

— relational d-base  
Can capture data / ratings captured / so is in two dimensions

Amazon offers subscriptions for razors, hair gel, etc 5% for a profit renew

— compete w/ Amazon using CS. ↓

— Exit Strategy? get Amazon reviews & display on their site!!

Yes. 3 scenarios

Old exit to  
Kmart/Sears/  
Walmart  
↓  
Sell 2  
Amazon

(i) it fails.

(ii) \$2m/yr revenue  
5 mcs  
Keep 9% PB4L

(iii) \$10m/yr

(iv) \$100m/yr — Amazon.