

THE **small** BUSINESS BIG **MARKETING**

show

INSANELY EFFECTIVE
MARKETING

Episode #478

This record-breaking
crowdfunding
campaign changed
Flow Hive's Cedar
Anderson life forever



www.SmallBusinessBigMarketing.com

Cedar Anderson Interview Transcription

Tim

Cedar. Welcome to the small business big marketing show.

Cedar

Thank you for having me.

Tim

I'm very excited about this I got to start with one of the most probing questions that I've ever come up with and that is how do you like to eat your honey?

Cedar

Say I actually like lots of different flavours of honey. People often ask me what's my favourite honey. To me my favourite thing is to have lots of different types of honey because it's such a beautiful thing to be able to share that experience and the conversations that come up around honey are extraordinary. And I like to have it not in my tea but on its own. So one cup of honey and one cup of tea.

Tim

You are a purist.

Cedar

I don't really eat that much honey.

Tim

Really I think you live on it.

Cedar

I do but not by the cartful I was exaggerating. I guess I do it honey and a lot of honey I even named my daughter who is one and a half Mella which is Latin for honey.

Tim

I thought you're going to say the Melaleuca tree.

Cedar

Well it does so say Melaleuca but that's not my favourite honey. I didn't wanna draw that connotation.

Tim

I personally love a nice bit of crusty sourdough lashings of butter and a lovely honey. That would be my preference for eating honey.

Cedar

That is a lovely way to have honey. I often just enjoy it. By the spoonful.

Tim

Nice. Well anyway honey we're not here to talk about that we're here to talk business.

Cedar

Thanks darling.

Tim

Describe your childhood in what is called an intentional community. What is that and what was it like growing up in it?

Cedar

So I would describe it as an ideal way to go out. We basically had a free range upbringing with 40 of us living in the forest in houses we helped each other build as we grow up. And to me that was real freedom because we could range this whole big property and we could have breakfast in the morning and get into the next house and say we haven't had breakfast we're hungry and then had breakfast again and also learned so much from all the different adults in the community.

Tim

No TV no distractions plenty of time to think and invent?

Cedar

Actually TV was banned on our community. There was there was no TV no drugs and a lot of meditators.

Tim

Hippy?

Cedar

You'd call them hippies but you call them a bunch of meditating hippies I guess right.

Tim

How would you describe yourself in previous interviews I heard you talk about being a naturalist. How would you describe yourself back then?

Cedar

So it's funny you know I guess myself and my friends offspring from from hippies that moved into the area for the Aquarius Festival and from that became this real movement of a different way to live. So they almost separated themselves from society to create a new way to live in intentional communities. So certainly there's a big element of the natural there where we had our own gardens we grew a lot of our own food we kept beehives we kept a whole orchard full of different fruit trees and that was quite an enjoyable thing to have this real natural upbringing shared with a whole lot of other kids. But there's also the

technical there. So I'd learned how to weld from the guy down the road. He was an expert I'd learn about electronics. My father was and still is a jack of all trades thing. He could be a plumber an electrician a builder. A chemist. And the way I grew up was absorbing all of those skills and also the very farm kind of skills of how to fix water pipes and how to fix machinery and I think at the age of two I was covered in grease under a car with my dad.

Tim

You might have answered my next question but when did the inventor start to show itself in you?

Cedar

So at a very young age I used to enjoy pulling parts out of old cars and trying to put them together in new ways where I would make light bulbs go and and all of that. We were on solar power so it was we could use the power to power all sorts of things. And one day I even fell asleep with a whole contraption that built in my bed. The light bulb that was going melted the leg off my brother's teddy bear still hasn't forgiven me and this kind of thing where my bed was filled with all these electronic equipment and that was my happy place.

Tim

And so maybe inventions prior to flow hive. Is there anything in particular that comes to light?

Cedar

Probably the building of a go cart that ride to school we got parts of an outside mower and parts and parts of anything we can find push bikes and things. We put them all together into a contraption that we could actually ride to school on. So there was this four wheel drive track that you couldn't get a car down but we could get this machine we built down four of us on it and then we would arrive at school jump over the creek and everywhere.

Tim

Love it. So moving on flow hive which was 10 years in the making from an invention point of view. When did that first idea to disrupt beekeeping come to you?

