

Jerry Colonna (00:01.875)

Well, hello everybody. It's great to see you all again. Let's kick off with a little bit of an introduction. And if I can ask you each to introduce yourself. I'm just excited to see you guys, so I have to acknowledge that first. Christian, why don't you kick us off with a little bit of introduction so we can get your voice and get your name and understand where we are.

Christian Fenner (00:32.526)

Yeah, thanks, Jerry. Great to be here. I'm Christian. I'm 33 years old from Germany and one of the two, or actually three co-founders of Nu Cao. We're doing sustainable and super healthy chocolate. And I'm co-founder, but also really focusing on marketing and communication and really excited to be here.

Jerry Colonna (00:57.171)

Yeah, and your co-founder, Mathias.

Mathias (01:01.656)

Hi Jerry, good to see you again. It's been a while. I'm Matthias, I'm CEO at Nu Cao and I can say I love chocolate and I love innovation and we're very happy to be here.

Jerry Colonna (01:03.837)

Good to see you.

Jerry Colonna (01:17.107)

Yeah, I'm glad to have you and glad to see you guys. And our fourth participant in this call is a bit of a guest and actually is the reason that we're all connected here today. Sebastian, why don't you take a moment and just introduce yourself.

Sebastian (01:36.014)

Hello, great to see you guys. Thank you for doing this, Jerry. And you, Christian and Matthias as well. I'm Sebastian Ross, originally German, but I've been living in Spain for many years and I'm running a unit dedicated to founders at the IESE Business School in Barcelona with the privilege of having you teaching in it, Jerry, and the privilege of having Christian and Mathias study with us. We met already three years ago and been keeping in touch and really cool to see us four here on a podcast.

Jerry Colonna (02:11.505)

Yeah, and that program is called the School of Founders, correct?

Sebastian (02:15.448)

Well, the unit is called the School of Founders, the program is called Foundations of Scaling, but people get confused, especially if we use the abbreviations and it's FOSS and SOF. So we need some marketing consulting here.

Jerry Colonna (02:28.541)

I was going to say, Christian, get in there and do some marketing. Well, I'm super excited to be with you all again. We've had a couple of different times over the last few years where we've been together. And we've had some really powerful meaningful conversations.

And the thing I was excited about was actually Christian, Mathias really to help share a little bit of your journey. And before we started recording, we synced up and said, and just reiterated that we want the full journey, not, and excuse me, I'm from Brooklyn, because as you know, I will curse, not the bullshit story of everything up and to the right, but the real story of what it's like being an entrepreneur, what you've gone through, the positives and negatives and really what the experience of being in a peer group, what that's been like.

Because at its heart, Sebastian, I think what you've built is a container for entrepreneurs to come together to not only learn but to actually have that emotional journey of support with one another. So, Christian, I see you nodding a little bit so I'll call on you. Take us back in time. Take us back to the foundation story, the origin story. We're superheroes, we're Marvel characters. How did you guys, and why did you launch a chocolate company, for heaven's sake.

Christian Fenner (04:14.677)

Well, I will give the past the Mathias in a bit because he was closer to the original idea, but I can just describe my part of the story. So I was studying industrial engineering with like being super already being quite frustrated because I felt like this might not be it for me. But pulling through.

Jerry Colonna (04:35.901)

Being an industrial engineer?

Christian Fenner (04:38.243)

Exactly. Yeah. And this kind of manifested in my first job. It was an internship at Mercedes-Benz and I moved to Stuttgart and I was part of this giant company. And I felt basically the purpose being sucked out of me for the first time. In the studies, it was already there, but at Mercedes, I was really having like a quarter life crisis. I was 24 at the time.

And really I thought I wasted the last five years of my life because I studied for this. All my friends were excited for being at Siemens, Porsche, Mercedes, but I felt like there's really something off because I didn't feel I could change anything significant in my life. And then at the same time, I looked outside and Fridays for Future was not really there, but I had my own experiences. For example, I was in Brazil a year before really seeing with my dad together actually how previous rainforest regions really just turned into soil plantations and realizing what the consumption here in Europe has actually to do with rainforests and ecosystems on the other side of the planet.

Basically these two pains came together. Like what am I actually doing with my time and what does this planet actually need? And actually I didn't have any solution. I was really, I would say

on my way to really a kind of depressive state or actually being having the depressive days.

And in this period of time, Mathias called me really, this is not a bullshit story. In these weeks or months, Mathias called me. This old friend I knew from university, had language course together. We were loosely connected and he said, okay, Chris, I have an idea. And now I hand over to you, Matthias, what happened before.

