

Rickerby Hinds: Welcome to The Creator State where we share stories of social innovation and entrepreneurship for movers, shakers, creators, and change makers. Each episode will celebrate success and failure, ingenuity and the endless pursuit of knowledge, from education to implementation. Join us as we explore everything in between. The Creator State.

Rickerby Hinds: What's a good road trip without a great snack? For Eugene Kang, a road trip stop for beef jerky sparked his entrepreneurial journey to become the co-founder and CEO of Country Archer Jerky Company, a brand you might recognize from the shelves of Starbucks, Target Whole Foods and Costco stores across the country. Growing up working in his parents' gas station convenience stores, Eugene was familiar with popular snack options and with the hard work needed to run a thriving business. He believes Country Archer's emphasis on high quality ingredients appeal to young consumers' demands for products that align with their values and new dietary trends. That and modern packaging and mouth watering flavors like sriracha, hatch chile, and my favorite, mango habanero.

Rickerby Hinds: Following a record year of growth in 2018, Country Archer was included as one of the fastest growing private companies in the Inc. 5000 list and Eugene was named to the 2019 Forbes 30 under 30 list in the food and drink category. Join us as we talk with Eugene Kang in this episode about seizing opportunity, creating a national brand and where his focus lies as a visionary leader. I'm your host Rickerby Hinds. Welcome to The Creator State.

Rickerby Hinds: Eugene, I want to welcome you to The Creator State.

Eugene Kang: Thanks for having me.

Rickerby Hinds: Absolutely. And I want to begin by asking you kind of our broad stroke question, which is, what led you to Country Archer? And of course within that you will let us know what Country Archer is.

Eugene Kang: Yeah, absolutely. So let's start there. First of all, thanks for having me here. It's good to be back here at UC Riverside campus. Country Archer is the leading gourmet producer of meat snacks. You can liken us to the Sam Adams of beef jerky. We produce organic, grass fed, high quality protein snacks, predominantly in the meat snack category. We came across this business about eight years ago. My partner and I, we took a road trip up to Grand Canyon and we had stopped by this tiny little, I don't know, roadside stand and we had picked up the bag and drink.

Eugene Kang: We are also Cal natives here, so on the way up to Las Vegas you stop at Alien Jerky or you stop at any of these sort of roadside stands that says fresh jerky on a billboard. And you pick up a bag and it's like a plastic bag with a sticker label slapped on it. And we were eating in the car I just immediately fell in love. Right? Road trips and jerky, it just kinda goes hand in hand. It's synonymous.

Upon reading the ingredients we found out there was no preservatives in this. And so I remember just asking the owner of the road side stand, "Hey, are you making this in the back shop there?" And they were like, "Well, actually we're not. We're buying it from this small little producer in Grand Terrace." And I go, "Oh, okay." So we tracked down the owner and it turns out he's got this tiny little commercial kitchen right there off Van Buren Street and off the 215 there on Grand Terrace, and he was essentially a butcher by trade.

Eugene Kang: An Italian gentleman pushing 80 years old. If you wanted to call it Kirby's Fresh Jerky and you wanted to open up your little business, you would just go to him and say, "Hey, can I buy jerky from you and put it under my brand?" And that's all this gentleman was doing. That's all he did all day long. Hand slicing it, hand marinating it and using all real ingredients. Ahead of its time in terms of food. We came across him, we tracked him down and we say, "Hey, what's your succession plan? What's the big vision here for the business?" And he was like, "I'm not really doing it for money, I'm doing it for a labor of love. I love what I do. I'm a butcher by trade."

Eugene Kang: And so we the light bulb just kind of went off and we said, "This is kind of cool. We really can be the craft beer of meat snacks." Hanger 24 had just really started bursting through the seams from the craft beer scene and no one really was kind of owning the IE when it came to craft jerky. So we quickly bought him out in 2011 and really just started growing the business from there.

Rickerby Hinds: You know, I keep trying to get to those moments, that moment, and a lot of times is not a moment. So I became a playwright right here on this campus because I had written a short skit and I was doing it at the university theater and I heard the audience react to something that I had written at two o'clock in the morning. And I realized this is what I want to do for the rest of my life. And it was one of those moments that I thought, "Okay." And I didn't know, you know, coming back and teaching and doing all these things. But it was that thing and it sounds like that was the same instinct, where you guys are like, "This thing should ..." You know.

