

EPISODE 1111

“KG: I remember him saying something that really, really kind of fed into sort of this doubt that I had but also gave me fuel, which was, ‘Sweetie, Americans like sweet, actually love sweet,’ and telling me that I could never turn this product, the unsweetened fruit-infused water, into a business.”

[INTRODUCTION]

[00:00:58]

FT: We’ve all by now probably seen Hint Water on the shelves. You may have some in your home right now. It’s one of America’s most popular healthy drinks, and today we have the founder of Hint Water, Kara Goldin, joining us. She’s now a new author, author of the book *Undaunted: Overcoming Doubts and Doubters*. You just heard an excerpt of her sharing the behind the scenes of launching Hint Water years ago, told she could never do it. America likes sweet. America likes sugar. And yet Hint went on to become the leading unsweetened flavored water.

Kara herself receiving numerous accolades including Ernst & Young’s Entrepreneur of the Year in 2017 and InStyle Badass 50, Fast Company’s Most Creative People, the Huffington Post also listing her as one of six disruptors in business alongside Steve Jobs and Mark Zuckerberg. On top of being an entrepreneur and an author, Kara is a mom of four children. She’s also the host of the Kara Goldin podcast where she interviews founders, entrepreneurs. In her book, *Undaunted*, it’s part biography, part business memoir with lots of insights on self-development, sharing important lessons from Kara’s own path. She says, “Whether you want to get healthy, start a company, break an addiction, find a new career, or just grow in life, this book will inspire you to go for it and help you find the courage to get there.”

Let’s crack it open. Here is Kara Goldin.

[INTERVIEW]

[00:02:28]

FT: Kara Goldin, welcome to So Money. How are you?

[00:02:32]

KG: I'm good. How are you? Thank you so much for having me.

[00:02:35]

FT: This is such an honor, We are huge Hint fans in our household, and I want to thank you so much. Your team has been – Maybe you may or may not know but just so supportive of some of my projects over the years, last year launching Stacks House in Los Angeles. Hint was our official water. So everybody who experienced the exhilarating Stacks House was able to refresh with the delicious Hint Water. Then years even before then, you and I remember this, but six years ago I was a reporter and I was writing for DailyWorth, which is now defunct. But we were –

[00:03:14]

KG: Oh, my gosh. Yes. [inaudible 00:03:15].

[00:03:15]

FT: Yeah. It was a story on like how women like you who are founders and CEOs and mothers and running multiple projects at the same time get it done, how your day runs. So I just wanted to get like a sense of your day, and you were generous enough to share some insights for that piece. So it's nice to just sort of catch up now, and there's so much on your end to celebrate. Most notably, just yesterday you launched your first book, *Undaunted*. Congratulations.

[00:03:48]

KG: Thank you so much. It's very, very exciting. It's been a four years in the making, so I'm very,

very excited that this day is here.

[00:03:58]

FT: I can imagine. It feels good to have it out in the world, and I want to talk a lot about it. But first, this is the first time you're on So Money. I don't know why it's taken me so long to bring you onto the podcast. I love speaking to female founders. Among all your many, many media accolades, the Huffington Post calls you one of the leading six disruptors in business alongside none other than Steve Jobs and Mark Zuckerberg, both tech guys. What's so cool is that you did disrupt in the water industry. It's something that we take for granted as being so simple and like what is there to disrupt. Do you see yourself as a disruptor?

[00:04:38]

KG: I think, for me, it's sort of I feel like that term has come about over the last couple years in particular. Look, I think what I'm trying to do is actually change industries and industries in particular that I see as not really that great for people. I think I admire both of those people that you mentioned and as well as the Huffington Post. So it was a real honor to be called out. I think the thing about disruption is that it's something that overall is, yeah, it does feel good. I mean, honestly it's something that I think overall is just really kind of a fun saying in many, many ways. And I feel like to actually be called the disruptor, I must be doing something that people are noticing, right? That is changing in some way.

[00:05:45]

FT: I was just in a meeting the other day. Well, the other day meaning like pre-COVID, so February was the other day. I was at our ad agency, AdLarge, for this podcast, and the CEO sits me down. He's like, "Do you want a Hint Water?" He's like, "I am in love with the Hint Water." He thinks he's introducing something to me. I'm like, "We're a fan. We are preaching to the choir here. We're all fans of Hint Water."

[00:06:07]

KG: I love Hint. I love it.

[00:06:08]

FT: But it continues to be this wonderful discovery that people make. For you, you discovered this formula, so this very simple formula, out of your own necessity. I know that you were trying to be healthier. You had a fixation with diet soda. I did too. Within months, you were delivering the first cases of what was then the Hint Water to the local Whole Foods. A business was born within months. Was that ever the initial idea like, “I’m going to help myself and then ultimately start a multi, multi-million –” I don’t know. Is it billion at this point dollar business?

