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SPEAKERS

Matt Hunckler, Eric Magor, Brandon Martin



Brandon Martin 00:00

There's enough emotion sometimes in the world or in my working world when you're dealing with business owners and startups and entrepreneurs that are dealing with a whole bunch of things going on and anxiety tight enough as it is. So my, one of the biggest takeaways is that I try to keep myself pretty level headed and leave the emotions for somebody else to have, but I need to be that calming influence when we're having that conversation with somebody to say it's gonna be okay.



Matt Hunckler 00:39

Hey there, Powderkeg fans. This is Episode 106 of powderkeg igniting startups, the show for entrepreneurs, leaders and innovators building remarkable tech companies in areas decidedly outside of Silicon Valley. I'm your host, Matt Hunckler. And today we've got a very special episode with two guests from Charlotte, North Carolina. First up, we have entrepreneur Eric Magor the founder of bundle, an app that gives homebuyers and mortgage shoppers that place to sort of start as they learn, understand and manage the whole mortgage process. I would have loved something like this earlier this year when I bought my most recent home. Eric was formerly a director of movement mortgage and a VP at Citibank. Eric is a financial services leader with over a decade of experience building high performing teams, and is passionate about helping homebuyers navigate this whole mortgage process. Great to have you on the show.



Eric Magor 01:30

Thank you. Great to be here. Thanks, man.



Matt Hunckler 01:33

Next up, we got Brandon Martin is a principal with the technology industry group at CLA. I've spent some time with Brandon in multiple different states around the country. He is super knowledgeable about this tech space. And so very Apple is a leader in the tech group at CLA. That's Clifton Larson Allen and his professional services firm, the eighth largest accountancy firm in the United States. Brandon has more than a decade of experience working with entrepreneurs and leaders to build on financially strong, successful businesses, we UCLA at Powder Keg, and we're really grateful to have the relationship with them as we continue to scale nationally. Thank you very much for being on the show Brandon and then also as a veteran of the US Armed Forces, thank you for your service as well.



Brandon Martin 02:17

Well, thanks for having me. That's a pretty humbling intro, but I am certainly glad to be part of this. So thanks for having me.



Matt Hunckler 02:24

Yeah, this is gonna be a lot of fun. I'm, I'm very eager to talk to both of you because so much happening right now in Charlotte, North Carolina. And I know, in particular bundle is really taking off so I'm eager to hear about that startup story. But first want to learn just a little bit more about each of you. So now, Brian, I've been saving up all these questions to really better understand kind of where he came from. And Eric, after reading a lot about bundle I've got a ton of questions for you. I start with you, Erica. And just better understand, how did you get into this crazy world of entrepreneurship? Was it something that you knew you wanted to do your entire life or was it something that crossed your path and you just couldn't not do



03:06

it? No, it really was was the second piece, right? So it's not something I necessarily thought of that I wanted to do all my life. I grew up here in Charlotte. And so it was a little bit you know, I always thought it'd be cool to work for Bank of America. It's sort of the shining,

building on the hill here in town and, and I did work for Bank of America for about four years and then switched over to a national leader in mortgage lending movement, mortgage and some other banks as well. But really, how I stumbled into the entrepreneurship world was a little bit by chance it was it was through my through my previous job where I was running some finance teams at movement mortgage, and came up with this concept came up with this idea in reason I knew it was a really a time to take that step is because I was actually extremely happy with the job that I was currently in. I love the company, I love the people I worked with. I love my team, it was a team that I was able to build from the beginning and so is just a really solid experience. And so it was sitting in that sort of situation of happiness, I guess. And then and then not being able to stop thinking about this idea that I had. And so that's how I knew it was a little bit, you know, it was real, and, you know, clearly had some pretty in depth conversations with my wife. I'm married with two young kids, so I'm not, you know, a software engineer right out of college that can afford to live on ramen noodles for multiple years. So a little different situation than a lot of entrepreneurs. But, but yeah, that's sort of where we're at where the idea came about and how I got started.



