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Interviewer: Well, I am stoked to have one of my dear friends, fantastic mentor; my double backhanded wielding tennis compadre, Chris Seegmiller in the house, in the studio, thank you so much for coming on Chris.

Chris: Oh, this is my pleasure.

Interviewer: So, what do you think of the studio?

Chris: This studio is better than your backhand that's for sure.

Interviewer: Oh, I like that, there we go. See, I've got a single backhand and he's got a double and he kills me.

Chris: I don't know about that.

Interviewer: So listen, I know you've got a little man envy going for me right now with my lame attempt at a beard, but talking tennis, I've got a little bit of tennis court envy.

Chris: Yeah, well you probably do.

Interviewer: You know that.

Chris: I do know that.

Interviewer: We play many a game together and when he can fit me in because he is a world traveler, busy as can be and I just try to get his time, from time to time and say, just one game. You know what, if I were smart, I would have put a tennis court in my yard instead I built out a third of an acre of garden because we love weeding on Saturdays.

Chris: You know, your yard though, is fantastic. It's a close second and I still think the court is better than the yard, but yours is definitely a close second.

Interviewer: By far, I don't even have time to play tennis anymore on Saturdays. Well, Chris Seegmiller is a super successful guy and he was the co-founder of, is it Miche corp?

Chris: It's Miche, it used to be Miche Bag and then they changed it to just Miche.

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Interviewer: And if you are a female and you don't know about Miche, I would be so surprised and obviously, if you don't know about Miche, you are wasting tons of money elsewhere.

Chris: That is exactly right.

Interviewer: Miche is amazing. Chris would you mind taking a little bit of time and telling us about you, Miche bag, what your role was over there and then we will talk a little bit about what you are up to now.

Chris: Sure, back in the day I started, my brother and I are a partners and we had an import company back in 2002 probably and we had imported products from all over the county and help other vendors and manufacturer set up shop in Asia and other countries to help them produce their wears, a little bit less expensive and just help them with their production costs. In about 2004 a girl came into our office that had an idea for a handbag that had an interchangeable cover. My brother and I kind of looked at the product and thought, this is kind of cool, but we will see where it goes.

Interviewer: It was definitely cool.

Chris: It was and at that time it was okay.

Interviewer: I remember seeing the first prototype that you had come up with and I thought, I love this concept, but boy we have to make this thing look a little better.

Chris: At the time when the first prototype, that she made, he name was Michelle Romero, it was Velcro and zippers and all different kinds of fastening devices. What we did was spend the next year and a half developing a product that made the covers come on and off from the base, very easily and we used a magnetic system.

It took a while to develop that, but once that was developed then we actually really liked the product and decided to help her take it to market. What we did was worked out a licensing agreement with Michelle and my brother, whose name is Matt; we started looking for investors at that time. We had never actually taken a product to market, we were always just brokering.

Interviewer: Now, I have to interrupt here, before you found your ultimate investor, which I'm glad you did, I have to admit that I had a brain

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freeze, because you and Matt approached me and I did not have the liquidity at that time. I do remember telling my wife that I would love to invest in a guy like Chris and Matt and that this is going to be an amazing idea. I just wish that we had more liquidity. Boy did I regret that.

Chris: Yeah, it was interesting because at that time in our career, Matt and I had gone through a couple of financial hardships and so we were really looking for something that we could take to market and hopefully get out of the financial situation that we found ourselves in. So, once we decided to take this to market, we were 100 percent behind it and this was what we were going to do full time going forward.

Interviewer: Here you have this amazing product and amazing idea, you obviously were able to create a win, win scenario with the inventors and you found this new company and changed it to have this really cool product. Now you need to figure out how to market it, sell it, how to get people to see it, touch it and then eventually buy it. Today, I want to explore these untraditional and traditional channels that you used to market the product, because eventually you settled on something that I don't think a lot of people understand or know about.

Typically your standard digital marketer today is not going to go down this road. Can you explain exactly what you did? You tried all sorts of things out, you started out with this mall kiosk strategy and then infomercials. Would you mind touching about all of the things that you tried and how you settled in on what worked the best?

Chris: Absolutely, the first thing that we needed to do was, go out and raise some money. I went to a dear friend of mine that I have known for years and years. A matter of fact, we were friend when we were 8 years old and grew up next to each other. His name is Corbin Church and I asked him if he would be interested in investing into Miche. It's a handbag, right? So, we are dudes trying to sell handbags. I don't even know if he was that interested, I'll be honest with you.

