

EPISODE 577

[INTRODUCTION]

[0:00:34.6]

FT: Welcome to So Money everyone, I'm your host Farnoosh Torabi. A couple of months ago, I purchased a gift for my husband for Valentine's Day and it was a little set from this company called Oars + Alps, which had some deodorant and some aftershave and some face lotion. Oars + Alps is a men's at the leisure and natural grooming brand, I discovered them on Facebook because that seems to be where I learned about everything this days for better or worse.

The brand, little that I know was created by someone I know and that person is our guest today on So Money, Mia Saini Duchnowski. Her company, which she cofounded with her friend, Laura Luzawski, has been dubbed the worry parker of men's grooming and it was created after Mia and Laura won the regional 2016 Harvard Business School New Venture Challenge.

They then spent a year in research and development and voila, Oars + Alps was born. All the while, I didn't know, the brain child behind this product was my old colleague Mia. She and I worked at TheStreet.com we sat across from each other during the market's downfall, big downfall in 2009. She was an intern and was actually contemplating leaving Harvard Business School to pursue a career in financial news as a correspondent.

I thought that was a crazy move but that's Mia, she makes bold decisions and she made that transition and guess what? Went on to become a very successful reporter and anchor at Forbes and then Bloomberg TV, covering the global financial markets. She's pivoted since then as well launching now into the world of entrepreneurship and the idea for Oars + Alps, she explains out of a personal necessity.

Both Mia and her cofounder's husband just needed better products to help with their sensitive skin. In our conversation, we talk about how Mia and her cofounder took advantage of being outsiders to the skin care world. You know, neither of them had any experience in this industry but naiveté can be an asset Mia says. Also, the marketing psychology behind getting men to

care and spend money on grooming products and why Mia insist on keeping her financial accounts separate from her husband's. They've been married for a while, they have three kids but she says, "I don't want to be the beneficiary of someone else's hard work." We'll dive deeper into that.

Here we go, here's Mia Saini.

[INTERVIEW]

[0:03:01.9]

FT: Mia, welcome to So Money, old friend. It's good to reconnect with you on the podcast and congratulations.

[0:03:08.2]

MSD: Hi Farnoosh, thank you so much. I know, it's been a while. You and I first got together, I guess, back in 2009.

[0:03:14.4]

FT: Yup, at TheStreet.com where it all began for many of us and you have pivoted beautifully a couple of times since then at least. You went on to become a major reporter for Bloomberg and then now the cofounder of a wonderful company, which I want to share with everybody on the show calls Oars + Alps. But let's catch up a little bit, I mean, it's been nine years, you went from reporting to entrepreneurship. Let's talk a little broadly about that pivot. What kind of inspired you to do that?

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MSD: I think it goes back to kind of what has always been the root of why I do most things, which is I'm super curious and I love to solve problems, I'm an engineer by training and I never settle with just a normal answer for things, I'd like to dig deep, I like to investigate.

That was part of what drove me to be in a financial on air correspondent covering business news, it was right after the financial crisis, I was on the trading floor actually at Goldman Sax at the time and I remember thinking wow, there are a lot of people in TV who are doing a very big disservice and not presenting all the facts and there's a lot more digging that needs to be done to kind of explain to people.

Why is it that they lost all of their savings, or what is this thing called a mortgage-backed security, and why is it that the crutch of what's happening in the economy? And I wanted to do that digging and I think that is the same reason why I pivoted from being an investigative on air journalist to starting my own company.

You do a lot of investigating and at the end of the day you're doing really problem solving, you identify a problem in the market and in that case it was men's skin care, it was an awful experience, not personalized, overwhelming and I wanted to solve that for people who just didn't like shopping in that traditional retail environment. That kind of in a nutshell explains why I made that pivot.

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FT: In some ways too, not knowing a whole lot about your day-to-day currently, although we'll maybe look into it, you can give us a snapshot of how busy your life is now but as an investigative reporter, you are beholden to someone else's schedule and now I know you are a mom of three, you're married.

I'm sure that takes a lot of precedence in your daily priorities, has the shift to entrepreneurship allowed you, afforded you a little bit more flexibility and autonomy from your schedule or no? You're just beholden to your kids now?