Matt Hunckler 05:00

Well, I would love to dig in more about that sort of like, moment of truth of Are you in or out? Are you going for it? But first, we'd like to just get a better understanding of like, what was your day to day that you're doing as someone who has not worked in the mortgage or finance industry at all? It's hard for me to imagine kind of what that work was like, I've got a better understanding of what you're doing now as a startup CEO, then right, what was it like working there



05:22

at movement mortgage? Yeah. So the bigger company, the bigger of a company that you work for the smaller and more particular Your job is, right? And so every job that I had it, whether it was Citibank or Bank of America, when you started telling people what you were doing there, and especially in some of the positions that I was, and where it was very heavily analytical, you immediately started to see in their eyes gloss over a little bit and you know, one to, you know, talk about, you know, the game on TV or whatever it was right. And so, in general, I've done a lot of credit risk. analytics. So looking at the millions of customers of large banks and figuring out who is more likely to pay their mortgage back, or who is more likely to pay their credit card back and trying to either price that risk, or work with some of the origination teams to make sure that you're approving applications that you should be improving. And then at movement mortgage, my role

expanded a lot where we were doing a little bit more responsibility. We had a treasury group, over about \$2 billion. And in credit lines that we manage that was sort of how we funded the mortgages. We had that we had all the business intelligence, which is really insightful. It's really, you know, putting measurements and KPIs in every single group and working with CEO, CFO CFO and really figuring out how you want to measure a business and a company in individual units within that company. And so tons of really great conversations there and a ton of opportunity to really learn how sort of the engine works on the inside of a mortgage company.



Matt Hunckler 07:11

What were some of the bigger insights that you got there that have really informed this opportunity? Like, when did you start to sort of connect the dots and be like, okay, there's gotta be a better way.



07:22

Yeah, so I think one of the, one of the key things for me was we started to dip our toe into what's called direct to consumer mortgage lending, which is, you buy, you know, you know, a typical way you would do this is you would buy leads online. And you could, you would call those leads and then you would try to, you know, gauge interest of those potential customers, if they wanted to get a mortgage with you, right. And so, once you started digging into some of those numbers, you realize that some of those lead sources you might buy 100 phone numbers and close one of those loans. So you're calling 100 people to close one loan, and you're not calling them one time you're calling them six or seven or eight times because that's what the math says. So you're calling you're making 600 phone calls to close one mortgage. And that just didn't seem right. I was like, What are the externalities to the, to the homebuyers? Or the potential homebuyers of all those phone phone calls? And, and remember, or you know, just another piece of information there. So one company is calling six or seven or eight times, a lot of those leads are sold to five or six companies. So you may be getting 50 phone calls from five or six different banks, which I just didn't feel like is a really good customer experience, right?



Matt Hunckler 08:49

Yeah, no, absolutely. And I can only imagine having a family having a salary at a large mortgage company. Money and having that conversation with the with the wife on Hey, I think I want to get rid of this safe, secure salary and go, go do something a little bit out of the ordinary How did that conversation go? As much as you're willing to share?



09:14

Oh, no, I think it's really important, especially so for anybody who is thinking about taking that, you know, jumping off into the deep end of entrepreneurship, you know, in you have a significant other. That's probably one of the things that I feel like I've done the best is to sitting down at the kitchen table. kids are in bed. Hey, Jess, I have an idea. And let's just talk through it. And get down to specifics of like, here's where our savings are. Here's what we really feel is important. And how do you sort of make sure that you're on the same page there? So here's all the different directions this thing can go and making sure that you're you're on the same page that whole time. And, you know, have check ins throughout the process and, and so that initial conversation and sort of setting up that communication early on is just really, really key for somebody who is in my situation,



Matt Hunckler 10:14

or really any any big career moves. Right, right. Probably good advice to be on the same page as your significant other. But talk to me a little bit about what you're doing now. Can you give me kind of an elevator pitch of bundle loans because I know you're really disrupting the way that getting a mortgage and buying a home is done. I chance to check out the products a little bit online. But maybe for those listening who are unfamiliar, you could give us a quick elevator pitch.



10:45

Yeah, so the quickest one sentence is we help you find a mortgage right and and we do that in a way that nobody else is, is doing it and and if you ask somebody, if you were going to buy a house, how would you find a mortgage? Most people Don't even know where to start. Right? They don't know, do they ask a friend a lot of times a realtor will give a recommendation. And and so that's really what we do. And the key differentiator, I mentioned all those phone calls earlier, so we want to make sure so we said, okay, everything, everybody's doing things, to try to check off some boxes of what lenders and banks want. But how do we sort of create a process? You know, throughout my career, a lot of really, really good friends have come to me and said, I'm thinking about buying a house, but I don't know what I'm doing. I don't even know where to start. And and how do you sort of answer that sort of anxiety piece for them. And so we've built the entire process around that person who doesn't really know where to start and might be uncomfortable in the solutions that exist today. You know, you feel like you're doing the right thing. You're going online, you might be doing some research, and you enter some information in a place that maybe You weren't supposed to. And next thing you know,

you're getting blown up all day for two or three weeks, you know. And so you don't want that your your heart's in the right place, you're trying to do the right thing. But you end up on a spot that isn't really the best for the customer. So that's, that's exactly where we try to me. That's what that's what we're designing every day is that process.