[00:06:47]

KG: It's not quite. We're not Coca-Cola yet.

[00:06:50]

FT: Yet.

[00:06:51]

KG: But we're getting there. Yeah. You know, it's funny. I think back on those days fondly actually and I call myself an accidental entrepreneur. Basically by that, I mean that I came really to the world of startups on a totally different path than many other entrepreneurs, and founding a company was really never my goal. I didn't sit there and think, “Okay, I’m going to go be an entrepreneur. I'm never going to go work for anybody.” There are entrepreneurs that become entrepreneurs in that way but I really – This all kind of came to be when I was in my mid-30s and, as you mentioned, I had a huge addiction to diet soda and was really – I was working in different media and tech jobs and living in New York and then moved to San Francisco, got married, had kids in.

Basically, I felt like it was really in the early 2000s when I was working 18, 20-hour days at AOL and I was really not feeling as good as I thought I could feel. I had gained a bunch of weight

over the course of having kids. I had three kids at that time. What I finally one day and truly by accident did was I looked at my diet soda and saw that the ingredients were just not things that I understood. I kind of didn't have time or energy to sort of sit there and look them up. So I thought if I kind of put this to the side until I actually understand what I'm putting in my body, maybe it will be something. Maybe it won't be. I actually predicted that it was really not sort of the reason why I couldn't lose weight, why I wasn't feeling my best.

But after two and half weeks of swapping out this diet soda for plain water, I found that I was – My skin had gotten clear. I lost all this weight. So that was the point when I'd lost over 20 pounds in two and a half weeks. That was the point where I really said this is absolutely crazy. I wasn't drinking full-fledged sugary soda. I was drinking diet soda. So I was kind of upset with myself frankly that I had been tripped and fooled and then obviously been pretty upset with how I had been marketed to. At that point, I really said "Why don't I just go see if others want this product too?" Because I thought if I could really help other people to get healthy and let my passion and commitment to making a great product kind of be my guide, then that would ultimately be the way that I would not only develop a great product but also a great company.

I had no idea that what I was sort of getting into or frankly the – Not even mountain. I wouldn't even call it that. That is a generous kind of way to sort of think about the challenges of growing this company against the large big behemoth beverage companies that are out there because it wasn't just about creating a product that tasted great, which we did from the beginning, but it was also everything from shelf life to distribution to getting into stores, changing how we actually sell product, and lots of different aspects about it that, again, I had no idea exactly how to do it or that I would be able to do it.

[00:11:07]

FT: On top of everything, it sounds like from your book because the subtitle is *Overcoming Doubts in Doubters* that you didn't exactly have this cheerleading squad behind you. That there was a lot of skepticism perhaps surrounding your ability to see this to the finish line. So can you extrapolate a little bit that subtitle for us and how that hit home for you?

[00:11:33]

KG: Yeah. I'm just thinking about that. I mean, probably like just one example of kind of the doubts and the doubters. I mean, look, we all have doubts and doubters. And something that I've really come to believe is that this is not something that is unusual for people. It's really what you do with these doubts and doubters. So when I created my first recipe for Hint, I didn't know anything about the beverage industry and wasn't sure I could even build a beverage business, hence my doubts.

But I finally reached out for some expert advice and ended up contacting somebody at one of the big soda companies in Atlanta through a friend, and I got a phone call with this person and shared my excitement about figuring out how to make water taste great without any sugar or sweeteners. I had a bunch of questions that I wanted to talk to him about bottling and distribution. Again, I just was really trying to figure this stuff out. It's funny because instead of answering any of my questions, he listened very carefully and then he told me not to bother with actually producing this product, Hint. I was like, "Why? I mean, I'm curious. Why do you say that? Because I've noticed that it really helps me to get healthy and I talked to a bunch of friends out here who feel the same thing that they didn't really understand what these diet sweeteners were doing to them."

I remember him saying something that really, really kind of fed into sort of this doubt that I had but also gave me fuel, which was, "Sweetie, Americans like sweet, actually love sweet," and telling me that I could never turn this product, the unsweetened fruit-infused water, into a business. I thought, first of all, he called me sweetie, and so we aren't very much alike, right? We're – I just was like, "Wait. Did he just call me sweetie? He doesn't even know me." It really pissed me off, and I thought he wasn't the only one that was doubting me. I mean, obviously, I was doubting myself too, but I could easily at that point have just given up and moved on to something else. But I knew deep down that what I had created in my kitchen was helping me get healthier and that there were plenty of other people like me who wanted to drink water but found plain water boring.