Mathias (06:47.8)

Ha

Jerry Colonna (06:47.997)

Well, before we jump over, just want to acknowledge, don't worry, I want to ask you to talk about your father. That will come in about 15 minutes. No, just kidding. But I just want to acknowledge something, because as soon as you talked about how the friends looked at the choices that you made, Chris, and there you were at a premium brand, probably one of the best companies in Germany to do industrial design.

Christian Fenner (07:17.763)

Absolutely.

Jerry Colonna (07:18.131)

And yet there was something hollow and not landing for you.

Christian Fenner (07:28.233)

And this was really, I couldn't name it. Like it wasn't this, for me at least, I didn't know this whole, I didn't know entrepreneurship life. I didn't know purpose entrepreneurship. I just really felt it. I felt this, yeah, it was really an emptiness. And I just, I remember wanting to hit my head on the Excel tables before me because I was so, I didn't feel that I had any significant impact.

Jerry Colonna (08:00.723)

And then your friend Mathias called.

Mathias (08:03.96)

And he asks him whether he wants to revolutionize the chocolate industry together with him. And he just like straight out said, yes, I do. Yeah, that was magic. And looking back now, just and seeing other people who want to found businesses and struggle to find partners, like real partners to build a business and the efforts they have to make, and then thinking back on how we got together, it's magical. And it's almost like fate. It was great.

Christian Fenner (08:36.545)

And this is by the way, this is nine to ten years ago. So we're talking some time now.

Jerry Colonna (08:41.275)

Yeah, yeah, and you still manage to be co-founders and friends.

Mathias (08:46.102)

Absolutely. Yeah.

Jerry Colonna (08:47.771)

So, so, Matias, tell us, tell us the origin story of the company. What, why chocolate?

Mathias (08:57.346)

Why chocolate. Honestly, I was in a pretty similar situation as Chris. Early on, I felt that my studies were probably not the right choice for me. I studied it for a reason. I probably would do it again. But at the time, it was difficult for me to understand my role in all this. We were both studying at a like elitist engineering school in Germany. It was really tough.

Jerry Colonna (09:26.887)

Were you were also studying industrial design.

Mathias (09:26.904)

Industrial engineering. Yeah. It's like a mix of economics, business administration, and in my case it was electronics. And it was probably 80% electronics. And I wanted to be more on the entrepreneurship side of things, business administration. to be fair, like I didn't mention my age at the beginning of the podcast because I look so much older than Christian anyways. So, but I'm two years older and I did do a master's at university and I was lucky to have entrepreneurship lessons.

So my bachelor I was struggling a lot and I had the same quarter life crisis, Chris. And then during my master's it all really became much better and I could have like tailor-made courses just for my interests. And one of them, I will never forget it was actually Foundations of Entrepreneurship and that professor really managed to get this spark back into my heart. And he was like, you guys, if you come across something that really makes you feel passionate about it, you should start a business because you're so young and you won't have a greater learning curve than founding your own business. So the bar was quite low, then it was anything really.

And we had a third co-founder and together with him, I studied in the UK and the UK, while it's famous for its rich culture and in many regards and rich history, it's probably not as famous for its food culture. And that is for a reason. And we did not study in London. We went to Birmingham and it was quite a downgrade from Germany actually. And that means something in itself.

Mathias (11:22.688)

So really we struggled with our nutrition and we came up with the idea of like putting great ingredients into chocolate. So we melted dark chocolate at home in our university kitchens and

put stuff in like hemp seeds and all sorts of like superfoods. We put it into the fridge and took it to uni next day. And hey presto, everyone liked it. Everyone was like, yeah, I need that too.

And then after a few times of making chocolate at home, we were like, kind of like fed up with doing all the work and then just giving out for free. And that is basically when the business idea was born.

Then we came back, started a chocolate business because really we had this idea was like, let's get started. Let's do something and have this experience of entrepreneurship and doing our thing. And from just from listening to Christian again, I mean, I've heard this story a couple of times, but we came back from, from, Stockholm a couple of weeks ago, and there we had an amazing lecture, by a professor, professor of, of, he was, he was, he was researching and, and, and had the professorship on, happiness. I think it was the first in the world. as he said it. And one of the factors that he, he named as most influential on feeling happy is having agency and I think this is what, when I listened to Chris, I hear he was lacking at Mercedes. And that is probably the one thing that you definitely have as a founder is having agency. And I think that really attracted us to becoming founders. And then we didn't really know at the beginning, but then we learned that we probably chose the most exploitative and the most fucked up industry of all, chocolate.