Matt Hunckler 12:21

When you're in it, you're in an interesting spot right now, because you're in you're in the startup phase, but you're kind of past that initial ideation. Phase II give us a little bit of sense of the scale and stage that you're at right now as a company.



12:35

Yeah, so we just recently launched our bundle 2.0 product over the past couple weeks, which was really based off of user feedback. We had a huge, huge response when we first released our beta product earlier in the year and you just, you learn so much from doing that and just where people are flowing in, in your application, through conversations of what what makes this product even better. And so we've incorporated a lot of that work in our most recent release to try to make it as seamless as possible. And so going into the fourth quarter, you know, we've got a lot of great lenders signed up on the platform, and we're just, we're expanding that we just recently hired a head of sales and, and so that has been really, really helpful because that's a piece that you you quickly realize you need your foot on that gas at all times. Right? And so if I'm messing around with Brandon working on some accounting stuff, I'm not, I'm not out selling the product, and that's something that you really have to pay attention to. All the time, right. And so, I'm so happy with the hire that that we made. His name is Marco Berger, Ella. He's just been asked in the past couple months and such a good move and sort of alleviated some of that need that we had to make sure that we're getting out there and get our product in front of people who want it?



Matt Hunckler 14:13

Yeah, congrats man. I want to dive into more on some of those lessons that you've been learning because I'm sure that our listeners always appreciate those lessons learned so they can learn from them. You know, from a from afar, you know, before they encounter them in real life, but curious how you and Brandon got connected.



14:34

So Brandon and I, we are now you know, we I'm a client of CLA, but Previous to that, we actually grew up about 10 miles apart in neighboring towns and through through sports and high school. Sports we knew of each other and, and medics a few times in high school just stayed casually connected for, you know, the last 10 years. And then recently as I entered the startup game and he was already sitting here, we sort of had drinks a couple times, had coffee a couple times and really have sprung up that relationship again from, you know, 20 years ago when we were in high school. And he's a he is actually a, he was an A star basketball player across town from me ended up playing down at the Citadel



15:32

after we graduated,



Matt Hunckler 15:34

nice Well, I definitely want to hear Brandon, I know you work with tons of technology companies and startups throughout the Carolinas and she kind of oversee that technology practice at UCLA and definitely want to get to that but I want to first start with your star basketball career. A little bit about what that was like as a Hoosier myself. I certainly enjoy hearing about basketball. I find a lot of times with executives and leaders, the lessons learned in sports carry on throughout the professional career, family life and everything else. So take me back to those days of getting on the court. And I don't know what what position you played, but what was it like being that star basketball player there in Charlotte?



Brandon Martin 16:24

Well, as Eric mentioned, we were they get the front end of this, we both acknowledge that we're both here from the Charlotte area. And you mentioned unicorns as we kick this thing off, he he and I are somewhat in that in that world of the unicorn of being the few that are actually from this area. So it's always interesting when I run into someone and talk to them and they hear my accent. They're saying, Where are you from? Yeah, I'm from the suburbs of Charlotte, where I picked up more of the Southern accent but the reality is, is I've been here my entire life and We're up in a little area called Rock Hill, South Carolina. And then when I was 15, I moved to Fort Mill, South Carolina. And that's where I played the high school basketball store might be an overstatement. I was I was good, you know, but I wasn't great. I guess good enough to go to the next level and play for a little while.