Eugene Kang: Yeah. I mean, we went in with, "Look, we're not trying to change up anything radically what you're doing today. We just think that there's a lot of opportunity left on the table." That's like a natural correction in itself in the business world. And I'll tell you what I mean by that. My parents are immigrants that came here. They've got some great retail businesses and it will make a great living for someone. And I just was never interested in taking over my family's retail businesses. For some reason it didn't excite me. And they don't have a plan. I mean, yeah, they like to sit here and they'll tell you, "Oh yeah, I want to sell it," but who that next person is going to be, we don't know.

Eugene Kang: And it could be another wave of immigrants that just come in that take that business and their kids could have a different outlook on life. And so I just think that in general, in businesses in particular, there's a natural correction that just

kind of happens in and of itself that Charlie didn't have a plan, but I don't think he tended to have one. He just woke up every morning and just go open up the shop, took fresh delivery of beef and made this product. And you know, I think one of his son was in the air force, the others kids were doing their own thing. And so him as a parent is like, "I'm not going to enforce them to do this." And likewise like my parents. My parents weren't saying, "Hey, no. Just come run the shop. Why would you want to do this?" They were like, "Okay, you've got your thing."

Rickerby Hinds: So, the way you tell the story is pretty simple and straight forward, but tell me about when you knew this was something that you wanted to pursue. I mean, yes, you tasted it, you're like, "This is really dope." But was there moment or moments when you thought this is something that I want to pursue along with my partner?

Eugene Kang: Yeah. It first started with the product, and it always starts with the product. The product has to be good. And when we tried the product initially from that roadside stand, we thought this is best in class and there's nothing like this. And when we think about the genesis of the business, all these little roadside stands, their claim to fame was this product. So if you go up to Big Bear, you stop by Greenspot, you always pick up some jerky from that deli counter. This gentleman was making it for Greenspot. So I knew it had its own cult-like following, but it never really had the power of brand. It was just kind of like a ... We used to joke around it was like the best kept secret in jerky.

Eugene Kang: And so I come from a family of entrepreneurs. My family were immigrants and they own convenience stores all throughout Southern California. So I kind of grew up in the convenience store business stocking the stores, and I knew the power of brands and what brands were doing, whether it was Vitamin Water coming out or Popchips, et cetera. So there was all these new brands that were disrupting their respective categories and no one was really disrupting jerky. And you think back to when I was stocking the stores and the jerky that we knew and we grew up with was that gas station, truck stop jerky that was probably really bad for you, high in sodium and preservatives and MSG. This was completely counter to that. And that along with I saw there was a movement towards better for you food and wellness and transparency, so we just said, "This is it." This is what I wanted to do.

Eugene Kang: So yeah, I mean you're right, it's not so simplistic as you drive and you say, "Okay, I want to buy this company." It was a combination of things. But just the timing of trying that product versus what was in the market, the stars just aligned. And also to that point, going to meet the owner and sure enough he's 80 years old. His kids don't want to take over the business. No succession plan. So you're like, "All right. The stars just aligned here and we've got to pursue this thing."

Rickerby Hinds: When you talk about timing also, when you made this decision and decided to go into business, education had a role to play in this. Talk about what role education or educational decisions served in you moving the business forward.

Eugene Kang: Yeah. I feel like I should kind of put a disclaimer or give some context here. I'm a college dropout, by the way, and I'm not advocating to drop out of college by any means to any of the listeners out there. But the one thing I would say that correlates between what I do in the business and education I would say is it ties back to leadership and sort of community. Business isn't, and especially in my position where we are today in our organization, I always say this, I am not the numbers guy. I am not the marketing genius. I am not the sales guy. I've got experts in every department that have over 10, 15 years of experience in their respective fields. More or less I'm kind of the orchestrator. I'm the conductor. I just make sure everyone's humming along and everyone's working together and everyone's kind of beating the same path.