Mathias (13:20.376)

So, while we had this feeling that we need to do something meaningful and give back to the world with the limited time we have on this planet, we felt urgently that we need to do something about the things that are going wrong, terribly wrong in the chocolate industry. And yeah, became very vocal about what Christian mentioned, deforestation, plastic pollution, and we tried to come up with solutions to all these environmental problems, but also we didn't want to sell shit chocolate to our consumers because those consumers who consider nature and our planet usually also are kind of considerate towards their own body and own health. So it had to be like real like Lo has like people who really care about health, their health and the environment brand.

Mathias (14:19.864)

And then it all founded, we found ourselves really in this chocolate 2.0, making the world a better place while giving you the chance to switch off and just enjoy your life for a moment. And that's really carrying us up until this day and it gives us lots of energy and also hope.

Jerry Colonna (14:41.295)

So I want to bring the stories together a little bit. So there you are, two young men kind of living the dream, if you will, meaning you go to an elite university, you get a really good degree. Your parents were probably thrilled to the moon because there you were, right? Living their dream, if you will.

And this quarter life existential question is creeping around. To use your term, Mathias, there's a

lack of agency in your own life. There's a lack of...there's something missing. There's something hollow about what's going on. And what I'm seeing is that it wasn't just the wish for agency, because you could have launched anything, but it was also this sense of purpose, this connection. And you started off by trying to respond to a nutritional need, Mathias. But then all of a sudden, it sounds like you started to see the broader context of Chris' experience, which was how is actually chocolate produced? I've heard from you guys before, but let's take two or three minutes and talk about that. Talk about, you called it, Mathias, the most exploitive industry, I think was the term you used. Tell me about that. What's so wrong with chocolate?

Mathias (16:35.318)

There's a number of things. One, there's still slavery involved in chocolate. So you have adult slaves, but you can also go to Ivory Coast now to take a plane there and go to any farmers market and you can buy children there for a couple of hundred dollars. Still, like now. It's crazy. It's so crazy that you don't know whether you should laugh or cry.

Mathias (17:03.256)

And that's being used by not by the chocolate companies themselves, but they accept the fact that this is a thing. Like it's still there.

Jerry Colonna (17:10.843)

or they look the other way.

Mathias:

They look the other way and they don't do a hell of a about this. Sort of like a prisoner's dilemma. The first one who moves and takes out pressure by paying higher prices will lose market share. you know, some of these companies are stock listed, so they don't really have the means of doing this. It's like capitalism at its best.

And, and so that's, that's one thing. It's probably not the one thing that we focus most on. But it's, definitely an issue that we face and, and where we, where we just pay much higher prices and fair trade certificates and all that stuff. But the thing that drives us crazy the most is deforestation. So, so most people know about palm oil. They know that probably eating lots of beef that is soy fed, isn't really contributing to preventing climate change from happening. But very, very little people know that deforestation in Cote D'Ivoire is a big thing. And when you look at the carbon emissions, I'm sorry, I'm geeking a little bit here..

Jerry Colonna (18:22.931)

No, no, out, geek out.

Mathias (18:31.106)

...but when you look at, I'm geeking out a little bit. When you look at carbon emissions per

kilogram of product, then beef is the number one. It's unbeatable. But then second is cacao. And that came as a surprise even to us after a couple of years because we thought, we do vegan chocolate because it doesn't have milk. So it has to be lower in emissions, right? Because chocolate in itself is plant-based. has cocoa, cocoa butter, cocoa mass, and sugar. So it's vegan when you do it like this. And therefore it has to be low emission. But that was not the case.

It came as a surprise to us that cocoa had such a bad footprint. And we were like, why is that? And the reason for this high footprint is the terrible land use change that is happening. So cocoa can be grown in rainforests, but it can also be grown a little bit more efficiently when you just cut down all the forests and you do monoculture plantations. The downside of that is these plantations don't last forever because cocoa actually thrives in the shade.

So if you cut down all the trees and you plant it in the full sun, after a few years, you have to move on and cut down the next patch of rainforest to plant a new plantation. So that's a very bad habit, but it's being done like this in 99% of the cases of how farmers grow cocoa. And then we thought, okay, well, we'd have to do something about that. There must be another way.

And the solution is agroforestry. Is planting coquois inside the rainforest instead of cutting down the rainforest and plant monoculture plantation.

Jerry Colonna (20:09.607)

Which is how the plant actually evolved over time anyway.