Interviewer: He was like, wow what a model.

Chris: What is Chris going now, right? So, he said, "why don't you take your samples to my office" and he was downtown Salt Lake City at the time, "and I will bring a whole bunch of women into a

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conference room and you can show them the product and see if they like it". I said, "Okay, I'll do that". I had a gym bag and Corbin makes fun of me to this day, I brought my gym bag full of ladies purses. He probably had 30 women in this conference room and I just dumped all of my purses out on this conference table and let these women play with the bags.

They were unique and different and they kind of had a wow factor where you take the cover on and off very easily and change the design and the look of the handbag by simply changing the cover.

Interviewer: Yeah, you want to swap out a purse quickly, this is the way to go.

Chris: Three seconds or less as we used to say. So, these ladies were playing with the bags and loved them. Corbin came up to me during this and said, "Okay, I'm in, I'll invest".

Interviewer: He saw their eyes opening up and going wow, I want this.

Chris: Yes, he was great. At that time, we relied a lot on Corbin actually, because he had a lot of experience in retail sales and he had made quite a bit of money in using mall kiosks as a vehicle to sell products. So, it was our intention to open up kiosks across the country. Our first kiosk was in Fashion Place Mall in Salt Lake City, Utah. Definitely an A mall, if you will and we sold a ton of them in the months of July and August of all months.

So, we knew that we kind of had a winner and through Corbin's contacts, we had 15 other distributors lined up to take the product for the holiday. We actually sold our first bag in July of 2007. Most of you know what happened in 2008. So, we had all of these kiosk locations in malls set up and 2008 came and literally malls became ghost towns. We were not selling any product.

Interviewer: That channel died.

Chris: It dies literally within months. It was over as quickly as it began.

Interviewer: Now, I think most marketers and entrepreneurs or business owners are going to appreciate this because even though most of the interviews that we will do here on the podcast with Marketing In the Know, will be around or involved with digital marketing to a degree because it's the new frontier. We are going to talk a little

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bit more about this, but I also love, marrying traditional marketing strategy and tactics and tools with new digital tools.

So, you had a beautiful website obviously, you had that side of the digital business nailed down, but this strategy of going to the malls seems perfect at the time and then boom, the great recession hits and you are scrambling and thinking what are we going to do. You had a bunch of inventory I imagine.

Chris: We had a bunch of inventory and we didn't really know exactly what step to take. As a matter of fact, Corbin came to me and said, "You know what Chris, I've got another job offer, and this might be the end of Miche".

Interviewer: By the way, anybody that knows you two today, I can't believe he even said that or that you even thought it. These guys are super super successful.

Chris: That's funny. Yeah, we actually, the inventor of the product, Michelle Ramero, she was doing party plan marketing on the side. She was doing this with friend and family in the Salt Lake area and she was actually very successful using this method of sales. So, we went to her and asked her if she would be okay with helping us get into this model and into this market.

Interviewer: I have to interrupt, did you already start the infomercials at this stage or where you just starting to test them?

Chris: So, the infomercial we had started and it was doing okay, but we didn't look at the infomercial as a revenue generating resource for us. The infomercial was strictly advertising. We made a little bit of money off of infomercials.

Interviewer: Would you mind explain that a little bit better for our insiders so they understand what you mean by that?

Chris: So, to produce and market an infomercial, is extremely expensive, You are buying air time that is expensive and even the fulfillment process is expensive, but what it does do is gets you on T.V.s across the country and people are looking at the product and seeing it and make them aware of the brand Miche.

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So, to us, that was extremely important because if we were already in somebody's mind when they either went to a party in someone's home and saw it or they went by a kiosk and saw our product, they knew that they had already seen that product on T.V., it gave it a little bit of street credit.

Interviewer: That's right.

Chris: They have already been exposed to it and they knew how it worked and it was extremely advantageous for us to have an infomercial.

Interviewer: Obviously a much better distribution channel than billboards everywhere for just branding right? You couldn't have done that, but obviously, I was just going to mention the credibility that you had saying, here is our infomercial going on right now. The people that probably took up the product and the distribution product they are probably going, gees, this company is real. So, it was almost like a loss leader.

Chris: That is exactly how we looked at it, it was a loss leader. Even if we weren't making money on the infomercial, it was very inexpensive advertising for us. Even if we just broke even, we figured we were leap years ahead because it was great advertising.

Interviewer: That's great. So, let's go back to what you did then because I think this is a fascinating approach and a fascinating marketing strategy. Would you call this a marketing strategy or marketing tactic?