So I basically listened to him for a while and then said, "Hey, you gave me a lot to think about. Thank you so much." Click. Today, we're nationwide in grocery stores, warehouse clubs, and online, and we built an entirely new category of drinks, which is unsweetened flavored water. I

think like the biggest lesson that I learned there, not only the idea that just because somebody doesn't actually see the same thing that you see, just because they have so much more experience, our tendency is to think, "Oh. Well, they must be right." Right? I mean, use that example in any industry, and it ends up that now I look at people who are in large kind of archaic companies, and they just don't look at new, right? They don't look at disruption. They don't look at how things could be because they get so used to doing the same thing over and over and over again, right?

So that is really what I was hearing from this gentleman was that they didn't do unsweetened flavored water, right? There was – They had a water company but they weren't doing flavored waters and they certainly weren't doing them with real fruit. So that was I think we really, really eye-opening to me because I thought he wants to shut this down right now and ultimately not have any unknowing competition out there. But he's wrong, and I should just go and try. I think that that's really another key piece of what I talk about in the book too and what – Sheryl Sandberg actually read the book early and gave me one of my blurbs in the book. She said, "The thing that I really got out of your book, which I think is really, really important for people to hear is that," and something that she thinks about frequently is, "If you don't ultimately or if you didn't ultimately know the word failure, what would you do?"

I think that is the key thing that we all have doubts. And oftentimes if we go out and look for advice, you're going to find people that are actually going to escalate those doubts, right? Instead, figure out what you're going to do and go do it and go try and stop figuring out or stop thinking about failure as something that is ultimately going to happen or could happen. Instead, go out and try.

[00:17:37]

FT: I'm so stuck on that sweetie thing, and it bothers me, but I think it points to a much bigger problem which we know, which is sexism and underestimating women. Do you think that your journey would've been any different if you were a man?

[00:17:54]

KG: I get asked about that a lot and also for different aspects like fundraising. Look, I've never obviously been a man, so I don't know for sure. I can talk from friends' experiences that I think I'm watching them. I think it's easier to sort of look outside of yourself and look at what how other people have been treated. So I think clearly there are some of that that's going on but I think it just didn't matter, and that is another theme that I talk about a lot is that if you really want to go out and do something, then why build up walls in front of you that say, "Okay, you're never going to be able to do this or this is going to be too hard to ultimately do." You need to figure out like you have a choice. You either try or you don't, right?

But so frequently, I think people just can't get out of the gate because they think that, "Oh, okay. I'm not the right gender and therefore I shouldn't even go try." That I think is something that, again, it kind of doesn't – I mean, if it's going to happen and you really want to ultimately go and do the product or do the business or service, whatever it is, then you've got to go and try. Again, like I could have sat here and said, "Okay, this is affecting how I'm ultimately going to grow, and therefore I shouldn't do it or whatever." Fast forward 15 years, by the way, is we're the largest unsweetened flavored water in the US today. We're one of the largest flavored waters. We're definitely – When people are talking about beverage companies, I mean, we're easily in the top 10 beverage companies in the US today. Again, that guy that called me sweetie told me that this was never going to work. I think it worked, right?

[00:20:14]

FT: I think so. And have you since followed up with this gentleman?

[00:20:18]

KG: I haven't. I believe he is retired, actually.

[00:20:22]

FT: I'd love to be a fly on the wall. If you ever run into him, that would be quite the experience.

[00:20:28]

KG: You know, Farnoosh, I think – I don't know if this has ever happened to you but I love running into people who doubted me.

[00:20:36]

FT: Sure.

[00:20:37]

KG: Right? I love it.

[00:20:37]

FT: It's delightful.

[00:20:38]

KG: And like 50% of the time, they actually think that they didn't doubt me, right? Then another 50% of the time, they remind them self and they own the fact that they did doubt me and that they were wrong. I love the ones that I own it, right? And that they're like, "Gosh, I thought a tech executive who decided to go into the beverage industry, this never was going to fly and you've proved me wrong." I was like, "I know, right? I mean, what do you say, right?" I think it's really okay and to be able to look everybody. Like I said, everybody has doubts. Everybody has doubters. Everybody doubts things. But the fact that you can own it and people prove you wrong.

Hopefully and one of the main reasons why I really wrote this book too was to show people that I had a lot of that, right? There were many people that said for a lot of different reasons that this thing wasn't going to fly. People asked me now a lot like, "Why did you write *Undaunted?*" I think the key thing, I grew up as a fifth of five kids with a bunch of successful brothers and sisters and got to see them succeed and fall in different ways. What I really noticed is that everyone has to find their own path and like in everybody has to learn. That is really what I wanted to cover in

Undaunted too to kind of share some of my stories so that they can be helpful to other people. Whether you're starting a business or hoping to achieve some other goal, you'll probably see something in my experiences that speak to you. Everything from my first job in working in a toy store to running a beverage company, I've dealt with a lot of fear and uncertainty and doubts. I hope just by hearing my experiences and how I've navigated my life so far will help people to find their way through their own journey, wherever you may want that to go.