Mathias (20:13.556)

It is so you can do it like this. That's where that's its origin. And, and using aquaforestry cocoa is the biggest lever on cutting down emissions. When you look at the numbers, transportation is nothing. It's like 2% of the emission of a chocolate bar. It's literally nothing. If you look at production in the, in the overall picture, it's also almost neglectable. If you use renewable energy is nice, but it's not going to move the needle a lot.

What's moving the needle is really the method of how you grow the cocoa you use for your chocolate. And Chris and I, were really decided when we found out about this and we did some research, we visited the farms in Peru. We visited the farms in Bali and then we saw how it can actually also be done. We saw both. We saw the monocultures and we saw the agroforestry. And it was such a difference. It's such a difference. You wouldn't imagine the difference in the microclimate, in the biodiversity in the way they need to treat the plantations. It's so much less work also because you have all the bugs that eat the other bugs, the bad bugs. It's all stable and resilient. And now we see super high cocoa prices and that is because the plantations that we came up with, the 99% of the monoculture, is zero resilient to climate change, to pests. And that was so foreseeable, like so foreseeable. And we try to really reverse this and plant more aquaforestry coccoa.

Jerry Colonna (21:47.069)

Okay, so I wanna go deep in a few minutes on this experience that you had from going from a kind of quarter life crisis, what the hell am I doing with my life, to I need some more agency, to discovering in a sense the power of purpose. And I want to take us back though to the story in the sense of, so this is great. So you raise a bunch of money and you just, what happened? I'm joking. What actually happened?

Christian Fenner (22:32.683)

Well, first it was amazing. mean, really the first summer then we met and actually founded the company. We got a scholarship by the state. We were making chocolate still in the kitchen, trying to develop it. This first one year was just super nice. We didn't have, had this scholarship money, so nothing to worry about. Then even the two years afterwards, we actually really fueled by this new gained purpose. It was really amazing learning a lot. And really also having quite successful start actually.

So, we were in this organic, quite nerdy urban target group, super niche people that want like a healthy and sustainable. Three dollar quite expensive chocolate bar in the beginning. You really find these people, your family and friends supporting and, and so things were, course, was, was definitely very challenging. We opened up our own production facility because nobody believed in, in three guys, three engineers, trying to reinvent the chocolate bar. So they were like, no guys, like, have you looked into the chocolate shelf? It's quite crowded. It's a shark tank. S

o we said, okay, then we're going to do it ourselves. So we did this one year producing at daytime, working at nighttime. It was really wild but we were 25-26.

Jerry Colonna (24:00.871)

So you were actually in the production. You were making the chocolate yourselves, right?

Christian Fenner (24:03.671)

We were making the chocolate ourselves for a year. Tremendous effort really getting to know chocolate as a diva. So it's really, you need to find like one crystal state out of eight. You never hit it. It's always a mess. So this was challenging. We didn't sleep much. It was these typical early founder years, but we were full of energy and it was really an amazing time. And then...

Mathias (24:35.256)

And were engineers after all, so we had to buy some machinery. So that had to be part of the story.

Christian Fenner (24:44.715)

Yeah. And we were bold. We were really bold and going for it. And fueled by this purpose and the initial success, we took decisions to grow the company further and further. And we were young and unexperienced. And in hindsight, we then started to make mistakes because we hadn't experienced failure. And we thought...



Well, we have a purpose that justifies everything. I mean, we are the good guys. So if you have a purpose, of course you can grow into all European countries quite early. Of course, we can not only make chocolate, but we should open up a protein range, a snacking range and a chocolate range and build a roof brand on top of it. And we're going to be the green Nestle. Nobody can stop us. Let's go.

So this was kind of the mindset and then money was really loose. So it was really available at that time. It was like 2019, 2020. So we raised a lot of money and then maybe Mathias, can continue, but we kind of exploded. We were hiring 10 to 20 people per month having from like three flavors of chocolate bars going to 25 to 30 units of different products, different brands, trying China, trying Hong Kong, hiring a country manager in the UK. So you get the feeling, right? It was, we can do anything. And revenue grew, the losses also grew.

Christian Fenner (26:39.827)

Our awareness of human beings, and this was all before School of Founders, didn't grow at all. We were just stressed out. Why is everything so hard all of a sudden to decide what are all the hundred people doing right now? And we were really overwhelmed. And this, yeah, this really almost killed us a few times. And yeah, maybe Matthias, you can go on what happened then.

Jerry Colonna (27:09.639)

Yeah, continue Matthias.