Cedar

So in my early 20s I was keeping bees in a conventional way. Harvesting honey selling it to the shop and that was a lot of work. I think it pays off about five dollars an hour. Add it up your time and the whole process of pulling apart the hive and taking those frames to a processing shed which is the shed that we lived in is messy hot heavy sticky work and you can't help but squash a whole lot of bees in the process. And I thought there has to be a better way. Can't we just tap the honey out of the hive and that sparked what turned out to be a 10 year long process of inventing the flow hive with my father.

Tim

So at the start of that 10 year process you did sort of agree with the old man. We're going to disrupt beekeeping. We are going to make this easier. And was it really just for yourself or did you sort of have the view of you'd love to turn this into a really big business?

Cedar

I was like wow. Imagine if we could. Imagine if we could invent a better way. So I started off myself trying to make prototypes. And I was getting somewhere but my father actually joined in and came up with some very pivotal ideas in how to make the whole system a lot better.

Tim

I've never invented anything Cedar so I'm just interested to understand. What does that 10 year prototyping process look like? Are you building things out of your shed? I think at one point 3D printing came along which must have been a bit of a game changer for you will be an expensive back then. Do you just kind of nailing things together and testing them out?

Cedar

So I think it's a lot of stubborn blind persistence and this optimistic idea that of course I can make it work. And with each failure it's like. Not a fail. It's how can we learn for the next prototype. And it's an interesting one because it's not like you can sit overnight and come up with the new toaster. This involves the bees. So I'd make a prototype put it into a hive and I wouldn't know whether the bees liked it or whether it was useful for three or four months until the bees had decided yay or nay. They were going to use it or not.

Tim

It's quite a large gap in between each idea.

Cedar

A really long feedback loop. I was still working my day job at the time and just trying different prototypes and making a big mess in the kitchen all the time.

Tim

Why didn't someone else done this. I mean you say beekeeping is hot heavy lifting you getting stung. All these things why had no one else previously gone. This needs to be addressed. That can't go on like this.

Cedar

You know since we have actually dug up a few old patents over attempts of people trying to achieve exactly what we managed to do. And it's interesting looking at them because where they got to was some of the things that I tried and failed with. So those really old ones with crank handles and suction hoses going into the hive to try and suck out the honey. Of course I tried things like that I tried a little vacuum systems I tried on piston plungers going down cells I tried all sorts of things to get honey out of the hexagon matrix at the base making but the surface tension and viscosity is such that it won't actually come out even if you cut the capping off which is the wax I put on the front and cut the back of the sails and

then put the hex on matrix of honeycomb on its side. Really doesn't want to come out very easily. So it's actually quite hard to do. And then one morning I woke up and went hang on. I mean it doesn't have to be hexagon cells all the time. Maybe it could be hexagon cells on the base filling it with honey and then change into something else when it's time to harvest.

Tim

Did you have an aha moment an epiphany.

Cedar

It's one of those moments where you're already scribbling on a piece of paper

Tim

You and your old man have an awesome relationship. From what I can tell. You both thinking the same way. Describe that part of the journey.

Cedar

It's amazing to have somebody who has a brain kind of wired in the same way. He can just make one hand movement and I've already got what he's talking about. And also the same kind of understanding of mechanics and electronics and so there's not this no that can't work it's like I get what you're talking about. And that was really important because it allowed us to move very quickly in order to make changes and come up with solutions to what we were doing.

Tim

You gonna jump ahead but you've created a multi-million dollar business there. How do you protect that relationship with your dad?

Cedar

You know my dad and I sat there we did some figures on what would happen if we captured one percent of the beekeeping market in the world one day and the mind boggles at the figures that come out of that. And this is prior to launch. I said to my dad I'd throw it all away if it stands between us. If it affects our relationship. The relationship between us is that important that it means much more than having the business. Having the money.

Tim

It's been tested?

Cedar

We don't tend to have big friction points actually.

Tim

Because you avoid them at the risk of the business or because you're incredible business owners and managers and things just go well?

Cedar

There's a few reasons I think and one is that we have a fantastic relationship just generally. In fact all of our family do. The other kind of aspect is I guess he's stepped away from the management of the business so much and basically let's make all the shots. It was I guess my baby from the beginning so it's a natural progression and I'm here in the office every day. Then he comes and goes. At the moment he's on tour and around North America and he is playing that part of the face to face and travelling. I've got young kids. I like to stay at home. I don't miss a week of their important young life.

Tim

Has your dad become a bit of a big rock star?

Cedar

Look he has spoken on stage with Obama. He travelled around. He gets speaking events and I do from time to time get dragged away to one of them as well.

Tim

You've done a ted talk?