But the lessons that I gained from from playing sports that I think carry me to this day or the, you know, the the, the team work that comes out of that clearly, but one of the challenges that come with being somebody that's heavily tied to sports, it's not to have all the sports analogies every time you jump into a conversation because you know, some people like it, and other people's, you know, other people can't stand it. So you got to find that that happy, happy medium there. But, you know, one of my favorite players coming up was it still to this day with Scottie Pippen, and I appreciated his his style of playing Basketball, which was he could cover and play any position on the floor, he revolutionized the point guard position. He was amazing on defense and everything and every position that he played on that court mattered to them all the same. There was no area or no side of the court that was any less important than the other. And so I carried that with me through my basketball career, and you asked me what position I played in high school, I'll tell you how I played all level, you know, that was one through five. The reality is I played more at the four and five than I probably should have. And as a result, there weren't too many people looking for six, three power forward at the at the next level. But you know, at the end of the day, everything happened the way that it was supposed to lead me to this to this great firm led me to the opportunity to work with Eric and other entrepreneurs and, man, I'm blessed and I wouldn't have had it any other way.



Matt Hunckler 19:00

But it sounds like Scottie Pippen, or at least the spirit of Scottie Pippen would have been a good startup CEO, being able to play all the positions and wear all the hats. I'm sure you learned a lot to be in the in the armed forces as well. How did what how did your path take you down that road? And did you have kind of one one or two big takeaways from that experience?



Brandon Martin 19:25

Yeah, so my path to get to the military was really twofold. One I had a grandfather that was been a model lot of my life and career to the, to this day after and, and he was a retired colonel in the Air Force. And so I was I was pretty passionate about finding my way to support the military in the US and to do that was a pretty easy choice. For me. The other side of that is I'm a product of a single family household. My mother raised me and I have a twin brother as well on her own And to help, you know, as best I could, you know, the the basketball wasn't paying for everything. And the GI Bill and the kicker and the tuition assistance that came out of that it was it was, you know, really good money. So I went to school, but I was in the military when I was going to school. That's one thing that I always have to remind folks when they ask how it was, you know, three and a half years into my college education that I got called up and ended up going overseas to serve.

When I had graduated from college. Well, it wasn't at a military academy, per se, similar to the you know, the Air Force Academy or any of those other things when those guys really aren't in the service truly in the service until they finish. I was at a Military College being the Citadel but it was it's a public school. And not everybody that goes there goes the military route. When they finished I was in the military going to school. And so when everything happened with 911 and shortly thereafter, you know, I got my papers and you know, like a lot of people I was just Wake up I was ready to go I had a calls and this is what I've been trading for this what I signed up for you find out really quick that it was a lot of Hurry up and wait so is angry as you think you are and as much as you think you're gonna get over there in the Middle East in the middle of the desert and just start you know, fixing all the wrongs that have happened you find out real quick you know you're a part of something much bigger than yourself and a family and a community and, and there's a lot of things that don't make your local news cnn msnbc that may not necessarily be sexy, they use that word but they all matter they all matter the same and I swung my hammer way more times than I ever pulled my trigger when I was downrange and the experiences that I gained out of that and the the lessons that carry me to this day is really one of the ones that keep me a little bit level headed when things can get a little bit pressure cooker in the CPA world. You know when deadlines are coming and you know You can't run from them, you just got to run at them. You know, at the end of the day, we're not dodging bullets, we're not talking lives here. We're talking to use Eric's words earlier, we're talking about debits and credits. And so if you know that there's enough emotion sometimes in the world or in my working world, when you're dealing with business owners and startups and entrepreneurs that are dealing with a whole bunch of things going on and anxiety tight enough as it is, so my, one of the biggest takeaways is that I try to keep myself pretty level headed and leave the emotions for somebody else to have, but I need to be that calming influence, when we're having that conversation with somebody to say it's gonna be okay. You know, we've got 6500 folks here at this farm. I happen to be one of them, but we got your back and we're going to figure out a way to help you get through this. Right so that for me one of the biggest takeaways that I carry into the working world today. It's all right, we're going to be okay.



Matt Hunckler 22:58

I love that philosophy and I'm sure helps you perform at a much higher level. I know a ton of the research shows that the calmer you can be the more you can kind of have mindfulness and sort of have a mind like water. When things get hard and stress is high, the better you're going to perform, whether it's on the sports court or field or in the field of duty, or it's in the field with working with debits and credits, so I'm gonna share that practice. And and you find yourself back in the Charlotte area when you came back. And

right now, Charlotte is just on fire. It's exploding in terms of the opportunity in tech, particularly in FinTech. I know a lot of industries. Do you mind Brandon, I know you travel all over the Carolinas and all over the country. But you've got a really unique perspective on the tech scene in Charlotte. you mind sharing a little bit?