Chris: It was definitely a marketing tactic in my opinion, just because at that time, we were looking for other ways to market this product or we were going to go out of business. It was that dyer. So, we really decided to give this a go and see if it would work.

Interviewer: At this stage, prior to giving this a go, what were your revenues?

Chris: Oh, I'm trying to remember, we had one location in Salt Lake and 15 others across the country. Our initial buy was, I think, \$20,000.00 to get into a distributorship so, our revenues were probably a quarter of a million dollars per year at that time, which seems great, but it's not when you have all of the expenses of running a company.

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- Interviewer: Buy the way, being an investor today and you do a lot of consulting and you also have a digital marketing company, there are a lot of people out there that are in that \$250,000.00, half a million, 6 or 7 hundred thousand range and they just don't know how to grow, right? I think this is fantastic because at \$250,000.00 a year, you're thinking, okay, we have a little proof of concept and we have a product market fit going here, but, how do we really scale this thing?
- Chris: And it was never a question of whether or not the product would sell, people loved the product. We never had negative comments about the actual product; we just needed to get it in front of more people. So, what we did, we decided to try this party plan model and we went to the distributors, that we already had in place, that we're going into mall kiosks and we asked them to distribute our product via party plan.
- Interviewer: Give me an idea of what that typical distributor looked like, demographically and psychcographically.
- Chris: Definitely female between the ages of 35 and 55 that was our demographic, not only for our distributors, but also for our customers.
- Interviewer: Obviously insiders if you are listening to this, we don't have time to go into the detail today, but I can tell you, they knew their buyer very well. It wasn't about a zip code or whether it was a male or female, they knew their buyer very well, which is why this channel worked extremely well.
- Chris: Absolutely and the nice thing about it is, our distributors were also our customers. They loved the product and thought it was great. So, for them to go out and recruit friends and family to go invite people into their homes and sell the product, it wasn't a huge leap of faith for them because they knew they would sell product. So, once we started down that channel, our sales just literally exploded. I think by the end of year three, we were upwards of 15 to 20 million dollars a year in revenue.
- Interviewer: Just incredible growth.
- Chris: Yeah, it was incredible growth.
- Interviewer: You were holding on for dear life.
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Chris: yeah, we were holding on for dear life.

Interviewer: That is when you really want to hold on for dear life, right, because eventually after employing this marketing tactic and what a fantastic tactic and I think for a lot of modern marketers and entrepreneurs, there are probably going, what the heck did you do? How would I replicate this and can that even be done and if so, how would I be able to do this digitally today.

How would I be able to replicate it with all of the major costal platforms that we have today. I'm sure, as you have seen, you have seen amazing companies just go vertical, and the hockey stick growth is phenomenal because they are pretty much leveraging the same concept, but instead of being in person, they are doing it virtually.

Chris: We definitely had a great website in place, as well as, sales tools and training tools online, so it was all integrated via our digital marketing, definitely,

Interviewer: Let's talk about digital marketing versus traditional marketing because both of us have had business success in non-digital businesses where n\most of the growth happened outside of digital. Sure, you've got to have a basis of digital from website and the tools, emails and so forth, but we have had success there and now all of the sudden, we both find ourselves in digital marketing. It hasn't been a stretch for me because I have always believed in it from the very beginning, since I can remember; I have always been on that bandwagon and so have you.

You have a digital marketing company, I have a digital marketing education company and consultancy and we fully embraced it. For me, I want to know why you are going all in on digital marketing right now and investing in it and your brother is over there running it with some partners. For me, it's because digital equals growth. If I want to grow a company today and I don't want to bang my face against the wall, and I would rather bang my face against a keyboard, because digital equals growth for me. Is that the same for you?