Eugene Kang: Because at the end the day, when you're an expert in your individual field, which we need that, the world needs that, they sometimes lack the sort of looking at the playing field, right? Tom Brady is the best quarterback but he's not going to drop all the plays and so you need a head coach and you need general manager. And so I always tell people, "My role is general manager, coach. I am nothing more. There's no rocket science behind it."

Eugene Kang: No, it's definitely a conductor role for me. And that's the thing that I keep telling entrepreneurs all the time and just going full circles. You always got to remember that you cannot be the smartest person in the room. You have to surround yourself with good leaders. And you as their leader have to just be able to galvanize, you have to be empathetic, you have to really learn. It takes a village to really do what I do or what this company does. And I think back to not so much the actual contextual education, but the group studies, the group meetings and group projects and working together and the guys who step up say, "Hey, listen, I might not be the best at this, but I'm going to try to galvanize and herd people together, kind of move that agenda along." And I think that's the one thing I can correlate back.

Rickerby Hinds: So specifically, how much did you know about jerky before and then what was your process for getting to the place you are now, where once again that educational trajectory or that journey?

Eugene Kang: Yeah, yeah. No I had no pre-context knowledge of jerky or meat snacks. What we did know was this gentleman is an expert at what he does. And if you kind of full circle this back to education, we kind of have to sit and listen and soak up knowledge from these professors or people that have sort of background knowledge of these particular matters. And that's exactly what we did. I didn't come in to Country Archer first thing day one and tell Charlie who was the original founder and say, "Hey listen, I'm going to do this light years better." No. We soaked it up for a whole year. I mean, I was in the commercial kitchen with

him every morning lifting boxes, looking at meat, different cuts of meat, different marinades, and just kind of soaked up the artisanal side of it. Because that was the key to this, to scale, was this is a small regional thing and we needed to make this national. But first and foremost, we needed to understand the process on how you make this.

Rickerby Hinds: And looking at the dual functions that you needed to serve and just reading up a little bit, you look at this parallel journey of the creation of the product and the marketing. Can you talk a little bit about that process once again at the beginning and realizing, hey, wait a minute. This is something that can possibly go national. This is something that can be a lot more than what it is. We want to make sure that we keep the product a certain way, but also we need to get it out into the world, let the world know that it exists. What was that process for you?

Eugene Kang: It's interesting. We really had to reverse engineer this, and I'll tell you what I mean by that. The brand was already existing, but there was zero to none ... unaided awareness of what we like to call it. So the Country Archer name was just a brand that was on the side of a concrete building. It was nothing more than that. And so you think just contextually, what does that mean from a brand and how does this tie into the actual product?

Eugene Kang: When we created the brand we really had to create it based on the fact that this is a story that we need to highlight, not this 80-year-old Italian gentleman who's been making it for 30 plus years. We need to highlight the heritage side of it, but we also want to be this modern brand. So even the branding and the design elements incorporate that, where like on the front of the logo it says, "Established 1977," but yet the packaging and the branding looks modern and hip. And so there are elements of trying to keep with the nostalgia and the heritage of it, but yet the branding and the marketing is trying to be more ... It's encompassing more the new consumers and talking about jerky in a more gourmet sense.

Rickerby Hinds: Was there a moment or was there a period of time when you thought, okay, this thing is going to do what I thought it was going to do when we started?

Eugene Kang: It's hard to see that in the beginning obviously, because you go in ... I think this is the best way to describe it. You go in thinking this is going to be the product and you know what you're doing, and you start out day one and you realize you have no idea what you're doing. And quickly afterwards you find out, within the first couple of years, okay, there's so much of this industry in business that just keeps unraveling in itself. And I would say around, we bought the business 2011, 2014 is when we first launched into a major retailer, when we actually got traction, where an actual major retailer said, "Yeah, we'll take that brand on and we'll put in our stores." And you start seeing that first purchase order and you're just going like, "Whoa, okay. Did we just kind of get lucky here? Did we stumble upon something?"