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Brandon Martin 23:51

Yeah, so it's really it's really interesting that over the last, you know, decade it's really just taken off. Right and And what's really spurred that alone, you know, I don't know that I'd be the one to put my finger on that one particular thing. But I will tell you that it's things just like this, that we're having a conversation. And then the next guy is having a conversation. And then we got private equity money that's getting this getting involved, and they're helping to finance some of these startups that a decade ago, may not have been able to get that now, that might not be your traditional, you know, private equity fund, but that might be an angel fund. That wasn't here. It wasn't, you know, as prevalent as it was. So, you know, we've got the money.



24:33

We've got

B

Brandon Martin 24:34

the talent, we've got the support infrastructure around here, and we've got people that really have a deep desire and I'll tell you, that's one of the things that Charlotte that's why I'm here to this day, why haven't left is because there's still some core principles where you won't find a city like Charlotte, in my opinion, that everyone is willing to sit down and have a cup of coffee with you, right? There's, there's not one person that I reach out to, frankly, that doesn't respond and say, Hey, you know what, I'd like to have that cup of coffee with you. Or maybe you can send me some information on that. Because I think we've got just like, when we're partnering with you, Matt in the powder keg team there, we're coming from a spirit of giving. And we've got a lot of folks in this community that are coming from a spirit of giving. And so when you do that, and you're putting others before yourself, then naturally that starts to spread. And when that message starts to spread, and people are successful, and we have a couple unicorns that come out of here, and you don't have to be a unicorn to be considered successful, right, that's a huge, there's a huge gap right between a unicorn and you know, the guy that's just trying to get some top line revenue and get a bottom line that looks sustainable. And so you, everybody And that and that mix, has a right to be served and heard and be created with opportunities. And I think

that's really at the heart of the growth that Charlotte has had around the entrepreneurs thing. But even more specifically, in the tech thing.



Matt Hunckler 26:20

Eric, did you know that there was such a tech scene when you decided to go full time on the startup thing? Or is it something that was sort of a fortunate circumstance that you happen to



26:34

launch there? No, I did not know that there was a tech thing there. And that's probably one of my biggest regrets so far is and I'm sure a lot of maybe your listeners can relate to this. But at the very beginning of that, of that journey, you get this. You want to be really secretive about whatever you're doing. I don't know. You think somebody's gonna steal your idea and it's really just so unfounded in the The benefit of reaching out to people and talking to people early on is way outweighs the risk of somebody, you know, stealing your idea which I don't even fit, you know, who has time to, you know, go run back to their house and start coding up whatever idea you have, you know, and so I think I wish I would have gotten involved earlier. It's funny how you can sort of draw a straight line back to a certain decision that you made, I went to a pitch competition here. And part of that startup community was there and I ended up talking to a venture capital partner there and told him what I was doing. He introduced me to somebody who was who was very involved in the startup community. Here, Keith lunamon, who had his own mortgage company was online lender of the Year in 2012. And said, you need to go talk to this guy who's sitting a couple miles away from you went down that route. Keith introduced me to a ton of other people in the in the startup community, other founders, other people that were were part of, you know, that whole ecosystem. And it was something that I really wish I would have done earlier. And it's good to see such a such a community just because it didn't exist 10 years ago, Brandon mentioned 10 years earlier. And so the folks that are sort of starting out today have a lot better than some of the companies that started here 10 years ago when they truly were on their on their own. And that's not a coincidence. A lot of those folks that are willing to help out are people who were entrepreneurs 10 years ago, and realize that Man, I wish I would have had this, this type of community to lean on when I was starting my company, and so I think they've just done a great, great job of giving back to that community.



Matt Hunckler 29:01

Yeah, absolutely. And Brandon mentioned this concept of like giving first and seeking to engage with the community by giving as a good approach to engaging in any startup or tech community. Do you have any lessons that you learned along the way other than starting earlier, when you when you did start to engage? What were some of the things that worked really well for you and paid off for the early days of bundle?



29:28

When one of the things that I feel like so I'll talk really quickly, I think, along the lines of just leveraging that community, I want to go there for a second because anybody who's willing to sit down with you and talk through your idea, talk through your product. You know, there's different levels of health that people provide, but I've never sat with somebody to where there wasn't five minutes of just really insightful conversation. A lot of the things that you talked through are some things get repeated, you know, you might hear the term product market fit like 43 times, but, but as you have these conversations, everybody you meet with, they're going to missing missing something missing a person mentioned another product, mentioned something that just makes you think about your product a little bit differently or provide you great advice. And so the more conversations like that you can have, the better and you start stitching together, consistent feedback, and that consistency, sort of helps you parse out the things that are important, and then the things that aren't so important.



