

Newsworthy Founder: Marie Kloor + Investor Relations + Mezcal Negroni

SPEAKERS

Lexie Smith, Marie Kloor

Lexie Smith 00:04

Hey guys Lexie here, travel enthusiast, lover of puns, pizza and wine connoisseur and the founder of THEPRBAR inc. and you're tuning in to the pitching and sipping podcast, from behind the scenes interviews with the media, to honest conversations with other PR pros to a look at inspiring brands and entrepreneurs that are rocking the world of PR, in this podcast, we talked tips while taking sips, and talking about all the things that make those and the world of PR tick. Let's get started. Today we're talking with Marie Kloor, who is the co founder and CEO of Hydra studios, a startup creating upscale wellness studios for the modern workforce. After launching her career at Goldman Sachs, and prior to founding Hydra studios, she was the Director of Business Development at the political journalism startup News Deeply. All of these experiences combined enabled her to lead her company to raise more than \$3 million in venture capital through two financing rounds. A true powerhouse, I invited Marie onto the podcast to teach us all about a very important component of PR, Investor Relations. And boy did she deliver I actually give you full permission to pause this podcast right now and go grab a pen and paper because she's about to share a massive amount of knowledge about raising capital, pitch decks, understanding the why behind PR, and she literally teaches me about a cocktail I have never even heard about in my life, which is impressive. Alright, let's officially dive in. I have to say that I attend many, many events and workshops, especially in this new virtual era but when I saw Murray speak at a recent event, I truly was blown away. In short, Marie, I think you're brilliant. But before we quote unquote go into the work stuff. Tell us a bit more about who you are outside of work. Where do you live? Do you have any hobbies, secret hidden talents, anything outside of the office?

Marie Kloor 02:20

I love that question. And yeah, so I am originally from Colorado, in Boulder, Colorado, but I have lived in New York for almost 10 years now. So I am currently in Greenpoint, Brooklyn. Um in terms of hidden talents, I started to live been playing the piano for years. But I recently when we were in kind of this quarantine stage, started to get back into all the old classical music that I had practiced, you know, so many years ago. So that's always a surprise when I tell people that I'm a classically trained pianist, but I do find that it's a pretty fun and cool talent to have.

Lexie Smith 03:01

That is so freakin cool. What was that part of your upbringing? or How did that come about?

Marie Kloor 03:08

You know, I took piano lessons as a kid, and my parents didn't really make me take it. I just had always wanted to learn how to read music. And the piano seemed like the easiest way to do that. And so now that I live in a small New York apartment, and I recently invested in a keyboard, which I have like ear phones so I don't bother anyone when I play. But it's been almost like a kind of more meditative cathartic experience to kind of look away from the screen, look back at the musical page and start start learning some of these songs again,

Lexie Smith 03:39

I'm so jealous my my quote unquote, hidden talent is juggling. And that's way less useful and cool than piano.

Marie Kloor 03:47

I have no idea how to juggle I have a I think you should definitely get a talk on juggling because I would totally attend.

Lexie Smith 03:55

That is so funny. I could play chopsticks but let's see as far as the piano skillset goes, but Okay, so I just love kind of opening with some fun stuff. But let's hop on over into your career. So please catch my audience up to speed high level on your quote unquote, resume. So basically everything that led up to today.

Marie Kloor 04:17

Yeah, absolutely. So, um, I started my career right out of college and banking. So I, you know, worked for Goldman Sachs for five years, and was mostly in an institutional kind of sales role within the Asset Management Division. And so, you know, it was on Wall Street, it was kind of baptism by fire. And to be honest, it was really hard but I really enjoyed those years and it taught me so much about sales about hard work about finance and relationship building. It was a really cool experience. And my my majors I majored in political science and journalism. So it's kind of interesting that I went into finance right off the bat. But I left Goldman and joined a seed stage startup called news deeply, which was developing a single platform, basically news websites to cover, you know, specific issues within kind of the complex global relations. So they did a whole site on Syria, they did a whole site on the Arctic. So it was kind of combining on my, you know, business kind of experience with my passion for journalism and politics and global issues. And it was also the first time I was at an early stage company, so got to work directly with the CEO, we were fundraising and you know, was the first time I was really exposed to the startup ecosystem, which gave me a lot of, you know, great tools to eventually start my own company.