Eugene Kang: And you just kind of run with it at that point. So I think there's a little bit of that saying, "Fake it till you make it," and I was kind of doing that. From 2011 to 2014 it was like fake it till I make it. I was telling people, "Oh yeah, we're working with a Sam Adams jerky, but internally behind the closed doors we didn't know what we were doing. I'm going up driving my parents car, not paying ourselves and hitting up every store I can along the street trying to deliver jerky. But that wasn't scalable and that was going to get us where we wanted to. And then it wasn't until we got our first big break in 2014 and Sprouts actually brought on the product and it just took off from there.

Rickerby Hinds: And part of the journey that we didn't talk about, going back a little bit, was that there was an investment made by your parents. Can you talk a little bit about that?

Eugene Kang: So, I kind of gave the context that I dropped out of school. I got the acceptance to UC Riverside and before I took on the this path, I kind of looked at it in a nutshell and I said, "I really don't know if this is what I want to do, and I really see the opportunity here and I see a vision." I actually went to my parents and I jokingly said, "Hey, you can invest in me to go to school but I don't think you're going to get ROI on that." And actually, I'll be honest, they kind of looked at me half like they wanted to kill me and half kind of like yeah, he's real. He's right. This is true. We know our son better than than he knows himself and it's probably a bad ROI.

Eugene Kang: And so I said, "There's an opportunity for this business, and my partner and I we really believe in this. Can you invest in me on this because I need to come up with the cash on my end and I don't have anything to my name." And then they said, "Okay, we'll take a flyer." It's funny. There's a funny sidebar anecdote on that. Years later we took on our first private equity capital raise from a growth capital out of LA. And I remember when I went to my dad, it was a \$5 million check we got from a growth capital from investors. And I said, "Hey, I got the money. I can pay you back now." It was couple hundred grand and my dad's like, "Wait, you're telling me these guys invested how much money into your business and your business is worth now what?" He goes, "No. Convert that over to equity, I don't want the cash." I said, "Okay, we'll do that too."

Rickerby Hinds: Yes. Yeah. No, that's very cool. And you started off earlier saying I'm a college dropout, but you also talked about your education, ongoing education, clearly coming from your ability to study the things you needed to study, but also coming from your parents it seems, who apparently your dad had a little bit of insight with that investment. So I want to ask you because you alluded to a little bit about just fake it till you make it and trying different things. Can you mention or talk about any failures or mistakes or however you perceive those setbacks that happened during this process and how did you use those to move forward?

Eugene Kang: Yeah. Failure is, it's a natural occurring event, especially in the entrepreneurial path, and I think the one thing you have to be cognizant of is never to take these

things too personal. You have to really take a step back and not look at things in a vacuum, and go, "Okay, where did that mistake come from and how do I learn from that in the future?" And I think especially in the consumer goods, consumer product industry, a lot of entrepreneurs think they're the next Steve Jobs, right? So you hit a couple of good success runs and you just think, okay, I know it all. And after that, product development just becomes part of your hubris and you think, okay, anything I create or innovate is going to just kill it at retail or kill it at the stores or consumers will flock to it. We took a couple of Ls in the beginning years when we launched a couple of products that didn't work.

Rickerby Hinds: For example.

Eugene Kang: Well, for example, is we launched a couple of flavors that just didn't resonate. We wanted to be kind of cool with the flavor profiles a little bit too, right? And what we've come to find out too is some of the flavor profiles, it doesn't hit critical mass. It doesn't hit mass scale. At the end of the day, consumers know original, they know teriyaki, they know pepper, this is what they grew up with. So what we decided to do is instead of trying to reinvent the wheel, we took what was existing and we just made it better. So if you took our original beef jerky and compared to the original beef jerky you'll find at a gas station, we have over 60% of our ingredients are organic. We use grass-fed beef. We use all these premium ingredients, but it's still the same flavor. So rather than come out with some kooky flavor that may not resonate in the mass market, we decided to just take what's working but make it better. And so that's a good example of a product loss we took in the early years.

Rickerby Hinds: Yeah. Interesting. Interesting. So you are listed in Forbes 30 under 30 and now you are viewed as someone who is successful and from whom I'm sure folks are looking for advice and guidance. What have you learned about success from others? Anyone specifically. What have you learned?

