TEL EPISODE #011:
Startup Mixology **with Frank Gruber**
Show Notes: http://www.theelpodcast.com/tel-011-startup-mixology-with-frank-gruber/

Welcome to The Entrepreneurs Library, the only book-centric podcast that reviews all the top-selling business books and shares author's perspective, firsthand. This is your resource to finding the next great book that will enable you to grow personally and professionally. Welcome your host, Wade Danielson.

WADE: Thank you for joining us today on The EL. Today we have Frank Gruber, author of *Startup Mixology*. Welcome, Frank, and thank you for joining us on The Entrepreneurs Library.

FRANK: Great, thanks so much. Really appreciate you having me.

WADE: Will you take just a moment to introduce yourself and tell us just a little bit about you personally?

FRANK: Yeah, sure. My name is Frank Gruber. I'm the CEO and co-founder of Tech Cocktail. Tech Cocktail is a news and events organization focused on startups, technology, and entrepreneurship. We really try to help both better connect online and off in that vertical, as well as we connect brands with that audience as well. The whole point of it is to really better amplify what's happening in these different local communities and tell their story, but also in the same regard, we also try to make the startup journey more memorable and fun.

WADE: Thank you for sharing that. Now let's jump right into your book, *Startup Mixology*, which was just made available for purchase on July 8th, 2014. Frank, we're going to move quickly, but here are some of the top questions our listeners would love to get answered.

What was the inspiration behind writing *Startup Mixology*?

FRANK: I've been in this industry for about a decade, covering the tech startup space as a citizen journalist turned into a mainstream – now we're a media company, right? Started as a blogger and obviously worked our way up into this

company and created this company to better tell the story. In doing so, I've met a lot of startup founders, a lot of people with ideas, even, and I wanted to be able to help them. Including folks like myself. It took me 10 years to figure out how to jump off the entrepreneurial diving board, so to speak, and I wanted to jumpstart this for other people.

So tells a little bit about my story, but it also tells the stories of companies like Uber and Zappos and WordPress and GrubHub and uses their stories to illustrate the ingredients that go into starting and running a business. It's really to help people; I want to get it in the hands of people with ideas as well as intrapreneurs that are trying to innovate within a company.
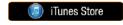
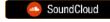**WADE**: Okay, great. What makes your book different from others regarding the same topic?

FRANK: There's a lot of books out there about starting up, running a business. Some are inspirational, some are more tactical. This book is a little bit of both. I wanted to create a book that had, from start to finish, the ingredients or elements that go into starting up, talk through them through storytelling, and then also talk about the parts that you generally don't hear about.

You hear a lot about the company that's IPOing and they've been around – you've heard about them maybe for about a year as they do that, but they've been around probably a decade and you just didn't hear about the first 7 to 8 years of it. And those were the hard years. Those were the harsh years. And I wanted to tell the story about the harsh reality so that as you're starting up, you realize that, that you're going to hit those ups and downs, and the downs you've got to get through.

So we offer that through basically – our community reached out and told us some of their stories, as well as using the stories that we encountered ourselves with working with this community for a long time.

And then also, how do you get out of those dips? If you're on this rollercoaster that is starting up, you're going to get into a dip or a rut, and you need to get out

of it. So I'm a firm believer in using celebratory moments, or celebration as a motivational tool to get through that. So this book, throughout each chapter, it's broken down by lead story, then the harsh realities about that, and then using celebration to help push you through and guide you as you continue to propel towards your goal.
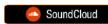
WADE: All right, now that we know the purpose behind the book, let's take a deep dive into the content. Please take us through your book, your creation, and give us a good summary of what we can expect.

FRANK: Yeah, sure. It's a startup guide, so we're going to start at the beginning. It starts with a nice forward by Tony Shea, the CEO of Zappos. He's also the instigator behind The Downtown Project, which is the revitalization of downtown Las Vegas. He happens to also be a llama enthusiast, like myself. We both love llamas; we bonded over that. Alpacas as well, they're in the same boat.

So anyway, he shares "Hey, this book is something you should read if you're trying to master starting and running a business," and then it dives into getting started. Part 1 is getting started. It took me awhile to rewire my brain to think about how do you think like an entrepreneur?