Mathias (27:10.68)

Yeah. So yeah, first of all, I think there's very few people that ever lived who have burned 10 million euro as fast as we did. I think that was quite an achievement in a way. And Jerry, you said something around the bullshit of to the up and right, like just growth without any hurdles or...problems along the way. I think when I was 28, 29, 30 years old, probably that would have been the ideal scenario for me. Like stable growth, like really hitting it, being super successful, being this purposeful founder and having this amazing company in the footsteps of Patagonia and the likes.

And now looking back, I'm really happy it didn't go that way because, because the roller coaster we had was the only way for me, at least, for the personality who I am to really hit the wall and learn from it. And I think it would have been detrimental to my character and to my growth, as a person, if everything had gone well. So I'm actually really thankful that we were these inexperienced founders, we didn't have any good coaches, that we had investors that also had no clue, that didn't advise us properly or like stop things also at the right time. So I'm really grateful for all the mess that happened, like for all the hair we've lost, at least I lost a lot of.

Jerry Colonna (28:56.563)

Which is why Mathias looks so much older than Christian.

Christian Fenner (29:04.277)

Mine is turning grey, it's not better.

Mathias (29:00.856)

Exactly. So we've eaten so... Yeah, he's a little grayer than I am. So we've eaten so much shit and we've, you know, we've heard so many times that at one point we had, like it forced us to become really humble about our opinions. It almost broke our boldness. It broke us up really.

Mathias (29:30.792)

And of course we, we revisited some of the, some of the texts of your, in your book. And the one thing that really, strikes us every time we come across it is this, is this metaphor of the, openhearted warrior. It's, it's really what you turn into when you, when you have such a journey, in your back. It's all the experiences, but it's, it's also all the mistakes that you've made that just like shout into your face. You have shortcomings, like you're imperfect. You come short over and over again. You fail. You failed so many times, like you should be careful to be too bold. And I think this experience has had like a big stamp on both Christian and my soul and helped us grow like we wouldn't have imagined it possible before.

Jerry Colonna (30:31.153)

Well, I appreciate the sort of link back to my first book Reboot. And I want to just pause and sort of make a connection, I think, that you're talking about. And this is a phenomenal story. And I want to get to how you ended up at the School of Founders and what happened for you there. But this notion of the warrior if you recall.

Part of the setup for that imagery of the warrior with the open heart and the strong back is the breaking of the heart, the breaking open of the heart. And as Parker Palmer tells the story, there's an old Hasidic tale of a student who goes to the rabbi and asks the rabbi, rabbi, why do the words of the Talmud tell us to place the words of the Torah upon our hearts. Why does it not say place the words of the Torah, the words of God, into our hearts? And the rabbi says our hearts being hard as they are, our hearts need to break open in order for the words to fall in. And I think in a sense that leads to this notion of the broken open-hearted warrior.

And I think what we're talking about here is the the two of you in your own way are describing the, your journey of having your hearts broken open. Ironically by a kind of success, right? Cause that story could have been, and then we were a hundred employees and we had 10 million euro that we raised and we sold the business for 30 million euro, but that's actually not how the story ends. Right.

Jerry Colonna (32:32.86)

And the story is still ongoing. We'll come to that. But there's this moment of reckoning, if you will. Reckoning with yourselves and what I see in two men that I admire. I'll say that again, two men that I admire, your willingness to take the adversity and take the lessons from that and to grow that. OK, so I want to bring Sebastian in at this point. So this is 2019, 2020. I think Sebastian School of Founders, Foundations of Scaling begins in 21, 22. When did it begin? 22.

Sebastian (33:21.934)

22.

Jerry Colonna (33:24.465)

Now, how did, and you guys, I believe were in the first cohort, is that correct?

Sebastian (33:29.026)

Yep. Yep. I want guinea pigs.

Jerry:

Okay. Guinea pigs, okay. And if I remember correctly, there was some hesitancy about joining, is that right? Christian, Mathias?

Christian Fenner (33:37.123)

Well, not for me. Well, from the maybe a little bit, because we were not really having that much cash on our accounts anymore. But actually, so we were already in this struggling phase that started when it was like, I think, end of 2021 to end of 2022.

So just to finish the story real quick, we had to decide we have to change something fundamentally. Our product was too niche actually. It was not tasty enough and we were completely... Yeah. It was not for the broader mass and we are retail brands. So you have to appeal to a certain size of target group. And we were...defocused as much as you can get defocused. We realized that because we were hitting the wall and then we basically decided, okay, we cut all countries except Germany and Austria. We cut all products except chocolate, which is the product we're coming from. And we're going to have to let people go and we're going to make a complete relaunch of the recipes, the brand and the team.