[0:05:55.1]

MSD: None, I actually. I work on Oars + Alps nonstop. You know, from the moment I wake up to the moment I go to sleep as much as I love my kids, my main focus is I've always been very

focused on myself. I know this sounds bad but I love — I'm a better mom because I'm so focused on something that's not my children.

[0:06:20.7]

FT: I get it.

[0:06:22.8]

MSD: I'm obsessed with creating the best company, I'm obsessed with growing it as fast as I can, and similarly, when I was an on air reporter where I was as you mentioned, I had morning hours, I was up at 4:30 in the morning, I did come home at two, at that point I think I had one kid, two kids maybe.

I had a lot more flexibility in that schedule because I know no one really needed me at 3:30 in the afternoon or 4 o'clock in the afternoon so I could do whatever I needed to do with my kids but now it's gosh, I've got meetings, I've got investors, I've got customers who all need a piece of my time and my kids are young and I will tell you, I will preface all this and I wouldn't be able to do any of this if I didn't have a good team helping me.

So I've got some amazing people who kind of help me make sure everything kind of run smoothly and of course it never runs smoothly, but at least I've got people I trust.

[0:07:16.7]

FT: Right. Well, let's talk about Oars + Alps with more specificity. I know it's a men's athlete, natural grooming brand, you have a lot of experience as you said, as an engineer, as a reporter, you went to MIT and you were at Harvard Business School, right? For a while?

[0:07:35.8]

MSD: Yeah, that's right.

[0:07:38.1]

FT: Clearly you have the resume for starting a business. But, let's be honest, Oars + Alps, a men's grooming company, a man's grooming brand and you didn't bring to the table any kind of knowledge of that industry and neither did your business partner, Laura. How are you taking advantage of maybe being an outsider?

[0:07:57.7]

MSD: yeah, that's great. You're right. What's clearly missing from my resume is I'm not an aesthetician, I didn't work at Laurel, I have no brand or beauty background. What I bring to the table is a clear and new perspective, a new way to do things and I think because I was initially naive starting, I think that was my best asset in helping me have some of those conversations.

I was able to talk to people, talk to customers, talk to people in focus groups, talk to some of the biggest skin care manufacturers and say, "Why is it done this way? Why don't we do it this way? And because I was initially naïve, it really kind of helped facilitate this kind of really true and raw conversations. If I had been colored or tainted or had those like rose that go into it. I think it would not have allowed me to bring a level of innovation and creativity to this industry.

[0:08:48.2]

FT: Interesting. What are some of the crazy things you're learning about men and grooming? Because really, the perception is that men don't want to spend a lot on grooming. It's taken me years to get my husband just to use like a really good face wash.

[0:09:00.9]

MSD: Yeah, it's interesting. As you kind of rightly pointed out, you were the one who is kind of prodding him to take better care of your skin and one of our biggest insights is and one of the reason I started Oars + Alps with my partner, Laura Lazawski, is because being on camera, I had access to some of the best skin care products.

My husband, sounds like he's kind of like your husband, he's not like your average joe but he's not like super vain and metro sexual, he was borrowing all my products. Whether it was my eye cream or my moisturizer or like there goes my body wash and it was expensive, I had to replenish my products faster and I realized that men and women have different types of skin, men's skin is oilier, thicker, coarser, more prone to ingrown hairs and breakouts. Fundamentally they need to use products for their skin.

Also, they don't like shopping, but the biggest thing I learned was that most women play this role of gatekeeper to tier husband's skin, whether it's their facial skin or on their body, they play a huge role in either introducing products or influencing them to buy a certain product.

You'll be super surprised Farnoosh, 95% of our customers are men. That is men putting their credit card information and pulling the trigger. When we ask them how they found out about us, they'll say things like, my mom told me or my sister told me, my wife told me about it but they're very comfortable going online, putting their credit card information and pulling the trigger.

Guys more than ever have been given the okay to groom and have been given the okay to take care of themselves in a none kind of fruity, metro way. That's super exciting, especially kind of this millennial guy. He's buying that green juice, he has a gym membership, he's working out, he's going to these influential dinners at night, he leads this kind of very on the go, active lifestyle and the natural extension after he takes care of his mind and his body in his health is to take care of his skin.