I always had a lot of ideas, always been creative, but you go through certain parts of life, and you're kind of wired to think about your career and what you want to do, and in doing so, some of those things are set, like "I'm going to get out and get a good job and work really hard." Well, it took me awhile to think about problems and trying to solve them. Finally figured out how to think like an entrepreneur and started building products and getting them out there and turning those ideas into action. That's what this first part of the book is about.

The first four chapters are about thinking like an entrepreneur, coming up with ideas, and turning those into action, and then how do you formulate a company? You've got to do that formation at the beginning rather than later. Getting all your documentation in place, all your business documents, everything filed and ready to go, both on the accounting and legal side, so that you can move forward.

A lot of people forget to do that right away, and it can come back and really get you later. The costs go up when you wait.

So that's Part 1; it talks you through all those different steps. Part 2 is about products. We're taking the focus of trying to launch a product, whether it be hardware or maybe it's a web or mobile product. You've got to start with coming up with a product-market fit, so you take that idea, try to get something really simple out there, like a minimal viable product, and then you've got to launch that to your audience. You can start with a simple launch with a small group of really enthusiastic people and then build from there; there's platforms that are out there now like Kickstarter and Indiegogo that help make hardware product launches really easy, and you can almost even preorder before you have a product. So it talks through that.

And then how do you measure success? What's success? Talking though the metrics side of the product, and I think a lot of people forget about that aspect. Maybe their success metrics are a little slightly skewed based off of "Oh, we got great press" or whatever, but you really need to think about what is actually going to build a business. So that's where that chapter is really crucial. It talks about some of the stories there. I think the lead story in that chapter is about Uber and how they leverage metrics, and Uber's done really well and grown really quickly.

That moves us into Part 3, which is about team and people. Team is crucial with starting and running a business. Yeah, you can start with a couple people, but eventually you're going to need more. That first set of team members are crucial to the heartbeat of your company. So it talks about how to find those people, what you should be looking for. The term "stem cells" is one that's been used in the book, and it comes from Eric Lunt, who's the co-founder of Feedburner and now Brighttag, which just rebranded as Signal out in Chicago. Anyway, he was their CTO and is their CTO.

Yeah, so talking about how you find those people, how you attract talent, and then also those people are going to influence your culture. Those folks are going to be the first part – as you continue to add people, it's going to continue to water
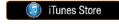
down the culture that you had or shape the culture that you're creating. So that's super important.
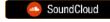
That whole chapter really resonates for us. At Tech Cocktail, we try to really focus on culture, and we are based in Las Vegas, which is where Tony Shea's Zappos headquarters is, and he's big on culture. So we're definitely focused a lot on culture. Our core values are in that chapter, trying to help other companies figure out what that looks like. Early on, it probably doesn't sound like something you should do, like "It seems like maybe that's a waste," but culture is really everything when it comes to building a team that can really execute and make sure that everyone continues to move ahead.
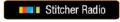
Continuing along in that chapter, there's a chapter on celebration. A lot of people might think, "Oh, celebration, that's just clanking glasses and having a good time." Yeah, maybe that's part of it; maybe that's a small celebratory moment that you create for something to help the team commemorate something that's happened, but this is a little bigger. It's literally coming up with these celebratory moments that should be instilled into everything you're doing so that you have momentum and you continue to use these as momentum events to propel you to the next level.

So creating that, and it goes hand in hand with culture. You need to be able to take a moment to acknowledge the fact that something happened, and in doing so, in startup land – or even in business – it's super important, because otherwise it's just an ebb and flow of up and down, and you never get a chance to breathe. So this is that opportunity to take a moment and say, "Yeah, we did good here," or maybe "We didn't do good, but at least we acknowledge that this happened and we can continue to move ahead."

Then in that same regard, we're talking more about people and relationships. Relationships are huge within business. The chapter on relationships really is important. You never know where anyone's going to end up, and you could interact with people that could be the next whatever. So my biggest thing there and takeaway is that you need to really treat everyone equally. Some folks, maybe you might see an intern or somebody that's not at the same level and talk

down and be not as sincere with them, and I think it's important to realize that that person could end up being the next Mark Zuckerberg or whatever. So I think it's super important to understand that and treat everyone with respect all along the way, and I think it's something that sometimes people forget.