Lexie Smith 05:44

Okay, so perfect tee up. Now, what are you doing today? Tell us about your company.

Marie Kloor 05:49

Yeah, so I am the co founder and CEO of Hydra Studios. And what Hydra Studios are doing is we are building a network of what we call wellness studios, really focused on bringing the amenities and, and kind of wellness to this on the go modern professional. So it was inspired by my time working at Goldman, we had access to this beautiful corporate gym and wellness studio, and I found myself using

it kind of as a second home base. So I could fit in everything that I wanted into a day, but I could go to a workout class and go to Goldman and a shower and get ready, I could change before events, I could go take you know a moment during the day if I needed it, and I found that a lot of people that I worked with are using it in that same way. So the whole kind of impetus became you shouldn't have to be Goldman or Google to have these spaces and these amenities that really, you know, help with your wellness and also allow you to do more with your day. So since then, we've launched almost two locations. I'm working on actively kind of expanding that network of locations, and then also looking at, you know, given COVID, and you know how we can adapt our business model to also serve residential and you know, hospitality real estate as well.

Lexie Smith 06:58

Officially launched?

Marie Kloor 07:01

We officially we opened our first studio last June, so June 2018. And we've been working on a company for almost 18 months before, you know, launching our firstmeetup. Yeah,

Lexie Smith 07:13

I was just curious how that timeline met with COVID. Have you seen kind of a large, I'm assuming a large impact since?

Marie Kloor 07:23

Yeah, absolutely. And we did close down, obviously, at the height of the pandemic, our first studio that has since reopened. And we had started construction on the second studio down on Wall Street that you know, had to be paused. And although it was challenging, it really gave us the opportunity to go back and say, how can we kind of redefine wellness for a post COVID era. And so we've actually redesigned that studio to have more private experiences. So kind of bookable private suites that people can, you know, book for a peloton ride and you know, use the mirror, do TRX or something within that space, and one person at a time, clean between each use, and then also access all of our other amenities as well. And kind of pilot a model that, you know, we can go into these private spaces if needed, and then open up to communal phases, once things return to kind of a semi normal state of state of the world.

Lexie Smith 08:16

So cool. And just again, listening to you, you're so smart, I'm such a fan, but speaking. So I want to bring bring us back to that workshop I mentioned earlier. And just so everyone listening knows, it was all about pitch decks, specifically pitch decks that are used in the investment process. And one of the six relations of PR that I teach is Investor Relations. So a brand's relationship with current or potential investors. And obviously, Marie, you've had a lot of experience in this realm, which we'll get to, but real quick, can you tell my listeners what type of investors a company can have?

Marie Kloor 08:58

Yeah, absolutely. And there's lots of different types of investors. But usually a company that is just starting or is considered a startup is, you know, looking for investors on from, you know, three main

areas. The first one is friends and family. So this is, you know, often kind of the first people you go to when you're just trying to get a concept off the ground, or, you know, kind of create your, maybe your first product, and they're really just investing in you as a founder, and to hopefully get this idea, you know, off the ground. And the second one is angel investors. So these are usually individual investors who, you know, they might have a full time job and invest in companies on the side, or maybe, you know, they they like to invest in a lot of different companies that are just getting started. And I found that, you know, the, you know, most valuable angel investors are usually ones that have either founded a company themselves in your industry, or you know, are interested in your industry and have some connections, because that's what they do with their career and they'll definitely invest, but then also give you some advice. And you know, help grow your business from their own expertise. And then the last type of investor for a startup is venture capital. So everyone hears a lot about venture capital, your, you know a ton about it, and startup fundraising. But these are full time professional investors, they, you know, raise venture capital funds from other larger investors. And usually, the check sizes are a bit larger, and they can fund a company all the way from, you know, the initial idea to getting acquired or going public.

Lexie Smith 10:32

Oh, are you familiar with the show? Shark Tank? Yep. Yep. Are those angel investors or is that more of venture capital?

Marie Kloor 10:41

I would almost say a mix. And I think most of them are actually investing out of their own, you know, kind of family office or their own funds. So that would be more of an angel investment, if that's, you know, one individual that said, they're pretty sophisticated investors, and they do it full time. So, you know, there's a lot of similarities to, you know, a true VC there.

