



Stanford eCorner

Getting Off the Sidelines

Derek Belch, *STRIVR Labs*

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STRIVR Labs Co-Founder and CEO Derek Belch explains how he went from the football field to starting a business. He recounts how he launched his startup in January 2015 with a small pool of funds from core backers and began presenting his idea for using virtual reality to train athletes to professional and college teams around the country. Belch also discusses discovering new revenue streams.



Transcript

- I came back to Stanford, I came back to be a football coach. I did an MBA, I was kinda thinking "Know what? I did business, I liked it, "I can see myself doing a lot of things, "but if I don't see coaching by the time I'm 30, "I'm gonna regret it forever." So I came back. I was on the path to be a coach. Just like you saw in that story, my master's thesis was this. And Coach Shaw sat me down in December of 2014, and he said "Get outta here. Go start a company. "You're about a year ahead of everybody else, "You're not the typical coach. "You just got your fourth degree. "You're smart, get outta here." So Coach Shaw is our only investor to date. He gave us about, uh, I can't tell you exactly what he gave us.

(laughter) But by the time we put his money together, me putting in \$5,000 of my own money, Jeremy putting in \$5,000 of his own money, a couple others, we raised \$50,000. And the goal was to just sell to one team last year. So on January 2nd of 2015 we opened for business. I met with lawyers, tried to come up with a company name, did all the bells and whistles of the paperwork. And the goal was, can we sell this to one team. It was me, full-time. Some of you who've been Stanford fans for a long time may remember the name Trent Edwards, he was a quarterback here, played for the Buffalo Bills for several years, he was one of my best friends. He jumped on to kinda lend credibility to what we were doing from a quarterback, player standpoint. Jeremy is part of our company, more in a visionary role cuz he's a tenured professor here. So we kinda just can tap into his brain whenever we need to.

And then we had a grad student that was kinda helping us out part-time, building software, kinda helped us get this thing off the ground. So really, it was like 2.7 people when you add it up. And then by the time we needed a little more help, my best friend from childhood was at Wharton at the time. He worked for the FBI for many years, and he came on as our COO, living in Philadelphia. So really we're like, 3.4 people trying to actually get this thing off the ground, trying to sell to one team in 2015. And to me, the \$50,000 was enough to travel around the country and not feel the panic of like, "Oh my God, we're burning through cash." Right? Which we were, but it's OK cuz we were working towards a goal. So five of the first six college teams I met with in March signed up on the spot. And then two weeks later, the Dallas Cowboys signed up. So we went from not knowing what the hell we were doing, trying to just sell to one team, to over a half a million dollars in revenue just like that. And since this is a public-facing video, I'm not gonna go into the nitty-gritty of what each team pays cuz teams might be able to watch this.

By and large it's the same. But I will tell you that between April 1st and September 1st we went from figuring out how to service six teams and not knowing what the heck we were doin, to having six NFL teams and ten colleges by the time the season started. Then in the fall, we did a virtual hockey goalie simulator for Madison Square Garden where when you actually get down in the stance you're literally stopping pucks against real New York Rangers hockey players. Then we did a big project for Visa and the New England Patriots. So now we were starting to figure out different revenue streams of how to actually make

money in addition to the training. When all was said and done, we did over \$3,000,000 in revenue last year in our first year. With no funding.