Cedar

There's all that side of the business as well which is travelling and talking and so on but I tend to do less of it simply because I've put blinkers on. We have to get the next thing over the line that we're doing.

Tim

Let's come to that what is done to your personal brand and what your dad's up to. So at the end of this 10 year process you crack the code the flow hive. You finally figured out how you can anyone really can easily keep bees and create honey and access the honey really easily. Just really briefly because we have a business audience that are bee keeping audience well they might be a slight little Venn diagram they were the two cross. How does the flow hive work?

Cedar

So the fly hive in the bottom box where the bees raising the young. The queens laying her eggs thousands of bees doing the normal thing is actually pretty much the same as a conventional hive and also needs the same care that bees always have needed. So you still need to inspect them from time to time make sure they're happy and healthy. We've come along and put a box on top which has our flow frame invention in it the bees move up they cover all the parts in wax they came out they fill them full of nectar and a difference in those combs is from the outside of the hive. You can come along with what looks like a big handle key inserted into the top of the frame turn the handle and the honey flows directly out into a jar with zero processing and it's ready for the table.

Tim

It's just perfect for the modern world. We want everything instantly. And you've addressed that which is kind of weird because you come from a world of hippies who operate slowly and have you to do the hard yards.

Cedar

It's funny. I guess I've got that technical side. I love technical stuff but I also could really just run off into the forest take off all my clothes and disappear as well. I'm a naturalist and and I love the tech world.

Tim

Yeah. Lovely. So okay you've got the flow hive by the way I should say the flow hive looks like a little house right. A standard beekeeping excuse my ignorance but box literally looks like a box doesn't it whereas you've turned these things into a little bit look like doll's houses as dare I say.

Cedar

So we've tried to build in as many benefits as possible. One thing is the aesthetic. People love to have something beautiful in their garden and then what we've done is put in a windows on the side that you can actually look in and watch the bees make their honey you can see their tunnels and filling the cells and nectar and see all the different colours of honey and different flavours they're bringing to the hive and suddenly these offshoot benefits like you can have a single frames to a jar and isolate many different flavours from the one hive which is something that wasn't really possible before. So it's brought about this extra piece of enjoyment where you can sit there with your family and friends behind the hive enjoying the honey harvesting experience and tasting a range of flavours that you would have never bothered to isolate your conventional fashion.

Tim

So you've cracked the code and you looked at that and we need to do something about this. We can't just keep it to ourselves. We have a business in front of us. You decide that crowdfunding is your way of not only getting your first few orders I say with a smile on my face and financing the whole manufacturing of it as opposed to finding an equity partner as opposed to going into debt. You've gone down the crowdfunding track. Why?

Cedar

So of course you're looking at different paths to market. And I'd been following Kickstarter and I saw this thing called a glyph. I think that was the first thing I saw which is the little stand for your phone that just help connect it to a tripod. And what they did was put out for the audience before they manufactured before they had to stump up any money and me living in a shed with no money and my dad pretty similar. We didn't have the funds to throw. Risky process of putting a whole lot of money down hoping it will pay back in spades one day. But having said that we did our due diligence. We talked to invent to help. We had people telling us no. Don't do crowdfunding. You need to partner with this New Zealand company and build up that way and test it out in a small corner of the globe and spread country by country. And that's the way you have to do it. And I kept going no. By the

time we put out a first video the whole world's going to know. We have to do it on a global scale. And we don't have any money to do that. So crowdfunding to me was the obvious way to go.

Tim

And you chose Indiegogo because?

Cedar

That was quite interesting. We chose Indiegogo because we originally advertised our teaser. We dropped a teaser video on Facebook and got a million views in the first 30 hours. And life hasn't been the same since.

Tim

Just explained that this is before you put up your Indiegogo page. You've put out a simple teaser video on Facebook. You haven't even set up in Indiegogo at all. You're not linking to that. This is just say hey we've invented something.

Cedar

So the strategy at this point gearing up to launch. And my sister had been putting together the crowdfunding video which had been working on for like a year.

Tim

You've been working on the crowdfunding video for a year?

Cedar

Yeah. Because we would go this is gonna happen. Were going to get the first honey jar coming out of the home and fly my sister up from Melbourne. This slow process of making videos to share through non disclosures with them beekeepers to find out whether they're interested and so on. That was part of us finding out market we invented thinking that it would be the commercial market that would grab and run with this. But as we started to test prior to launch we realized that it was a high market that was like when can I have it as a commercial market is like how but how am I going to invest in a million dollars into my processing plant.

Tim

So you put this video on Facebook. A million views within what period of time?