Lexie Smith 10:59

I just always have to bring it back to Shark Tank. So that's where I got my start, start in PR. So that just had to throw that in there. Okay, real quick, I need another definition for you just so we can make sure everyone's up to speed. What is a pitch deck, quote, unquote? And how do you use it within this process?

Marie Kloor 11:19

Yeah, so a pitch deck is almost like, and in the start of fundraising process, it is your business card it is your, you know, social media profile, it is your LinkedIn combined into one thing. And, you know, it's really everything that you want an investor to know about you. And ultimately, it's how you're going to, you know, get your idea funded and off the ground. And, you know, a general pitch deck is used for two main reasons, number one, to get the meeting. And number two, to give an overview of your company. So you know, I cannot overemphasize how important having a strong pitch deck is. And I can't tell you how many different versions of the same pitch deck I have made based on feedback or you know, tweaking one slide or tweaking, you know a better designed. So a pitch deck is really what is going to get you in the door, because a lot of investors, whether they're your friends and family, or a professional venture capital investor, they want to see that pitch deck and your idea before actually taking the meeting and diving in a bit deeper.

Lexie Smith 12:24

So I loved your first comparison, it's your social media, LinkedIn business card all combined. So what are some of the elements beyond that, that one might find within a pitch deck?

Marie Kloor 12:38

Yeah, so the first thing is just, you know, the general overview of your company, what is your mission, this is your mission statement. This is why we exist in the world. And the second thing is the problem you're solving, usually you exist, because you have experienced a pain point in your life, or you have identified a problem and you think that you can solve it. So a lot of times who you're pitching to, they may be of a different age, a different gender, they might not know that problem. So really explaining that to them, and kind of setting the stage for your product is very important. And then you need to talk about what your product is, and how it solves this problem. So here's my product, here's the problem we're solving. And here's exactly how I'm going to do it. So maybe, you know, by us, that's actually, you know, building out these physical spaces. And some people it's, you know, releasing this app, other companies, they're creating a marketplace, but really saying how you're solving this problem. And then you know, some of the other things is how you're going to make money. That's, that's a huge, a huge question. There's all these great ideas, but what a lot of people, a lot of investors are in this business to make money. And so if you're first starting out, definitely some light financials, but just saying, here's how we're going to generate revenue. And here are some, you know, sample financial forecasts that we think are accurate. And then also putting in just some other information you think they should know. That's usually who's on your founding team. That's really important. Also, your advisors and if you have raised any capital to date, or have investors, putting things like that in is also important.

Lexie Smith 14:14

What about press placements do those come into play at all? Any logos, things like that?

Marie Kloor 14:20

Yeah, absolutely. And I think you'll see in a lot of pitch decks, if a startup have gotten press, they will, you know, put that in and have a whole page of different quotes from those articles, along with the publications that they were carried in. And I think press does act as a credentialing factor. And so, you know, if you have been in a major media, you know, publication business publication, or if you're even more sector specific and have been in, you know, publications read by a lot of people within that certain factor, an investor can say, Oh, well, you know, I don't know too much about this certain company, but it looks like X, Y and Z does and therefore, you know, I'm going to check that box and move forward and think that this was a more legitimate company because of that.

Lexie Smith 15:01

Yeah, I think that's a great, a great point. You know, I have a variety of experience helping founders through the investment process, largely as it relates to establishing social proof. I'm doing air quotes and credibility, which is where kind of press does come into play. So my question for you kind of as a founder, and you kind of answered it, but do you agree that that social proof and credibility factor are important in that process of raising capital that investors care?

Marie Kloor 15:36

I do agree, but I guess this could be a bit of a contrary opinion, but for my own personal experience, raising, you know, capital, we actually didn't do any press before we fundraised. So we did not get out at that time, because we had not released a product yet. so there wasn't really anything newsworthy, weren't newsworthy to cover. And so we didn't find it to be a huge factor for our investment process. That said, I think, depending on the product, and the stage you are press, can absolutely add that credibility. And I think it's important to figure out when you're getting press, you know, why you want it and need it, if it's a consumer product, it could be to engage customers that will, you know, ramp up your social media following and ultimately generate sales. And all of those things are important to investors. If you have a b2b product, you're just selling to other businesses, it could help you gain credibility with future clients, if you're in some of those trade publications. And so even being able to show, you know, investors, a pipeline of Fortune 500 companies that you're actively talking to, that also helps, and what's going to help you talk to those fortune 500 companies, if potentially, they read about you in the press. So I think it definitely creates this flywheel effect. I think that in order to, you know, get good press, it does help you have a product and have some key points that the press will find newsworthy, because that's ultimately going to generate a stronger flywheel for your company.