[0:10:57.1]

FT: how do you learn how to be an entrepreneur Mia? Clearly you have some educational training, you interviewed a ton of entrepreneurs as your profession for a while but what are you bringing, where do you find yourself utilizing of yourself more and more as you develop this business and where does that — where is that sourced?

[0:11:16.1]

MSD: Yeah, that's a great question. I can answer it by saying, the fact that I asked many entrepreneurs, as you rightly pointed out when I was at Forbes TV and at Bloomberg TV, about how they did things and asked those really kind of insightful questions and then following up. So I'm constantly asking questions to our customers to our investors of wind it. How do you use this?

One of the biggest insights we had was that you know, guys only take a shower. They actually face the shower, the nozzle. Products need to be right to the right or to the left of them, easy for them to put on their head and wash off. Whereas women are taking showers facing away from the nozzle so that their hair can drip down their back.

As a result, most of these women are bending down to get their product rather than reaching out for their product, they have to, they're bending down and they feel very comfortable doing that which was one of the biggest insights we had. It kind of informed how we should create our packaging. I mean, that's just one example. But I overall believe that you can't teach entrepreneurship.

I think there are ways to be a good entrepreneur and bad entrepreneur but I believe that it's someone innate to this idea of like risk taking. I had a great career, I was on camera. Many would say I had a very glamorous life, I definitely had a very — I was very deep in and I thought I was going to do that for a long time and there were a variety of reasons for why I left but the one big one was that I wanted to build something from scratch and I wanted to have ownership over it.

It had less to do with a schedule, it definably had nothing to do with work-life-balance because I had probably the worst schedule I've ever had and I used to work for an investment bank. I like the fact that the bucks tops with me, you're not going to work harder for anyone else but yourself.

[0:13:01.1]

FT: Speaking of the buck, how has this venture been financially for you and your business partners so far in its infancy? Be honest with us too because we see, for example, if we Google

Oars + Alps, we see tons of articles, we see a beautiful website, we sense that there's a lot of customers and you're definitely in the growth stage. Financially, are you happy?

[0:13:22.1]

MSD: That's a great question. I will tell you when I first started it, financially, I was not in the best position. I have — the mantra I grew up with was make your own money, take care of yourself, don't rely on guys, don't ever rely on guys. To this day, my husband and I have not merged our bank accounts because I always felt like I needed to have my own financial security and my own financial freedom. I had nothing to do with whether or not I loved him or not and I love him a lot. But it was just because I wanted to have my own kind of security, so to speak.

When I left Bloomberg TV, I was no longer making an income and I made a great income there and all of a sudden, I went from not being able to spend like \$500 each on a DVF dress or you know, buying the best shoes out there. I actually had to downgrade my wardrobe to more of a startup wardrobe but the hardest thing for me starting a business with asking my husband to transfer me money so I could pay my credit card bill. I'm not proud of that but that is kind of what I have to do.

Now my credit card bill definitely not what it was when I was making my own money. I find myself often doing things like most of it is like for Amazon for the kids because as most women I control, you know, I run the household in terms of buying things to make this house move from toilet paper to men's moisturizer for my husband.

That was the hardest thing was knowing that I would need a little bit infusion to kind of get the company going and I would have to rely heavily on my husband for someone who feels very strongly that women should take care of themselves.

[0:15:02.9]

FT: Interesting. You know, whatever suits couples, I also believe in having your own bank account, maybe you also merge some accounts but women, men, always have their own individual accounts, it allows for more autonomy and like you said, financial freedom.

Did your husband — was he surprised that you wanted to have such a division of the finances? Did you guys ever have differences over that?

[0:15:29.9]

MSD: Well, a lot of it goes back to, you know, I think the answer is, like he's super supportive, right? For him, I think it's annoying for him to transfer me a couple of thousand bucks here and there so I can pay for things for our children. But he understands that I'm pretty independent and I feel very strongly that way. Just give you a little bit further detail, like my 401(k) and I've got them in two separate accounts, those are completely separate from him as well and I feel very comfortable doing that. I feel very comfortable having a sense of what's in my account.