Matt Hunckler 30:40

Now, that's that's really good advice. I mean, I truly believe everyone has something to offer. I love that philosophy. Well, and you're in a really interesting place, not just geographically but industry wise. You know, right now, FinTech is exploding almost 40 years. billion dollars in VC funding. You know, or at least at some form of funding tech companies raised a record \$39.57 billion from investors globally, just last year in 2018. Up 120% from the previous year, I know that there is now over 40 Vc backed FinTech unicorns, no, you know, billion dollar plus valuation. And now that's certainly not the landscape. But it does indicate that there's huge value with huge market value in bringing new technology to market and finding new ways to innovate in that space. Why do you think right now seems to be a moment for FinTech and I'd love to hear both of you. But But Eric, I'd love your thoughts on why you think right now seems to be that time for innovation in tech.



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Yeah, I think people are starting to realize that



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you know, there's gonna be there's this This sort of cohesiveness that's going to exist for a while between the bigger banks. And we are right in the middle of that here in Charlotte, Bank of America is based here, headquartered here, walk cobia was headquartered here and they were purchased by Wells Fargo, in 2008 are during the financial crisis. And that's a huge part of the ecosystem here. And having had finally starting to have these companies realize that there's, there's some mutual benefit to partnering with FinTech companies. That's really where I think you've seen some some things for a little bit, right. And then so that's more on the company side. But then if you look at the consumer side, people are just, you know that they're forever wanting something that's a little bit more easier. I mean, think about Venmo versus PayPal, I think it's, it's like one less quick but one less quick got you That many more users for Venmo. And I think actually, PayPal owns Venmo. Now, but that's a great example of just people want things at their their fingertips. And I think people are also starting to trust other other mediums of financial services a little bit more were in the past. You know, you might be hesitant to enter some of your information. And then people are now getting a little bit more comfortable with, you know, one of the biggest interfaces in the FinTech world is plaid, which is an API that connects to a lot of banks. And so in order to use that, you're entering in your bank, login credentials to these apps. And I don't know if I would have done that five years ago. Now. I know sort of the back end of it, I'm in the industry and people are becoming a lot more willing to do that. And so you know, I think that key thing that both sides are going to have to realize that I really, truly believe in is what you know, there's still so much value in the traditional banking model. And I and I talked about this because I feel like it's so plainly right in front of us, which is, the way that banks make money is they borrow deposits at a 1% interest rate, and they lend them out at a 4% interest rate. And they make the difference, right. And so, a lot of FinTech companies can't do that, right, you've got to have both sides of that balance sheet to make money in banking. And so there's, there's applications that can help sort of facilitate that. And that that really means that those those two worlds are going to have to work together. And I think there's also been a little bit of an aversion on the FinTech side, to sort of face the regulatory component. of the industry face on everybody's looking for sort of like the round the corner way. And I think that the largest successes are going to be the people that sort of face that head on.



Matt Hunckler 35:14

Oh, absolutely. It does seem like a certain, certainly some amount of disruption happening

right now. Brandon, I'm curious to see what you've been seeing. I know you work with a lot of different FinTech companies, but also a lot of just financial institutions, including CLA, financial institution at some level.