Then we move on to sales and marketing, because you actually need to – Part 4 is sales and marketing, so one chapter on marketing, one chapter on sales. They kind of go hand in hand. A lot of people forget that at the end of the day, you've got to make money to be successful. Even if you raised a ton of funding or whatever, you still have to figure out a way to make it successful through basically selling stuff, whatever that is. So figuring out your marketing and sales is super important, and those two chapters talk about that.

The lead story in the marketing is kind of interesting. It's actually more of a brick-and-mortar business, but they take a very tech startup-y focus to the way that they approach their business. They're Sweetgreen. They're based out in D.C. and they just raised a little bit of funding, but long story short, they started as a simple salad restaurant for lunch and everything else, and have built a platform and used some interesting marketing tactics to get it out there.

And then yeah, sales in general. It talks about you've got to figure out, there's a couple different strategies for sales and figuring out what makes the most sense for you and talking through the different options and setting that up.

Part 5 is about money. It's about bootstrapping and funding. As you continue to run your business, yeah, you can bootstrap. We bootstrapped for 7 years. It was really hard; we didn't pay ourselves for a long time, we just paid rent and covered our expenses. You can go pretty far with that. I'd say 7 years, the first couple, two or three, were really – Tech Cocktail was a passion project, and then when we started taking it on full time, that's when it got a little bit more tight and we had to really buckle down and just pay for employees over ourselves to continue to build this company.

That's when you know that you really love what you're doing, when you're cutting out vacation time, you're not going to family things – you're doing nothing but

hustling your butt off to get this going. So that Chapter 14 is near and dear to my heart, because that's what we've done to build this company.

And then 15, we actually did raise funding last year, so talking about the different aspects there. Both are viable options; it depends on your business and what your goals are. So it talks through the different aspects there. But there's other great books that talk about those as well, so we reference some of those as well to guide you along the way. This is a great starting point for anyone that's looking to figure out how to do this stuff.

Then Part 6 is actually growth and change. Chapter 16 is about failure. Failure is actually a big part of starting and running a business, and it's not one that should be swept under the rug; it's actually one that should be leveraged, because it means you're actually learning something. And yeah, no one really wants to fail. That's not the goal. But along the way, if you do, you need to learn from it and then grow and then go figure out what your next thing is. So that's an important one.

I think it's one that strikes close to home as well because there's been a lot of folks that attach their company to their business lately, a lot more than they should, and realizing that if the company doesn't make it, that's not you. That's the company. You're going to be fine, and you can go figure out your next big thing, and you need to move on from that. So that's an important message. You're even seeing to the point where some folks have taken their lives over their failures, and it's not necessarily – obviously, that's not something we want. These folks are really smart. We need them to continue to strive.

I think managing expectations are super important, and that's why this chapter is in the book. I want to make sure that people that are out there starting up understand that, and they understand the harsh realities of starting up, and failure is a big part of that. You can use celebration to help motivate you through that and move on to the next thing. One thing would be like having a celebratory moment around your failure, even though it's hard. In Boulder, they do startup funerals or wakes. They do it in other places, too. So it seems trivial, but it's super important.

17 is the final chapter. It's about success. It covers what does success look like, how do you scale. The lead story in that chapter is actually WordPress's story, so Matt Mullenweg talking about how he started it and how he was able to scale it and how they've been able to grow, and talking about some of the harsh realities in that. How do you continue to grow past that? What are the nest steps, and is there an exit? Is there an IPO? What's success for you, and figuring that out ahead of time so you can plot your path as you continue to move ahead.
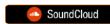
And then finally, there's just the conclusion, and in the conclusion we share a nice wrap-up story about what the path has looked like for us, but also it talks about some of the other resources that are available. We're going to put a lot of content online at Tech.co/book so other folks can capture those other additional tools and things that are available through the book.

So that's a quick run-through snapshot. It's the first time I've ever done that, so hopefully you guys understood it pretty well and it was helpful for you.

WADE: You just went through a ton of great content and information, so that's what makes this next question pretty difficult: if the reader could only take away one concept, principle, or action item out of your entire book, what would you want that to be?

FRANK: Yeah, that's a tough one, because there's so many that you'd want to start with. But the point of this book is to help inspire people that may be on the fence about applying some of these things to either their startup journey or internally in their company.