It feels like it's mine, I guess my entire life, I feel like this is mine, I don't want to — we're joint but I don't want to be the beneficiary of someone else's hard work. I want my hard work to be the money I use when I buy things.

[0:16:18.5]

FT: I like that. "I don't want to be the beneficiary of someone else's hard work." I might tweet that later.

[0:16:25.0]

MSD: Tweet away.

[0:16:26.9]

FT: We've transitioned nicely here. Let's talk a little bit about your — so I guess that could be a good financial philosophy, I don't want to be the beneficiary of anyone else's hard work.

[0:16:35.2]

MSD: I think I came to that because my mom when she came here from India, she buried — she was a professor, she gave that up to follow my dad, her husband to the states, she gave up this great job and she relied heavily on my father for everything. Sometimes that involved, you know, asking questions or asking permission and I just never wanted that. No one ever said to me like, “Be financially independent,” but I just picked up on that. That that was important to me.

[0:17:05.5]

FT: As we do most things from our parents, they don't ever actually articulated but through their actions, we learn 99% of right from wrong. Let's talk about your childhood a little bit, since we kind of migrated to family. Tell us a little bit about your biggest money memory as a young girl growing up and tell us where you grew up, and did you have siblings, and what were you surrounded by?

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MSD: Sure. Born and raised in California. I was born in LA and my family moved up to Northern California and eastern San Francisco. I come from a very small agricultural town called Tracy and...

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FT: I know it well, my parents are in Pleasanton right now and Tracy is not too far.

[0:17:47.6]

MSD: Oh my gosh, we're neighbors. Yes, that's like 25 minutes away. The best gift my parents ever gave us was an education so they were pretty stingy on most everything else except when it came to things that had to do with education. So I always got new books, they felt like buying a used book was setting me up to not kind of have like a good karma. So they never let me get a book that was already underlined or highlighted. They always, you know, one of my best memories is going to Staples and I was allowed to get whatever I wanted from Staples but you know, if I went to Macey's, I wasn't allowed to get whatever I wanted.

[0:18:24.0]

FT: Right.

[0:18:25.2]

MSD: But at Staples, I could get like whatever. You know, notebooks or pens or whatever I want.

[0:18:28.6]

FT: Was there always — so was there pressure to excel to the point where you know, you went to MIT, your sister you said Harvard, did you always feel like that's where you had to end up?

[0:18:37.5]

MSD: Absolutely and I think that is very true for a lot of, you know, my parents were immigrants. I'm first generation, so to speak, and I think they knew that that was the foundation for success. Regardless of what I did, getting into a good school was very important to them. Again, you kind of just like pick up on that as a kid, you know? I remember being in 7th grade and telling everybody that I was going to go to Stanford.

Then when it came time to applying there I was like, "Nope, this is way too close to home, too close to Tracy." You know, you asked me a question about my earliest money memory and I was just ruminating on it and it had to be the fact that I realized early on, maybe when I was eight that everyone out else — that I was getting gipped. That everyone else had an allowance except me.

I remember creating this chart and I got out my ruler and like my dad's ballpoint pen and creating like a chart that I posted in the hallway that said all the weeks that they — on the horizontal side I had the dates and then I had the amount on the left hand, my sister's in my name on the Y axis, so to speak.

I said, "These are all the times that I want to get paid my allowance and because you haven't paid it for the past four months, I want to get back, I want to get pro-rated these four months." I remember them thinking, they were like, "No, we're not going to give you an allowance, you should make the case for what you need and why you need it and then we can decide."

Again, early on, I learned that you have to ask permission to get money, which is interesting. Maybe that influences kind of the decision on why my bank account is very separate from my husband's.

[0:20:15.8]

FT: But always the engineer. I mean, you're talking charts and graphs and you know, Y axis and...

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MSD: I know, I'm a big dork, I can't help it. I'm not like the type of person who can financially model and it looks like they're playing the piano like my husband when he financially models it's like, "Whoa, what are you building?" But I do like to document things. Yeah, I guess that's how I think.