Eugene Kang: Yeah, the word success is so subjective and I really try to take a step back. Because yes, we have had some great success here at Country Archer, whether it was by personal accolade or whether it's the company's achievement, but I try to take a step back and ask myself how did we get here? And one of the things that I do tell people, a lot of aspiring entrepreneurs who want to get into the food and beverage space, in particular, who say, "How did you do it?" And I've got sometimes be honest. Luck and good fortune and good timing has a lot to do with it. When Starbucks gave us a call in 2016 and said, "Hey, we're kind of thinking about exploring jerky, do you think you can provide us some samples of your product and see how it performs?"

Eugene Kang: Initially I thought, coffee and jerky? It's not going to go well, but how do you say no to something like that? You do your best to execute about getting product out to their stores. And it's a small test. I think it was 40 stores. But what quickly came after that was it just did so well for them that they were like, "All right,

we're going to now put you in 2,000 stores." I mean, how do you predict something like that? You can't plan for success in that way.

Eugene Kang: And so what I try to tell entrepreneurs a lot of times is it's not so much that it's purely luck driven, that it's that I believe that everyone has opportunities that come their way. It's really up to you decide whether or not this is an opportunity you can seize on and move and quickly recognize that it's an opportunity. Because I firmly believe everyone's going to get an opportunity once in a while in their lifetime. And whether you can differentiate and really recognize this is an opportunity, I've got to move on this and I've got to take the bull by the horns. That's on you. To me, the beauty of all this is ... I was saying earlier about the timing and fortunate and being blessed from that perspective, I think fortunate and good timing has a lot to do with it, but also putting yourself in these ... To increase the probability to have good fortune come your way or a good timing come your way is also thing, right?

Eugene Kang: Starbucks would never have called us had we not put together an awesome package and an awesome product out there in retail already. It's not like they just called out of the blue. They called because they saw it in the stores, they were like this is pretty cool. We're exploring jerky anyway, let's give them a call. And so that component we can't control, but the component we did control was we put a kick-ass product out there, we put it out in the market as much as we could, and it just caught the eye of the Starbucks brass. So that's kind of how we look at it.

Rickerby Hinds: Being in the space I guess with the right mindset to make things come to fruition.

Eugene Kang: I think that's the one thing that I actually take some time now every week to talk to fellow entrepreneurs, whether it's my space or different sectors, and one of the correlating lines and I see this now is there are entrepreneurs that have sold their companies for hundreds of millions of dollars and are really successful and it's all great. And I'm a student of the game, I see this as like they go into the next thing, the next venture, and they got this hubris like, "I've done it. I've crushed it. I can do it again. I'm the smartest guy in the room." And a lot of times those second ventures fail and I think there's a correlating line of self-awareness and really coming in with the right attitude of really stay humble. I mean, truly stay humble no matter what. Because I know the whole accolades, like Forbes 30 under 30, and the money we raised [crosstalk 00:24:58]

Rickerby Hinds: Well, I saw your face when I said that. You were like-

Eugene Kang: It's tough because I never want those ideas to creep into my head where you just think to yourself you're never wrong. I've always prided myself on this and I know I jokingly tell people that I'm a college dropout, but there's no way I can have that attitude like my COO is a UPenn guy. If I had that attitude of "Oh yeah, college isn't important," then there's no way I could scale the company that we

did today because everyone in our organization has come from great educational backgrounds. So I like to always tell people like, "Yeah, I dropped out, but that's not for everyone. You've got to be very self-aware to know what your weakness is and what's your strengths and never be the smartest person in the room because you're probably hanging out in the wrong room then." Right?

Rickerby Hinds: Now, let's get into The Creator State of Mind. In each episode we ask our guests to share what's been on their minds, something they can't stop thinking about. A new challenge they're facing or what's inspired them into action recently. We call it The Creator State of Mind.

Eugene Kang: Yeah. I think one of the things that's really inspiring me lately is as we continue to scale our business and our operation, we're over 130 employees now and we're in over 25,000 retailers in the country and we really are growing this organization, one of the things that's inspiring me is how can I be a better leader in the community? I've been fortunate to scale this business with some great people, and as we look over the next couple of years, I'd like to figure out a kind of ... I don't want to say necessarily give back to community, but how do I foster a community longer term? Because I've started to realize that whether it's the Chobani founder or Clif Bar or some of these really great stall worth brands that have really trailblazed for entrepreneurs to enter this space, they've done some amazing things with their company and their culture and their employees.