Cedar

30 hours I stayed up all night watching this happen

Tim

What a validation.

Cedar

So my suspicions were confirmed the first time we dropped the video that it would just take off virally and we started Facebook page a dear friend of mine he was having me do that because I wasn't really even on Facebook. Despite being taking it building websites for people in the past and so on I wasn't really part of that. That social media world and so we had about a thousand likes on the page just generically getting likes to posts every few weeks. And that was our audience to drop the video too. A strategy was we'd put up a video it would send traffic to a landing page and collect their emails and then have a list to launch with rather than starting with nothing. So in my mind I want a thousand emails and a thousand Facebook likes. Before we were ready to launch on crowdfunding but we committed to a date because we had advertised in magazines and in the press. So we had a whole strategy here. Drop that first teaser video which basically said hey this is what we've invented. If you want to find that one put your email in here and it just took off like mad.

Tim

And just on that I mean everyone wants a viral video for their business. You've invented something that clearly the market was crying out for. Maybe they didn't know it yet they were but a million views in 30 hours. Was the video beautiful? I'm guessing the video was beautifully produced. What particularly was it? I'm guessing you didn't have tens of thousands of followers on Facebook at this point in time.

Cedar

No we only had a thousand like on that page which we've gotten in the few weeks prior.

Tim

So just a perfect storm of great production values a great idea. Well presented and some influencers got hold of it shared it and the virus began.

Cedar The amount of sharing was just unbelievable. A lot more shares and we're getting like. They would just share share. And that's why it took off and I guess we struck a chord with people. We struck a chord that you can turn a handle on and shortcut this whole long process that was once that the conventional way of harvesting honey and also something you can do in your backyard. Humans are crying out for connection to our food sources to be able to do something in their backyards on their rooftops and even in the city. So I guess what we represented was the window for it. But you get money out of it at the turn of the handle. Along with that is the plight of the bee and bees have been in the media extensively over the last five and 10 years where humans have recognized the important part the bees play and all the pollinators in our food chain. So there was all these things lining up together to make it popular but of course you could try as hard as he could to engineer that never get that response.

Tim

So back to teaser video you've got how many email addresses?

Cedar

So we had a week yet to launch since that time and we had seventy thousand emails on list and 50000 Facebook likes. And we were ready to launch on Kickstarter is what we advertise. Day before Indiegogo comes knocking and says hey we can look after you here. We can give you U.S. currency which you're going to need. We can now drop our fees and basically poached us from the Kickstarter platform which we're ready to go on. 1

Tim

Hadn't all your advertising your teaser video and everything directed people to Kickstarter?

Cedar

Was quite a big risk. Because in a video we said Kickstarter but didn't have the link yet. And we then had to write back to these 70000 e-mails and say we're changing to Indiegogo. Of course we've got all these responses straight away saying you've shot yourself in the foot. What are you doing. And funnily enough it was by accident that we put that e-mail out as we hadn't decided yet but we sent an internal email between a few of us working and it was a test email to say if we make this decision is the e-mail ready and that our social media guy went oh wow they've made the call and quickly put it before we knew it the change had already happened.

Tim

Right. Oh that's not a bad thing.

Cedar

And then I stayed up all night putting the page together.

Tim

Ok so just to understand that. You spent a whole lot of time putting together the kickstarter page you then go no we're going to Indiegogo. I imagine the fields that you have to complete and the content you have to populate it with are similar?

Cedar

Yeah.

Tim

So you spend the whole night getting that ready and at some point the next day you hit the big. Go live button?

Cedar

Yes. So we thought we'd have to try hard to get media for our invention. We decided that we would go to the capital city. My grandfather lives in Canberra. He's got beehives on his veranda. So we thought we will go there and invite the ABC which they came and we would launch our campaign live on camera. And that was a good strategy. However, it was a bit complicated because we were actually shipped flow frames full of honey on the plane down to Canberra and it was too heavy, so we had to take off the suitcase. So there's this box

dribbling honey all over the conveyor belt. Oh my God is that even going to arrive. And we got there we put it on top of his hive and we're able to have the media comes in for it to show them how it worked and also for the go live moment.