[00:23:02]

FT: We are, many of us, experiencing a daunting time. This is a – We're having a moment. Whether you have a business or you've been thinking about starting a business, I think your head is circling with a lot of disappointment, discouragement, fear.

Before we go though, I wanted to end with how our relationship sort of started, Kara, which was with that interview that I did all of those years ago, six years ago when Hint Water was even then like a huge hit and since then has even grown exponentially. But back then, your kids were still little, and I interviewed on about like your day like, "Tell me about your day and how you make it work." You had this great insight of investing in the help of others. And when you have – You have kids, right? That's a lot of different ages. It doesn't really make sense to bring in one person for all of them. Maybe it's that you bring in two people because the kids have different activities and needs and all of that.

So fast forward today, six years later, I would love for you to share the greatest decision that you made in this period of time regarding your business and then the greatest decision you made regarding your family since those many years ago.

[00:24:23]

KG: I would say business first. We just actually closed in the middle of COVID a \$25 million round of financing, which was another one that people said, "How can you raise money during COVID," and we did. We were able to do it, and that really points to what I'm most proud of is people that we've partnered with to invest in our company. So this round was led by Springboard Capital Group, which is an all-female-founded group that only invests in later-stage

female-founded companies. So they led the round and it was – I think that it just really points to overall what I believe in is that people who have some sort of involvement in your company, whether it's employees or investors, you have to like believe in them for them to believe in you and really have that synergy between the relationships overall.

I see so often when people are building companies that they take frankly the wrong money in and they don't think about that. It takes tons of time to kind of find the right people. I often say to entrepreneurs that as soon as you close around, don't stop. Try and figure out, really network to be able to find who you ultimately want to have in your company, and that is really what we did. So when we decided, when we have been growing thankfully like crazy and we just went into Costco nationwide and lots of other retailers, as well as our direct to consumer side has tripled since March. So we really needed growth capital. But, again, we weren't going to settle and raise with people. We were oversubscribed for it but we weren't going to settle on doing it with people that we really didn't want to. So I think that that is the key thing from a business standpoint.

Then also just looking at sort of a family. I think that the key thing is really – I think I'm most proud of the fact that I've allowed my children to really see me as a leader and not just kind of a mom but also really doing something that impacts lives, right? By really being not only an advocate for getting the sweet and diet sweeteners lessened in the marketplace but also so many other initiatives. I'm working on a huge clean water initiative in Washington right now to try and really elevate awareness around lead and PFAS and some other things that are in our water supply, our tap water supply unfortunately.

So being able to show them that I not only am running the company but also I'm doing good and social good and helping try to solve problems in areas that are not necessarily for my bottom line of Hint but are important and I have knowledge of them and I'm able to use my voice. I think that they've grown up in a house where I can imagine that they won't be doing the same thing because they see their mom and somebody that is really trailblazing and trying to change things. That to them is I'm still mom but I'm somebody that really is going up against the big guys and doing things that not every CEO does either.

I'll leave you with – I'll never forget when my son who's now 18 was – I think he was probably 11

or 12 years old. Speaking with Sheryl Sandberg again, but he saw Sheryl Sandberg talk about *Lean In*. He said to me, "Mom, I just realized that women aren't CEOs." I thought, "Oh, gosh. Where are we going with this?" He said, "But you're a CEO, Mom, and I don't understand why there aren't more women CEOs because you're a great CEO. So why is this?" His name is Keenan. I said, "Keenan, I agree with you. And because you believe this, like maybe you'll change that." He said, "I will because I think that there's no reason why women can't be leaders and can't be CEOs and also can't be moms at the same time."

At that moment that I really realized it was a great parenting moment, where I realized that I'm his role model, where he will forget about me for a minute. He will go out into the world because he's seen me do what I do every single day and have more respect for women and what their position should be.

[00:30:27]

FT: What a role model. Kara, thank you so much. So happy to reconnect with you with all the good news. Your book is out now. Everybody, check out *Undaunted*, available everywhere. Of course, pick up Hint Water while you're at it. Start your day off healthy. Thank you so much.

[00:30:47]

KG: Thank you so much for having me.

[END OF INTERVIEW]

[00:30:52]

FT: Thanks so much to Kara for joining me. Check out her book, *Undaunted*. You can get it wherever books are sold. You can also follow Kara on her website at karagoldin.com and all social channels @karagoldin. Thanks for tuning in, everybody, and I hope your day is So Money.

[END]