[0:20:36.9]

FT: All right, tell us how you maybe have thought wrong in one case or another as you were developing the business, a failure that was unexpected and how you coped with it?

[0:20:50.8]

MSD: Gosh, I feel like there's so many to pick from. I'd say probably one of the biggest failures that we had was that we didn't initially realize how powerful the female is in our company and that we should have gone forward with that.

When I say that, initially we were all about men and targeting men and even though we knew, I started the company for my husband and so did Laura. We were doing that and we weren't talking to enough females about kind of they were involved in the purchase process and how they thought about what products to buy.

I mentioned this only because women are very price conscious. They care a lot more about kind of what price points they want to spend, especially if they're thinking about what price points they want to spend on their husbands. Men are very new to the world of grooming, so when you give them a price of a product, we AB tested different pricing.

They don't know that \$18 is expensive for a deodorant or \$22 is expensive for a deodorant. Our deodorant is \$12 bucks so when we tell them things, they don't know but a woman can be like, "Oh my gosh, I'm getting ripped off." We didn't pay enough attention that women are more value oriented and so that's going to — because women are so influential in men's purchases. I'd say to that was an area that we quickly fixed on which is making sure that women are now part of our focus groups rather than just men.

[0:22:25.0]

FT: As you mentioned, they're the biggest promoters of your product, they're the ones telling the men to enter their credit cards.

[0:22:31.7]

MSD: Totally, but yet our focus groups were all structured around men. Even though we knew that women are very much buying the products or, you know, leading their guy to that direction, we just didn't think it was worthwhile to get them all a room or, you know, give them surveys and do some ethnographic research to women but we are now changing that because — and it goes great with our, why we started this, two women starting a men's grooming company. So I think we were overly relying on the pain points that Laura and myself had.

[0:23:04.2]

FT: Right. The company has been dubbed “the Warby Parker of men’s grooming”. Certainly you’re probably taking pages out of this successful companies books, the ones that have paved the way for other startups. In what ways is Oars + Alps writing its own rules?

[0:23:22.1]

MSD: That’s a great question. I’d say one of the big things that has been really helpful to us is we don’t view ourselves as a skin care company, I truly think we are a company that celebrates movement and we are a company, like a high performance athleisure brand and just so happens that we’re doing skin care.

I say that for a couple of reasons; the first is you know, I don’t want anyone to ever feel like they’re buying a product because they’ve got dry skin in and we’re the solution to their dry skin. I want people to feel like by using our product, they can go and continue to achieve their goals and kind of continue to go down this amazing path and journey that they’re already on.

We’re very much selling an emotional experience and a functional one. Why that’s interesting is, a lot of the way that men shop and a lot of the way that brands cater to men is men have a problem and this is a solution. We kind of think that that’s not the right way to think about it. That if you’re looking for a solution, there are other brands that can cater to you. We’re giving you something that’s not — we wouldn’t consider it a solution. It’s something that is a partner to you as you go on this journey.

A lot of that is seen the way we bright our copy, the way we send this curated emails, the way we even segment our emails, we’ve got like hundred different segmentations so not everyone is getting the same email. In fact we’ve got like on any day we got 10 different emails going out to different customers. So that is part of how we think about growing this brand in the online channel.

[0:25:06.2]

FT: Yeah, it sounds like you are leaving the door open for a lot of growth. Do you have employees or is it just you and Laura?

[0:25:14.8]

MSD: We've got that. That's great, we're a small team. We're about four people. I'm focused on the behind the scenes on the operations of the business. Laura very much was a senior marketer at Facebook and she focuses on marketing. We have a head of creative who does all of our photography, social media and influencer and ambassador program. PR, we've got a former chemist who used to work at Keels who helps with the product development and creating our formulations.

We are quickly hiring so if anyone wants to work at Oars + Alps it's jobs@oarsandalps.com. That is my shameless plug. We are looking for exceptional people to join our team on the operational side and on the marketing side and we've got a team of interns that have been great as well. So we are quickly growing. We are in the process of hopefully closing our seed round and so that will allow us to be a lot more flexible going forward.

[0:26:13.1]

FT: Interesting concept, raising money. How are you balancing the funding of the company so that you're not taking in so much from investors that you're beholden to their needs as opposed to what's best for the company?