Tim

We're chatting with Cedar Anderson. He is the co creator of the flow hive which has been a massive disruptor to the beekeeping industry. Crowdfunding was the way you raised the money. Now here's some stats Cedar I just put such a big smile on my face and I know you've told this story so many times and I've watched it and read about it a number of times but hearing it from you is just awesome. Your target was seventy thousand dollars to buy a bit of equipment from the indiegogo campaign. You raised that in ten minutes. Your total raised was fifteen million Australian dollars with thirty eight thousand backers. You crashed the indiegogo site multiple times and it's one of the most successful crowdfunding campaigns ever. If not the most successful outside of the United States. Have I got anything wrong or is there anything you would like to add to that incredible set of numbers?

Cedar

It was an extraordinary day watching this unfold live on camera and press the go button. I'm still being interviewed by the ABC someone waves in the background you've hit your target and I just picked up my phone and walked off camera and that's what they showed on TV. And I'd been up all night, not a wink of sleep. So I was kind of in this euphoric phase and then two hours later I've hit a million dollars worth of pre-sales the fastest ever campaign to run. And we're seeing they're getting sold out again with sold out again sold again. What are we going to do next what's pricing. Can we ever make all of these flow hives we haven't got a manufacturer set yet. And it was just this whirlwind time of trying to make decisions as fast as we could and communicating with the team back up here at home. Down in Canada with my dad and I'm just trying to navigate the speed that this was going.

Tim

You didn't have a manufacturing strategy?

Cedar

We had our pre production model we had injection moulds made. My grandfather just lent us money to create those injection moulds. We had to put in patents some years earlier. So we had a whole lot of things in place but we didn't have a final manufacturer or even the injection model that we ended up finally using for our flavourings.

Tim

How long did the Indiegogo campaign go full?

Cedar

So we ran it for eight weeks. Actually we set it for six but we extended it and my partner was pregnant with our first child. Suddenly happens to men particularly I think when the first baby is coming. But in this case I had to start a global disruption and make it. But we

just went. Hang on everyone. We've got to have a baby. I'll be back in two weeks we'll extend the campaign.

Tim

Literally within that eight week period your partner was going to give birth?

Cedar

And there we had it.

Tim

Awesome timing.

Cedar

The shots of the baby in the hospital and the whole thing and our little son born in the middle of crowdfunding.

Tim

Your life change. Things were never the same after that million views with the teaser video but come the Indiegogo crowdfunding campaign. Cedar the Byron Bay hippie and family would have just been pounced upon by world media. I'm guessing you're saying the ABC are with you on day one of the crowdfunding campaign described the following eight weeks. And how did you handle it?

Cedar

It was a really intense time. It was basically waking up early for a radio interview in the US then on to something else and on to something else and then driving to a studio to do a TV appearance and then trying to finish it and managing the startup company all in between the media. So this avalanche that did not stop for months and months and months and even a full year of full on media and we were just holding off an umbrella and sheltering from opportunities and we had all the big ones come to our place whether it be Washington Post New York Times you name it they all came.

Tim

Small Business Big marketing Show.

Cedar

We were featured on 10 new US publications every single day. And that did not stop. It was the most intense ride. I've had over a billion views on our content so far.

Tim

Combined in total one billion views. How did you handle that? You sort of seem a mix of introverted extroverts probably not the right word but clearly you're happy to present clearly you're happy to be interviewed. You've done your TED Talks you probably done the keynotes and so there's that mix. Did you like being dragged into the spotlight? Or did you go kicking?

Cedar

I don't mind speaking from stage. A history as a musician being onstage and so on but feels like being dragged is actually more the business management of the meetings or the people management. I didn't even want an office but they told me we had to have one and then they told me that I had to go to it like ridiculous.

Tim

Let's get that clear. You got an office and you had to go to it? Who's advising you?

Cedar

I know this is the thing I tend to be taking advice from the wrong people.

Tim

Well I have to say your office is beautiful. Can we just briefly describe it we are on a beautiful old road at the back of Byron Bay at the top of a hill overlooking the ocean. We're surrounded by flow hives and we're in what it was an old sort of Queensland or Federation type home that you have turned into an office and everyone's occupying the dining room and the living room and the kitchen. Everything is an office.

Cedar

It is a beautiful location if you have to have an office then this is a pretty good one. But I don't even have a desk here and I just float around and we work together. More like a big family I guess.

Tim

Like a beehive.

Cedar

Yeah everybody shape shifting into different roles as they're needed and that has its ups and downs of course.

Tim

Going back to the media coverage and you quantified you had over a billion views of your content across all social media platforms. You must have had tens of millions of dollars of media coverage I'm guessing.

Cedar

I guess it depends what value you put on the media coverage.