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- Chris: Yeah and actually, we have a digital marketing agency as well as we have invested into a company that uses just online sales so, it's all digital marketing, if you will.
- Interviewer: Tell us a little bit about that company,
- Chris: Well, that company is called Diathrive and what we do is sell diabetic supplies to people that have diabetes and it's kind of like, if you will, the dollar shave club model for diabetics and we sell testing strips and devices to diabetics. There is a residue income obviously because we send out strips on a monthly basis and it's basically a club for people that have diabetes and can order their products extremely inexpensively.
- Interviewer: Fantastic.
- Chris: But what I like about it and the digital model, is exactly what you said, its growth, but it's also being able to test so many different ways of selling a product. It was risky with Miche; we tried one channel and almost lost our business. Whereas, if you are a digital marketing company, you can try a number of different channels and ways of selling your product and you are out very little money. So, I look at it as a great way to test new products and when something does hit, then it's like okay, let's just put all of our money into that channel, because now you have proven your RLI and your off to the races.
- Interviewer: I couldn't have said it better. The one thing that I love about digital is that yeah, if you're going to put your eggs into the basket, you're going to do it based on data. I get asked that a lot today, how do I set up a data driven model? I wish I could just snap my fingers and say, it's this easy, but it's not. This is why we are doing this podcast. It's hard out there.
- Chris: It's hard to do, but what's great is, once you find that channel that works, then it's easy to sell and it's just a matter of putting in more money and growing it.
- Interviewer: You also have a digital marketing agency, what is the name of that company?
- Chris: That is called Contravent.
- Interviewer: Contravent, that's great. Well, and I would love to get some of your partners over from Contravent and on the show to figure out
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what they are doing and what hot and what's not. Obviously we are keeping our ear to the ground, but the great part is, we get to talk with people like you, successful people, out there in the trenches and doing it. I'm not so sure that you are in the trenches anymore, are you?

Which is actually a good thing, so we talked a little bit about what's not working in general and obviously, being someone who has paid for an infomercial before, are they dead? Are infomercials dead or are they still around and going to move on to YouTube now?

Chris: You know that is a good question. I think they are dying a slow death in my opinion. A good friend of mine owns an infomercial company so, I need to be careful.

Interviewer: Let's not put him in the grave right now, right?

Chris: He won't know about this podcast. I do think it's slowly going to become a thing of the past. With YouTube and all of the other resources out there, I just don't see that channel working for 15 or 20 more years.

Interviewer: I see the HD production style moving over to YouTube with data driven analysis. I think it's going to be great, if you are a good infomercial producer and you are listening to this right now, you have a world of opportunity with these new channels, if you can produce an exceptional video.

Chris: And it's all about content right? The better the content the better chance of success you have. I couldn't agree more and I think the smart infomercial producers are going that route now. They are already looking for additional markets to show their infomercials.

Interviewer: I think we may know the same person because they are looking for ways. Listen, I always ask this of our guests, if you were to hire one person in your growth or marketing team, what would you be looking for in that person and why?

Chris: You prepped me with this question and I have been thinking about it, but my brother and I invest in people so, I would answer that question by saying somebody that has experience that is absolutely passionate about what they are doing. People will sell products and if you have a great product, great people will sell that product ten times better than anybody else.

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So, really we look for people that have experience, that are passionate and that will be flexible and pliable and willing to try different things, if things don't go as planned.

Interviewer: Which they normally don't.

Chris: I was just about to say that. How often do you write a business plan and go down a road and realize it's not working. If you have someone who is not passionate or totally engaged, they are just going to go off to the next deal. We look for people that are passionate.

Interviewer: So, if you're going to take someone that's passionate or someone that absolutely knows everything about growth hacking and know how to use their programming skills to just kill it, which one would you choose?

Chris: I would choose the passionate guy because you can always hire the guy that can do those types of jobs for you, but if you need someone to run your company and grow it, it's not necessarily about the know-how of the specific market, it's about their passion and experience. You can always hire somebody to do the nuts and bolts.

Interviewer: Well, that's great Chris. The final question is what is the best piece of advice or the best tip that you have ever received in your life or read about in terms of growing a company or having a marketing strategy or tactic that would help you grow your business? What is the best piece of advice that you could leave with us?

Chris: That had changed and I think analytics and being data driven is at the top of that list. If you are an entrepreneur and you are trying a product and you have tried a number of different channels, you have to be willing to cut it loose and try something else. A good friend of mine has shared that with me that not only when you find a winner you need to run like crazy, but if it's something that is not working, you have to be willing to cut it off and go to something else. That can be painful, especially if you are invested and have a lot of time and money into it.

Interviewer: Well, speaking of cutting off, maybe we should cut it off and maybe go hit a ball or two.

Chris: Sound good.

Interviewer: Well, Chris, thank you so much for coming on today. If we were to drive the insider to a reference point to find you or more about you or the companies that you are working on, can you tell them where to go?

Chris: Yeah, either go to Diathrive.com or Contravent.com.

Interviewer: Awesome insiders, that is a warp with Chris Seegmiller, one of my dear friends and obviously an amazing guy, smart and super passionate himself. I am so excited to have him one and share this podcast with all of you. So, until next Tuesday, stay in the know.

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**Duration: 25 minutes**