Eugene Kang: And I just think that's something that we think about and we challenge ourselves internally, about how do we make a better culture longterm? Because we've got a great product, we've got a great brand. It's resonating with the consumers. We're getting distribution. We're growing our revenue off the charts. But to be honest, that doesn't wake me up in the morning and get me energized now. It's more than that. We've got a great organization, they're doing their thing, but for me as a leader now I'm trying to figure out like, okay, how do we sort of install some of these things that some of the great leaders before us have done now?

Eugene Kang: I've just read a great story the other day where Gary Erickson at Clif Bar, they put this great maternity leave package now at their company, which, I'll be honest, in the early stage it's hard to incorporate something like that because you're growing like crazy and everyone's got to put sort of all hands on deck. But over time as we scale our business and operation, can we give ourselves permission to introduce something like that to our company? So these are things that are challenging me longterm.

Rickerby Hinds: That's very cool. And this community where you are, so out here in the Inland Empire and San Bernardino. And so this is, for me as a resident of this region, it's great to hear that kind of conversation and thoughtfulness going into what this space, what the community can become and can be.

Eugene Kang: No, absolutely. Look, I won't lie to you. There was ideas when we took it to certain scale where we were like, does this even make sense to stay here in San Bernardino? Should we go to Dallas or should we go to Austin or Colorado? But first and foremost, there's still a lot of talent in SoCal in general, and SoCal is just a beast, right? You got great talent out of Orange County. Like our COO is an Irvine guy, but he come outs every day and that's something that we've just always mandated from the very beginning was this is home camp and this is what it's going to be.

Rickerby Hinds: But it's a great perspective though still.

Eugene Kang: Look, I live in LA, so teach is their own, right? So I mean, I am not one to ever tell someone how to live their life personally, especially in our company, but I know that one thing is for sure is that our organization is over 130 people and there's real people making this product and we feel like this was going to be home camp for us. And that's our thing. And I think a lot of it has to do with influence because you think back to when we launched this brand, there were some great brands coming out of Inland Empire, like Hanger 24 for example. And we thought, well, you don't have to be stone brewing out of San Diego to succeed in craft beer, Hangar 24 is evident of that. And so we almost kind of said we could do the same thing. We don't have to be in LA or Boulder, Colorado or anything like that. So for us it was also influenced driven too, right?

Rickerby Hinds: It is always a valuable learning opportunity to take time to reflect. At the end of each interview we like to ask our guest this, "In hindsight, what is something you wish you would have known when you were starting out?"

Eugene Kang: How much capital is really needed to grow. I think everyone kind of knows that, but I think going into it capital is the oxygen for companies, especially startups. And we live in a world where funding is widely available. There's a lot of private equities and venture capitals chasing for the next new thing, but I would caution any aspiring entrepreneurs out there is that really take a hard look at your capital needs and what you think you want to raise and how much you really need for the future for growth. I'm talking true growth. And that's really important.

Rickerby Hinds: When we were able to book you, and looking at what you've done and where you are, it's really exciting to see someone who is doing something that, for me as an artist, as a playwright, as someone involved in theaters, is something so foreign to kind of those basic spaces where I exist. But once again, still seeing and hearing the types of things that it takes creatively to make these things happen. So I truly appreciate your time.

Eugene Kang: No, I appreciate it and thanks for having me.

Rickerby Hinds: Our next episode features New York Times Bestselling Author, Fatima Farheen Mirza, who found her passion for writing in a classroom at UC Riverside. Her

debut novel, *A Place For Us*, was the first release from Sarah Jessica Parker's publishing imprint and was named one of the best books of 2018 by the Washington post, NPR, and People Magazine. Thanks for listening. Find more information about our guests at creatorstate.com.

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Rickerby Hinds: Man, that crushed red pepper is good. This is actually ... I like this one. For real.