[0:26:28.0]

MSD: Oh gosh, Farnoosh, that is such a good question.

[0:26:30.4]

FT: In 10 seconds.

[0:26:30.9]

MSD: No, I know and at first we didn't want to raise money from anyone and then we realized that it probably made sense to raise money to get to the growth and scale we wanted to get at. I personally think that any investor who's not willing to take a call for me on a Friday night when they are out with their wife or their husband at 10 PM for me to give them the good news, the bad news, and the really shitty ugly news, are people that I don't want to be a part of.

I'm all about transparency, I'm all about openness. Taking money, again, this is someone who doesn't want to share their bank account to someone else is very hard. It's a very hard ask, it's something I don't take lightly. I've turned down more money because I didn't feel like they weren't the right partner.

For instance, for every investor out there, anyone who asked me why two women are starting a men's grooming brand, I look at them and I thought, "Yep, not taking your money," and I knew and this is one of the first questions they would ask us and it got comical at how many times people and men would ask us this question. No one ever asked like, Farnoosh, did you know that Victoria's Secret was started by a guy?

[0:27:41.9]

FT: No, what? You're lying, well I could kind of understand that. I mean what guy wouldn't want to surround himself with lingerie models?

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MSD: Well, there you go but you think that Victoria started. I don't even know where Victoria came from. But like, no.

[0:27:57.2]

FT: Yeah, it's Victor's Secret actually.

[0:27:58.9]

MSD: Exactly, there you go.

[0:28:02.2]

FT: That's as funny as I'll get today, by the way, that just happened. That's the best joke I'll give all week.

[0:28:07.2]

MSD: Maybe you should tweet it.

[0:28:08.3]

FT: And you teed me up, that wasn't even really my joke. It was waiting there for me to say it.

[0:28:14.6]

MSD: Teamwork my friend, teamwork.

[0:28:16.7]

FT: So that's a good litmus test, yeah. Because if they're asking that then they probably haven't done any homework.

[0:28:21.7]

MSD: Totally. It's so crazy that if you talk to any women and they'll tell you that either they are trying to get their husband to use moisturizer or their husband is currently using a moisturizer or they're dragging them into the Bloomingdale's counter or to another store to buy these products. So it's very much no surprise, we control, we are the gatekeepers to their face.

[0:28:46.1]

FT: Yes.

[0:28:46.3]

MSD: And to the bathroom.

[0:28:47.6]

FT: Well on that note...

[0:28:49.6]

MSD: Are you buying toilet paper?

[0:28:51.2]

FT: Yes, Amazon has me down for a lot of products these days and toilet paper, paper towels, detergent. No matter how, I think, successful women become in the corporate world and the professional world, domestically there's still some things that will gravitate towards our domain and it's not like I'm resentful of the fact that I have to go on Amazon and buy toilet paper, it just it is what it is and if I do it, it just means that it will get done sooner and more efficiently.

[0:29:23.1]

MSD: And you're going to get double-ply, right? If you'd let them buy you are not going to get double-ply. You are getting airport quality.

[0:29:28.1]

FT: Tim is not allowed to buy toilet paper actually because of that reason. I've gotten burned buns too many times.

[0:29:35.0]

MSD: Totes, I totally agree.

[0:29:36.9]

FT: Yeah. On that note, Mia Saini Duchnowski, thank you so much for coming on the show and after all these years it's so lovely to reconnect and just really impressed with where you've taken your life and your business and Tim is already a fan of Oars + Alps and I have a son and when he gets a little bit older maybe we'll introduce him as well.

[0:29:57.6]

MSD: He's going to take to Oars also, that's our whole phrase, #taketotheoars.

[0:30:01.2]

FT: Oh okay, I like that — take to the oars.

[0:30:03.3]

MSD: Essentially if things aren't going your way life is not giving you what you want you just take it to the oars and figure it out yourself.

[0:30:09.4]

FT: Perfect, you thought of everything. You literally have thought of everything. Mia thank you so much and wishing you and your partner, your business partner continued success.

[0:30:18.9]

MSD: Have a great one Farnoosh, thank you so much for having me on.

[END]