Tim

A lot. Well there is a way of doing that I wOnt EXPLAIN that. Now that would be boring but yes it would appear to me given all the big American publications and TV networks alone. The cost for 30 seconds advertising on that would be significant. So that's incredible. So was there a moment just in that crazy eight weeks in your wife your partner at the time is

giving birth where she's looked you in the eye and said Cedar I didn't sign up for this or you've looked your dad in the eye and gone. I think that beautiful life we had back in the commune has come to an end?

Cedar

Think three hours into launching my family saying shut this thing off. Turn this off. We can't make all of those hogs. This is ridiculous. And I'm like no hang on a minute. Isn't this what we're trying to create. And so it was a wrestle from square one but that was with my wider family not necessarily with my wife. So she's always been very supportive and has put up with me inventing in the kitchen turning everything into a big mess for years. I guess even though it's so intense we were ready to be a part of the business world which is kind of contrary to the way I grew up where money was the evil where companies were evil. They still are to a large extent in the globe. But what we realized is there's all sorts of companies doing amazing things around the world and we can be one of that. We can be a company who had a positive impact in the world and that's what we're trying to do now.

Tim

I like that. So eight weeks crowdfunding finishes I guess at some point Indiegogo make a deposit of 15 million U.S. dollars into your bank account. Less commission. How much the commission out of interest?

Cedar

Yes. Kickstarter is around 10 percent. Indiegogo was a bit lower and had the exact figure

Tim

So let's call it five all around there. It wasn't 50. So that money goes into the bank account. Now you create a problem. You have to manufacture. How many orders did you have to at the end of that eight weeks?

Cedar

So it's about twenty thousand after the end of the eight weeks. And we didn't stop. We continued to increase on our website after that and we continued to do almost mini crowdfunding campaigns because there was several months before we had the first products and deliver. So we kept going. So at the time we were anywhere near catching up. We had a big backlog of orders again. So it was this intense variety of trying to dial up manufacturing quick enough in order to catch a tail. So what that meant choosing to manufacture in Australia was we needed a 24/7 production line probably don't get much in Australia but we had that going for six months running 24/7 production line. We also doubled up manufacturing in the USA because that was a large market for us.

Tim

I guess go to China. It would have been the easy and cheap option?

Cedar

Cheap would be the word.

Tim

Not easy.

Cedar

Not easy. And yeah it's fraught with all sorts of things. And we also wanted to be manufacturing somewhat idealistic in the countries where the sales are happening.

Tim

Fair enough.

Cedar

And we've built a brand around quality around sustainability and not a cheap China product.

Tim

Did you get your numbers right? Because you would've had to set prices at the start of the crowdfunding campaign both from a point of view of buying a flow hive and delivering distribution. What did you shoot yourself in the foot?

Cedar

Wouldn't that be sad if you got all of those sales you get 15 million dollars worth of sales and it costs you 17 million to deliver. Lucky for us we did choose the pricing. There was a lot of hoity toity about the pricing a back and forth between me and even my uncle is kicking in with their views on it. And lucky we chose a price that was higher than I originally wanted it to be. And that gave us the ability to come out on top which was very important in terms of the longevity of the company.

Tim

You had to deliver these by Christmas right. You had a pregnant wife. New child. How far away from Christmas cause all those orders are really kind of leading up to the Christmas 2015?

Tim

Somewhere in in April now. And the crowd funding is over and we've gotta get going as fast as we can. In fact we're already pedalling as fast as we can and we thought wow Christmas is so far away. Because every few months we're shifting the date on a crowdfunding page. So the first ones are going to be delivered three months after that crowdfunding finished and then we shifted to the next month and the next month and then next month we thought Christmas is so far away we'll just leave them on for Christmas. Big mistake. Never do that. Everything bottlenecks around that time of year and we were doing well we delivered our first batch on time. Unusual for crowdfunding. Second batch on time. Third batch we were starting to stray a little bit Christmas. We only got about half of them out for Christmas and we had to deal with the fallout from that which is a lot of angry customers going this is my present for so-and-so and we're doing the best we can. We have a 24/7 production line we

cannot go any faster and we are not having just give gift cards to those people to put under the tree and so on and try and do our best to satisfy this extraordinary customer base and who is taking a risk on us to say what you've invented looks cool and we back it.

Tim

You meet those orders. 2015 is done and dusted you then settle into flow hive becoming a business right you go. We need to turn this into a commerce store. And really life changes again.