Lexie Smith 17:08

Yeah, I think actually, it's really important for people to hear that, especially if you're pre market or pre launch, how would you get press right? You don't have anything to talk about. So it's not necessarily required in order to raise capital. But perhaps if you're going for round two, and maybe you are in market, that's just going to kind of help your overall valuation? Would you agree?

Marie Kloor 17:30

Yeah, I think like, to that point, there's also the flip side of that, where, you know, there have been products that have been really hyped pre launch. And, you know, thinking of like Magic Leap, and you know, even recently, Nikola, like the press, help them get investment. But at the same time, it was all this hype, and then maybe when the product came out, it didn't live up to expectation, I think it kind of depends on the founder, and how they want to go about that process. I know, for me, I'd rather do a little bit of hype, and then release the product, and then have it beat expectations and then hyping a product up so much and then maybe it's not quite what you had pitched in the, you know, your press interviews. So I think it kind of comes down to the founder and how they want to present their company. But there can definitely be some huge upsides, there can also be some downside.

Lexie Smith 18:17

Oh, I think once again, those are great points, right? What you have to realize too, is PR and press is, it's organic, and you don't really have control over what they're going to say. So you have to be prepared, that you might not get the most loving response or review. And the more people that know about it, you know, the more people comment on it, so if you aren't gonna have press be confident and in your product or service or what what you are spreading.

Marie Kloor 18:46

Yeah, cuz you're really putting yourself and like your baby out there for criticism, for sure. And then, you know, potentially even, you know, people copying. So yeah, you know, getting inspired by what you've

created. So I think there's, you know, there's some factors to consider before doing a full on kind of press event or tour.

Lexie Smith 19:05

Yeah, I completely agree. Speaking of press so, you said you didn't necessarily have any, when you were initially going through the capital raising process. Have you had any press since launching?

Marie Kloor 19:20

Yeah, so we're actually just starting to get press. So I should probably, like, talk to you on the side about, you know, some strategies and in that area, but so our first studio was announced in partnership with convene, which is an you know, an upscale co working and event company, but it's exclusive to their members. So we made the decision to not do a ton of consumer facing or lifestyle press, because we didn't see a huge investment on you know, the return of that press or the return of our time, just because we were you know, so focused on you know, more of an enterprise or b2b side. So we did do some real estate press and business press to really highlight our workplace product, but it wasn't super focused on the consumer side. Now that we are launching a flagship location, you know, really aimed at New Yorkers, and we have been doing a lot more consumer and lifestyle press and kind of feeding some of our announcements, you know, for that moment, as well as you know, also complementing it with real estate and business press, and, you know, are the why, why are we doing this, it's to really get the word out, help with credibility, but ultimately, to convert some of that coverage to meaningful revenue. And, you know, we know why we're doing press, we want consumers to come in, we want to have members. But that's why we've kind of waited a little bit to really do a larger you know, announcement.

Lexie Smith 20:40

So I love everything you're saying, because the first thing I do with anyone I ever, ever work with, is I asked them what their end objective is, right? Are you? Do you want more sales? Are you do you want to grow social following? What is your Why? Because you have to understand that why to decide what kind of press is important, right? You didn't need that consumer and lifestyle press because at first you were b2b focused. Well, now you want more sales so now, your why might require some press. So just so smart, you get it.

Marie Kloor 21:17

To your point, like, and this is one of the first times I've gone through kind of the whole public relations process, but it's time consuming. And, you know, you're putting together a press kit, a lot of times there's photos for us, there's renderings, you're, you know, really developing your, you know, elevator pitch, what your founder Bios, all that stuff, it does take some thought. And so, you know, I think we have to attach that to kind of clear, clear goals, even though it's hard to quantify, but to know your why in order to really get you know, the biggest return on investment.