B

Brandon Martin 35:33

Yeah, so they just did that. As Eric was talking. I was thinking about really from both sides of that coin, right, as a professional service firm ourselves and talking and working with folks in the marketplace. It really, to me just tends to be that the value in that data, right and the ability, the ability to predict what your consumer base is going to do to make the best use of your time to be able to monetize that and ultimately drive results to the business. I'm just seeing that over and over again, Eric gave a good example at the front end of this, that went through the whole loan buying and the calling exercise that goes on, where there's not really anything predictive about, as you're going through the exercise. You bought some leads, you make 100 phone calls with the hope that one of those would turn out. Well, what if you had the power there via AI to let something tell you which one of those which one was the one which one was the one and you just call that one? Now, that's that might be a bit of a pipe dream there. But that's a lot of what's going on in the world that I've that I'm in both internally, we're doing that as a firm right to have the largest firm in the country working with privately held businesses. And the owners, you can imagine the power behind the database that we sit on. And we use that through our metrics and analysis to see how do you stack up within your particular industries against your peers, you know, can we help you from a business standpoint to to identify maybe a blind spot and let's, let's approach that a little bit differently. But man, the power behind that data, and what people are doing if you're not figuring out a way to be more creative, to be innovative to be disruptive, the reality is, is that your competitors are already doing that and you're getting behind. So to go back true to myself, of doing a sports analogy, I tell my son this all the time when he tells me he's pretty diehard about you know, playing football or, or playing lacrosse, and I come in and he's been on that ps4 for four or five hours doing whatever he's doing, I asked him candidly, did you get outside? Did you get any work in today? Right? If you didn't get any work in, that you effectively got worse, because your competitor did something about that. Well, that's exactly what's going on in the marketplace right now is that your competitors trying to figure out a way to make a better, more informed decision with the data that's out there that's multiplying two fold every other year. And if you're not doing something about it, you're getting behind.



Matt Hunckler 38:31

I love that analogy. And that is in some intense parenting right there. I'm glad being

pushed down generationally. You mentioned Brandon AI, which of course has huge implications in the FinTech space. But also I saw a study recently from IMG that found that 8% of Americans and 9% of Europeans own some form of cryptocurrency and now there is it those savings response 21% of Americans and 25% of Europeans expect to own cryptocurrency in the near future. You know, there's obviously security token offerings, there's blockchain extending into lending and investing. And I'm curious, Eric, what you're seeing on the ground as a founder of FinTech company, how are some of these technologies disrupting the financial industry in general?



39:24

Sure. So I think you know, one of the first things that I think that I've started to hear a little bit is there's a the terms are being thrown a lot thrown around a lot to cryptocurrency blockchain. And I think there's a little bit of fatigue with the terms and sometimes the application of the technology. Technology doesn't even make that much sense. I was talking to somebody the other day and he had a great idea. Really good idea and, and they were like, and you know, we're going to do it. cryptocurrency tokens, as well. And I said, Well, you know, maybe like put that one to the side and just focus on your, like core user case that you just told me about that, I think is an incredible idea. So I, you know, my concern a little bit is that people throw that technology just to be able to say it right when it isn't always necessarily needed. I think it's a I think blockchain in particular is a good technology and there's some really good use cases I think there's some efficiency work that needs to be done there. I'm personally a little bit anti cryptocurrency I'm have a background in in economics and had done a lot of reading and just sort of what the value is of cryptocurrency in terms of when you think about dollars, what what's the what is the value of \$1 not not the you know, the number amount but, you know, why do you have dollars to store value that Either you can easily transact with it, you can pay taxes with it, you know, all these things that a lot of really well known icon economists are sort of raising the point of, you know, what, what's wrong with our current system? And I don't want to be sort of missing the boat on that. But at the same time, it's funny to me, because a lot of people initially ask an entrepreneur, what problem are you solving? That's the number one question they asked you, what problem are you solving? And so I think it's, for me, I'm saying, I'm thinking, Well, what problem is cryptocurrency solving because I can hold my iPhone up and pay with Apple Pay, and it takes my thumbprint in two seconds, and I don't feel the need for additional mode of currency. So and I know there's some other uses for it in developing countries and things like that, that might experience a little bit higher inflation but, but that's more of a personal opinion and but I do think that there's some legs to some of the underlying technology?



Matt Hunckler 42:03

Well, I think we could probably have a whole podcast series. I know that those exist on cryptocurrency. So I'll leave that lie at this point in this episode, but certainly a very exciting space and exciting topic. But something that you said really stood out to me because I recently read a report for 2019 trends in FinTech that McKinsey and Company put together a big consulting firm. And one of the top points in that article and one of the biggest takeaways was that good execution in solid business models and FinTech can exotic technology. It really is about at the end of the day, you still have to do business and your your solid foundation of business model, solid execution. And I think that really kind of goes hand in hand with what you were just saying Eric, but to the whole philosophy, at least from what I've heard. experience working with CLA. And Brandon, I'd love to hear, you know, before we close here, just kind of hear your philosophy in general, why startups and high growth technology companies really need to be paying attention to their business model and execution, which of course is, is you can't execute Well, if you don't have good metrics and good accounting of where the money is going, or where the money is coming in.