Cedar

It does and it's so complicated. It's unbelievably complicated when you drill into it. You think how hard can it be. Put on a website take the orders. But first thing's getting all that data and Indiegogo which often didn't even have their address or anything on it and it was very poor data to begin with. So lucky we had a friend of mine Harry who was an experienced web developer and custom built our whole system to import that data and and get it in databases to work with a shopping cart system. And that was really important piece of work to do because without that we would have been planning around not knowing what was going on.

Tim

We love friends like Harry.

Cedar

Yes exactly. He's still working with us today.

Tim

How many people do you have working?

Cedar

About 45 now.

Tim

Wow all here.

Cedar

Almost. My sister's working from Berlin and we have an offshore program but only one. And that's it. All the rest here in Byron Bay.

Tim

And manufacturing down in Brisbane?

Cedar

Manufacturing factories in Brisbane one here in Byron. And that's it now

Tim

You're manufacturing in Byron as well.

Cedar

Hundred percent Australian made.

Tim

That's awesome. No more in the States?

Cedar

Not at the moment. It's not to say that we won't but we've made the call just to bring it all in-house so we can manage it more easily here.

Tim

Do you own those factories or were they factories to do other things as well?

Cedar

So we own the one in Byron. That one's in Brisbane outsourced.

Tim

What is it about Byron Cedar. I've interviewed a number of businesses from here over the years. Spell and the gypsy collective. The guys from stone and wood. The guys from Brook Farms I can named three or four others. What is it about Byron that lends itself to entrepreneurship and creativity?

Cedar

It's quite interesting. It's a really beautiful place. So it's definitely attracts people here of all sorts. But it's a very small place. It's not like you can get down the street and land your dream job. You actually have to create it so you get a whole lot of people here making their own way in order to stay in the area. I think that's a big part of why so many start-ups here and so many success cases from a creative point of view. And I guess the creativity comes in I think from being the mentality of the wider area the rule living the art scene

Tim

There's a bit of relaxed nature about you know how they say you have a shower and ideas come. It's almost like coming to Byron is like having a shower where you kind of take you exhale that big deep breath and let go and then all of a sudden, maybe that opens up to some clearer thinking. I don't know. Could be.

Cedar

It's hard to know isn't it.

Tim

Are you part of a network I know speaking to Pam at Brook Farms and Jamie of Stone & Wood and Liz at Spell & the Gypsy. They all are part of a bit of a collective group where

everyone helps each other and meets occasionally and throws ideas around. Or do you tend to stay inside the fence?

Cedar

We're just starting to network now actually. We've been saying head down to deliver all these orders and to build a company to get all the support we need. All of the amazing people in place lucky to have so many talented friends and family that were brought into the company and just now we're realizing that we need to branch out a bit more and the avalanche has subsided and now we actually need to work to get media.

Tim

Probably why it was so hard to get an interview with you. I love it. I should say so easy. Well that's interesting. What you just said feels like it's a very recent problem that you're encountering where's the crowdfunding finished. Like at the end of 2016, three years ago, two and a half years ago you're just settling into the rhythm of what will be a permanent long term business.

Cedar

It's amazing four and a half years later the buzz has died down and the flow on effect from that original crowdfunding. It did take years to taper off. Getting a whole lot of media interest for years is really really fortunate. Really extraordinary. And we're lucky in Australia to have the Australian story a couple of times and so on. And it's just now that we're reaching out and doing things like Better Homes and Gardens and so on to really keep the story going. So it's a different landscape to try and change your head one holding up an umbrella sheltering and being able to cherry pick to ok now it's time for us to actually work at this and be a normal business.

Tim

It's actually really nice to be here you know three or four years down the track and document the story as opposed to just that the craziness of the crowdfunding. But to see where the dust settles and what the long term nature of the business looks like. So I thank you for having me. I want to talk about marketing. What's your view on marketing to start with? Do you love it? Is it a necessary evil?

Cedar

So this is an interesting thing. Growing up as I was saying with money as the evil and companies and so on.

Tim

That's why I ask.

Cedar

I actually opened my eyes to the world of marketing through Andrew and Darwin who ran a program called our internet secret. So I guess it's the modern day of diving into a marketing podcast. But these were workshops that were holding and four day workshops.

And as part of it they even had things like blockage busting weather that get to can you do an exercise to uncover what the story in your head is that's holding you back from being successful and they'll get it right. Money is and then see what comes after. And of course it's money saving money. So all of this kind of stuff. And then I did things like now write it with your left hand and run a new story and your brain's working so hard to do this. And as cheesy as it sounds I think it was important to do that to try and shift the mentality and allow in the business world to to be part of my life I guess.