So I think my goal is to make sure that if they've got an idea that they want to launch into this world, hopefully this is a guide and they can start. Just start, and figure it out. I mean, it's not going to be an easy path, but this book hopefully helps you understand that. I think that's the big thing with this book, is it should be a great starting point for anybody that has an idea and doesn't know where to start or maybe is afraid to. It took me a long time to get the courage to do it full-

time. I was doing a lot of things on the side, but eventually you have to dive in headfirst, and I hope this book helps other people do that.

It doesn't have to be a startup; it could also be internally. Launching things within a big company is sometimes very similar to launching a startup into the world, so working within a big organization is part of that, too. So figuring out how to apply some of these things to start your startup internally as an intrapreneur is part of that as well.

WADE: Frank, I want to give you just a second to brag on yourself. What is your favorite quote out of your book?

FRANK: Good question. Never been asked that one before. Let me think about that for one second. Well, some of what I just mentioned: the best day to start is today. Not tomorrow, not the next day – today. Get it going and you'll figure it out along the way, and I think that's the way of the entrepreneur, is basically assemble your parachute in the air and you'll figure it out. Maybe you won't be successful on your first try, but it's a learning process. You're not going to launch the next Facebook or whatever on your first try, most likely, right? Those that do, that doesn't happen that often. So I think understanding that and just being willing to fail is a big part of that.

So I think that quote about "today is the best day to start," I think that's probably the most interesting thing that I can say about it. I'm sure there's others that are really good, too, but that one resonates.

WADE: Besides your own book, if there was only one you could recommend to our listeners based on the way it's impacted your life or created a paradigm shift, which book would you recommend?

FRANK: Oh yeah, that's a great question. There's a lot of great books that are in this book that we reference. Brad Feld's got a number of books that are about starting up, there's Eric Ries, his Lean Startup principles are in the book and referenced in the book, as well as some other folks that are in similar fashion and talked about.

The one that sticks out is not actually a startup book at all; it's more about how to manage relationships, and I think relationships are a big part of business and probably not looked at the same way when you go "Oh, I'm going to manage relationships." I think Dale Carnegie's *How to Win Friends and Influence People* was written in like the 19 – I don't even know, '20s or something? And it's still got a shelf life. It's amazing.
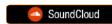
Pretty simple principles, and it goes back to what I had mentioned earlier in the relationships chapter, how to treat people, how to actually understand other people's perspectives and try to view the world from their lens. And once you do, you'll go a lot further. Rather than looking about everything from your lens, look at it from other people's lens.

Actually, the person that recommended that book was this guy named Robin Bradbury. He's a friend of mine from Jacksonville, and he bought me the book years ago and I read it, and it was like, "Wow, how did I not read this in school or something?" This should've been the first book they give you the minute you get to high school or something, I don't know.

But yeah, totally agree. It's not about sales; it's about relationships, really. You end up wanting to work with friends instead of trying to sell people stuff. It just makes for a better working environment. But the minute you step out and start realizing what they're interested in and how to look at it from their lens, it really changes the game.

WADE: Frank, before we depart, can you recommend the best way for our listeners to get more information on you and *Startup Mixology*?

FRANK: Sure. You can go to Tech Cocktail's site, Tech.co, and we've got a whole About section about us. Personally, I've got my own personal site, FrankGruber.co. And then the book has its own site at Tech.co/book. That's the place where you can actually buy the book, and if you do, if you buy it through us on that site, you'll get a chance to get all the extra exclusive content.

When I wrote the book, it was supposed to be a 50,000 word book. I wrote 100,000 words with lots of extra chapters, so we had to cut almost half the book, and it's down to about 60,000 words. So all that extra content, we're going to be basically giving away to folks that buy through us as we send you those different chapters that didn't make the final cut, but are still great.

WADE: Thank you for coming on today, Frank. I look forward to speaking with you again in the future.

FRANK: Oh, thank you so much. Hopefully you guys check out the book, and I appreciate your time.

WADE: Thanks again for listening in today. If you would like to get your hands on *Startup Mixology* or any of the other resources mentioned by Frank, just look at the show notes at TheELPodcast.com.

Looking for your next book idea? Head over to TheELPodcast.com, where Wade shares his amazing resource, "The Top 10 Business Books Recommended by Over 500 Entrepreneurs," with you for free. That's TheELPodcast.com. Till the next time, keep it on the EL.

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