Brandon Martin 43:28

Yeah, so from a business model perspective, I really believe that it all gets down to, to surrounding yourself. And I at least have always tried to do this surrender at least that surround myself with folks that I think are better and smarter than myself and not try to fool myself into believing that I can get it all done on my own. You know, having been with this firm really going on for about 15 years. now. I'll tell you that that's really one of the bigger challenges that you see when you're out there meeting with entrepreneurs at all levels, right, is that? Yeah, they're sharp. Yeah, they've got a great work work ethic. But sometimes they can be stubborn. Sometimes they need somebody that's going to be candid with them and going to be honest, open that door and have a transparent conversation and say, Look, you know, I get the why I believe in what you're what you're doing here. But here's some of the challenges that I'm hearing as we're having this cup of coffee. That it sounds like you're spending too much time in the back office. Do you have somebody that can help you do that? Right. It sounds to me like you're you're not out on the streets, telling people your story that you haven't gotten your product developed, what what's going on in your day to day and your week, that is keeping you from doing that and then leaning in to try and When some advice to say, hey, maybe here's an opportunity for you, right, here's an opportunity to look at this a little bit differently, and see if maybe that will, that will work for you. Because I think Eric will attest to this, we've had that, you know, we've had a similar conversations about this is that, you know, you can have the greatest idea in the world, but if nobody knows about it, and if you're not out

there selling that product, then you cannot possibly have a successful business. Because at the end of the day, you've got to get those residuals, you got to get that monthly recurring revenue. And so we got to get you out of the weeds and get you out on the streets to tell your story so that people believe in you as much as I do. And that really is from a, you know, from a business model standpoint, when you keep it simple, man, it makes it a lot easier because the debits and credits stuff. I think there's a lot of firms out there that do do that and do that. Well, but it really gets gets down to that value add, and that partnership and that willingness to lean in and make an investment in these entrepreneurs and these and the startup community to help create opportunities for them, not just for them individually, but for the community.



Matt Hunckler 46:20

Eric, do you have any advice either as a founder there, but as a strategic leader at a tech company, for someone who's looking at hiring someone or outsourcing a critical part of the business? Do you have any advice for anyone that might be considering doing something like outsourcing the accounting back office or outsourcing another function of the business?



46:42

Yeah, I think you have to really understand what your core competency as a company is. And you also have to understand what stage of the lifecycle of your company that you're in, right and so as an example, I thought, long and hard early on about, do I want to do some development work outsourced? Or do I want to hire everything in house, right? And so if you're starting out and building a product, you have to really think about, okay, if you get a back end developer or front end developer and somebody that's working on the database and somebody that's designing, I mean, you're talking about four or five people right there and they're not going to be fully utilized at a smaller company 100% of the time, right. So there are certain things that you definitely want to outsource a little bit. There's some things that maybe you want to do yourself enough only takes a couple hours, you know, do some accounting work yourself and then you hand it over to CLA later and let them clean up your mess and



Matt Hunckler 47:44

but, but



47:47

luckily,



47:49

luckily our books are in



47:52

good shape because my wife is also a CPA and her and Brandon have been on the phone quite a bit, but the Point is, is there's certain things that you, you want to make sure that you're focusing your energy on. And really, as the, as a founder of a company, that should be mainly about the vision, right? And how you're going to execute on that vision. Right? So those two key pieces, right is how do you build a product? And how do you get people to use the product? I mean, that's pretty much all it comes down to and you gotta have your your eye on those two things 100% of the time.



Matt Hunckler 48:29

Well, Eric, and Brandon, I appreciate both of you sharing some of your advice on some of your own personal stories, but then also what you're seeing there, in Charlotte and in the Carolinas, but also in the FinTech space at large. I've really had fun in this conversation. So I hope we can continue it again soon.



48:47

Thanks, man. I really appreciate it.



Matt Hunckler 48:49

Yeah, likewise. Well, for those still tuning in, I want to say thank you for listening to these stories. Hopefully you walk away with some new things to try out in your own business already. In your own role. At the same time, I hope you feel a little bit inspired by the success of both of these professionals. You can follow Brandon and CLA at CLA connect and follow Eric at Eric Major that's at Eric major. That's ma GE er. We'll link that all up in the show notes. You can check that out on Powder Keg calm. It'd be among the first to hear the stories about entrepreneurs, investors and other tech leaders outside of Silicon

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