Tim

Great stuff to worked through those blockages. I think a lot of business owners have many limiting beliefs around marketing whether it's too expensive or too complicated or not fun.

Cedar

And the marketing is a really interesting thing because at that time I went to two to four of these workshops over four years and learned a whole lot about marketing and what changed in my head is almost everything we do is marketing and Im marketing to you right now. With the way I'm presenting and that's an important shift to not say marketing is this nasty thing over here but as a human interaction and if we can create value in somebody else's life they're willing to swap that for money and that's that. The marketing and the sales coming together.

Tim

You've nailed it. Marketing is everything and everything is which is the best way of looking at it as a business owner. A couple of specific questions Cedar your product called flow hive. Your website is honeyflow.com.au why not flowhive.com.au?

Cedar

It's an interesting point and there's a bit of a story to it and it went like this. I spent years trying to get that honeyfolw.com domain and that was the trademark that we'd also put in and what happened is somebody didn't pay for the upkeep of the trademark and we lost it. And that was as we were start-ups. We then tried for a different trademark which was Flow. And it actually turned out to be better flow is a better trademark than honey flow. But we couldn't get flow as a domain name because they've all taken so the domain name status honey flow and the brand is flow. But it's a flow hive so it wouldn't make sense and we do have the domain flowhive.com and we may even change it but it's always this awkward thing to do when you're disrupting your flow in order to basically make it more congruent.

Tim

Well look the reality is may be down the track whether you plan on what you might have products that go beyond flow hive and that is still obviously be related. So honey flow works flow hive happens just to be your flagship product but not your only product.

Cedar

Yeah exactly. We already have a few. We had a flow bees suits we had thow frames and we have the flow hives. So flow is our trademark and our brand.

Tim

Social media again something you weren't using a lot at all. Five years ago. Now just before I arrived today you just spent an hour doing a Facebook live to your tribe. I understand you do weekly. Social media critical to the ongoing success of your business?

Cedar

It absolutely is. It's what allowed us to get such an incredible sharing of what we'd done. And that was all on Facebook and also the social media and the emails are our main vein. We'd sell ninety eight per cent online and through those two channels. But funnily enough I still don't use Facebook personally.

Tim

Good on you. What do you say to business owners who say email marketing dead?

Cedar

It's not dead for us. So I guess things have changed and they are always changing and shifting and you've got to be at the top of the curve but you also gotta do what's working for you. So the moment this is a trend of people shifting from Facebook to Instagram. So we need to get up to the times of that and focus more on our Instagram which is the next hurdles for us.

Tim

I imagine you have a social media manager here who looks after all that.

Cedar

If anybody would like to come and be our social media manager we need one right now.

Tim

Stop it. That's an awesome job.

Cedar

It is. It's an incredible audience. Really dynamic

Tim

So other marketing really so it's electronic direct mail and social media is where it's at. Which is fantastic. And that's cheap. You're not running ads anywhere.

Cedar

It is. We are running Google and Facebook ads now. And that is a part of it but my brain is still email marketing and Facebook.

Tim

What are you most proud of along this journey. Of all the things you've achieved putting aside family which I know how important that is to you. That's a given. All the things that

have happened in this business since the crowdfunding began. So one thing that you sit and reflect on and it just gives you a little shiver up the spine?

Cedar

It's the impact we're having and that's what keeps us going. Like why wouldn't I just go to the beach and retire at this point.

Tim

Because you could right.

Cedar

I could but it's this beautiful flow and effect that happens when you give somebody a beehive or hasn't had one before where it's a window into a new world. Opening eyes to the interconnectedness of the bees and the trees and the flowers and the myriad of life that we completely depend on. And the beautiful stories we get back at people saying I'm putting away the insecticides I've committed a whole block into a pesticide free zone. And that's what keeps us going and we're so proud to have that positive impact in the world. So proud that we want to build the flow brand with those views and values of our environment of positive impact so strongly into the brand that when we didn't go on. The brand can go on having a positive impact in the world.

Tim

Nice. I liked that. I've been giving some thought as to a jingle for the business. You've got a bit of dough in the bank. So I think what we should do is reach out to Paul McCartney and ask whether we can own let it be.

Cedar

Lovely

Tim

Cedar I think it's a great Australian story as evidenced by the fact that you've been on Australian Story not once but twice and thank you for allowing me into your beekeeping suit wardrobe. We've done this interview and taking me behind the scenes of what I just think is just an awesome business in so many ways and may continue into the future.

Cedar

Thank you very much for having me Tim.