Lexie Smith 21:51

100%. Speaking of investment, let's bring it back to investor relations for a bit. So let's move past the initial phase of raising capital. Okay, you've done it, you now have investors, what do your investors expect from you on a monthly or quarterly basis?

Marie Kloor 22:11

Yeah, so investors, I found really want two things. Number one, they want updates. Number two, they expect you to ask them for help and so on. The first one is, you know, these people have invested in your company, they've given you money, they are now owners in some way of your company, so they have ownership in it. And so it is so important to send them either monthly or quarterly investor updates. And companies do it in different ways, I send mine over email, and will sometimes attach a link to a document. As a company grows larger and has a board, you know, you do board meetings, and then you can sometimes distribute those meeting minutes. You know, it varies how you do it. But I found it in kind of an early stage startup, doing monthly updates, and really kind of making it my own voice. And, you know, updating on major milestone highlights, but also the lows, and especially some of the people you've hired. And, you know, we try to keep it pretty to the point not too fluffy, but also realize that you know, investors are in this job because they like startups, and they like helping companies grow. And you know, hopefully they do really want to get their hands dirty, and, you know, help you when you need it. And so I think at first I tried to paint this like super rosy picture, like everything's great. But I've learned that, you know, in order to have more meaningful relationships with my investors, I just need to say, yeah, this is going great. And this is actually not going great and what we need help with. Which brings me to kind of the second point, investors definitely expect you to ask them for help. If you're not asking them for help, they're kind of like, oh, sounds like you've got it, like what's going on. So, um, I think what I always try to do is, you know, in my investor update, say, hey, like, here's the great things we're doing, here's the things that are not going great. And here's what I need help with. And so, so many of my service providers, we've worked with everyone, from marketing, to photography, to our legal team to you know, our PR Rep. All of them have been recommended from investors just because they've usually worked with other portfolio companies, and the investor has been able to kind of get a bird's eye view of what they're doing. And then you know, especially in like the height of COVID, I brought some of our, you know, great Investors and advisors together and just hop on a big call and just brainstormed. I think you're so involved in the weeds of your business, sometimes it's like hard to see the forest through the trees. And so bringing in an investor that might have industry expertise, or you know, clearly is in this business, but they've worked with a lot of different startups, they're able to provide a perspective that is just sometimes hard for you as a founder to grasp. So yeah, two things, they want updates, and then they also want to help.

Lexie Smith 24:45

I think that's great to know. I don't think intuitively I would have expected that they want to help but then when you do think about it, right? They want to be wanted, who doesn't want want to be valued and their advice and expertise really valued. So that's a great point, you know

Marie Kloor 25:02

And they're that, you know, they're owners of your company have an owner's stake so they also, you know some more than others but you feel that they, you know, you're going to do better if you have, you know, more brainpower sometimes sometimes there can be too many cooks in the kitchen, but I found mostly, if you reach out with a direct ask investors can be can be pretty helpful there.

Lexie Smith 25:22

I love that. For those listening who maybe one day want to raise capital, do you have suggestions of things to look for to really help select that best investor or partner? Should you know they take on anyone willing to give them money? Or is it wise to be selective? Any insights here?

Marie Kloor 25:39

Yeah, and it's funny, because I guess the basic answer is yes, it's totally wise to be selective. However, sometimes it's not really your choice how selective you can be. So one of my favorite things to do is talk about raising capital and kind of demystify some of the process and just, you know, give some real talk to it. And one of the things I heard, when I first started going out was, you know, you're going to meet all these investors, and you know, so many of them are going to want to invest in your company, you're going to get all these term sheets, which essentially kind of, is a way for them to communicate the terms that they want to invest in, and you're going to have to negotiate and play them against each other, and then you're going to choose the right one. For us, that was not the reality, we got one VC that wanted to invest in us at first. And so we couldn't really be that selective, um, that definitely, you know, kind of triggered a process where other people got interested in. But you know, at some point, you know, you really are beholden to the investor, if you're the one asking for money, that said, a huge resource, no matter how many kind of options or how selective you can be speaking to other founders in their portfolio, and you should absolutely ask ambassadors that are interested in investing for references from other founders, you should also seek some of them out on LinkedIn, and message them and say, Hey, I'm looking at taking investment from XYZ, do you have a few minutes chat, because I have found some of just the best knowledge and information sharing have come from other founders, and they'll be pretty well, pretty real. And let you know if there's any red flags. I guess the second point of advice there, you know, when you're trying to select investors is it really does help to invest in a startup lawyer. So a lawyer who is familiar with the startup ecosystem, they usually will have seen investments from a lot of different venture funds and they might be familiar with the reputation of a few or even angel investors in the industry. And can you know, pretty easily read a term sheet and understand if this investor is being fair, or potentially, you know, raise some red flags, if they've been an investor that maybe hasn't been as great in the past as one would hope so. Yeah, definitely speak to other founders. And I do find that having an experienced lawyer in the startup ecosystem can be quite helpful and save you some time.

Lexie Smith 27:53

So smart. Yeah, I think all of these, all of the things you just said, or I hope people will have their pencil and notepad out because you just need some serious, some seriously great advice. But what I want to do real quick, because this is the Pitchin and Sippin' podcast is focus, refocus a little bit and ask you a little bit more of a fun question. So we talked about PR stuff and talked about Investor Relations. I want to talk about sippin - so my question that I like to ask is what can we find you sippin'? alcoholic or non alcoholic? What's your favorite beverage?

Marie Kloor 28:31

That's a great question. And I have gotten Well, okay, so I guess cocktails, specifically a Mexcal Negroni. Because during this quarantine, you know, you couldn't go out. I didn't know how to make cocktails. So it was one of the things I was missing so much was like going out and having like a nice drink made for me. And so I've got a cocktail shaker and a book and went out and got all the nice stuff.

And so I have been making Mezcal Negronis for myself. That's like one of the only things I'm good at. And I even invested in like the big nice ice because I feel like that's so much you know a factor in the drink. So um, yeah, if I'm like looking to just chill or have a good time, I'll probably be sipping on a Mezcal Negroni.

Lexie Smith 29:16

I've literally never even heard of that. I know mezcal is smoky. I'm trying to imagine what that flavor profile even is. Is it in a rocks class? How? What is it?

Marie Kloor 29:27

Yeah it's up, mezcal coochie Americano. And some vermouth? So it's, it's like negronis are usually made with Gin. So this is just a smokier version of it.

Lexie Smith 29:41

Cool.

Marie Kloor 29:42

I might have gotten that wrong, though. So don't quote me on it.

Lexie Smith 29:44

Well, my husband is in charge of making me cocktails in quarantine. So I'm going to have to add that one to my wish list. That sounds really cool.

Marie Kloor 29:52

How about you? What are you sipping on?

Lexie Smith 29:54

I love it - currently kombucha because it's 1pm in the afternoon, over here. But I'm a big wine wine girl is my wine and jalapeño cucumber margaritas with tajin rims.

Marie Kloor 30:06

Oh, I need to add that to my list.

Lexie Smith 30:09

Yes So those are my ride or dies. Marie, you rock. Thank you so much for being on here today before we end please tell my audience where they can go to connect with you or learn more about Hydra studios?

Marie Kloor 30:25

Absolutely, um, like I said one of my like, things I love doing is speaking to founders that are just getting started in the process and I'm just kind of giving some real talk on what I went through so feel free to email me my email is Marie M A R I E at Hydra H Y D R A New York spelled out N E W Y O R K .com. You can also go to hydranewyork.com to learn more about our company and our wall street location launch and then follow along we're at on Instagram at Hydra underscore studios, or you can DM me

and at Vanderkloor, V A N D E R K L O O R so yeah, feel free to reach out on any medium that would love just you know, especially talking with people that are starting their own businesses starting the whole capital raising process. It's um, it can be daunting, and we're just here to help each other.

Lexie Smith 31:19

I love it. And I know it's almost right about five o'clock on your side. So I guess I will let you go to happy hour and say cheers and thanks again for for joining us today.

Marie Kloor 31:32

Absolutely. Probably no Mezcal Negronis tonight but maybe on Friday, thank so much for having me it was definitely great to talk about all of

Lexie Smith 31:41

And Cut

31:46

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