Jerry Colonna (34:20.913)

Yeah, I actually had the protein bar once and that was it.

Christian Fenner (35:05.579)

And we thought this is going to be a tough two weeks and then it's going to be fine. It took us two years. So, mean, we thought, and these were the hardest days still, and will always be the hardest days of letting people you really respect and you like your team go. And we thought already, we got the advice. You have to cut deep now. Okay.

Jerry Colonna (35:13.603)

wow.

Christian Fenner (35:35.043)

So we thought we were going to cut deep. Well, we had to do it three times and it hurt every time a lot. yeah, today we are 25 people. Now constant since over a year, slowly growing. So,

but you see the difference, right? From over 100 to 25. And this was a really painful journey. Along the way, we almost hit bankruptcy twice at least. just to finish kind of the story, what was actually the journey and in this process of I think after our first big layoff, already struggling a little bit, one of our investors showed us the basically the ad of School of Founders. And it read like, I read it and I was like, this is, this is my problems on a list. So you feel overwhelmed as a founder, you don't know how to handle the stress.

Christian Fenner (36:34.179)

You have the fire in yourself, but you cannot bring it to the company anymore. Like the first, this first euphoria of founding the company is gone and it's kind of being suffocated while you try to scale it. You have the tools from your economics studies, but actually scaling a company, it doesn't serve you anymore. So these kind of...you're the kind of need of between a, an entrepreneurship study and an MBA, both don't help scaling founders. And Sebas luckily saw this blind spot and, I told Mathias, 'Hey, we have to do something.' And, I had to work a little bit and my Sebas as well on Mathias' mindset, I would say.

Jerry Colonna (37:27.313)

Mathias, what was your hesitancy?

Mathias (37:31.096)

Money. It was money but also not being 100% open to growth. I think these two in combination. Yeah. And then Christian sort of like dragged me into it. And it was probably like not even an hour until I understood that this is going to be life changing.

Jerry Colonna (38:00.179)

So let's just pause. Sebastian has this incredible ability to get people to do something for free. I remember when you reached out, Sebastian, you reached out over LinkedIn. And actually, as you've reminded me, you've reached out once before, and I kind of swatted you away because I'm so busy. Blah, blah, blah. My ego and all that stuff.

Sebastian (38:30.414)

It was one of the nicest no's I've ever received, Jerry. But it was a no after all. And then I found a different path.

Jerry Colonna (38:37.843)

Yeah. Well, that's actually a really good metaphor, guys, for one of the things that Sebastian is very good at, which is finding a different path. And so he found a different path to inviting me and his faculty. if I remember correctly, what did you think of these guys, Christian and Mathias, Sebastian, what did you think of these guys and their story?

Sebastian (39:09.452)

Back then when I spoke to them for the first time, I I was running my little startup and this was the school of founders, practically didn't exist, no? We were selling a product that has never

shown its worth in the market. It was just paper and a few plants and I was out there selling it, no? And struggling also, no? Trying to find people that sign up for this first pilot. And then Leonard, an investor, business angel that invested in NuCao. He had been in the program and a colleague of me had heard of the program and he sent it to you and at least it spurred your interest.

What I remember from our conversation, the of the interview, the mutual interview, was I was very impressed by Mathias's business knowledge. I think we had a deeper discussion on organizational design and I couldn't really respond. He knew more about organizational design than I did and says, ooh, maybe I'm not sure if this this thing is really useful for them but somehow apparently I was able to convince you and I gave you a little discount I think also made a concession to get you on board and I liked you very much from the first moment the first conversation I think there was some something that that clicked and fell in love with the idea of having you guys in the program. So that was absolutely clear from the first moment that I thought you would be great addition to the cohort. And then they signed up and we started this beautiful journey of growing together. I drew that on the blackboard, right?

Christian Fenner (41:00.838)

The trajectory started to change. Yep, it's really, this is what happened.

Jerry Colonna (41:10.033)

You drew what? You drew what? Tell us that story, Sebastian.

Sebastian (41:14.964)

It's a very simple graph. It's basically this arrow that goes up to the right. And then in the onboarding session, which I gave on the first day of the program, I express the aspiration or the hope that I have for them that I tell them that they're total outliers, a single digit percentage of all the people who try to build businesses ever make it to the place where these guys and the other participants already have gone. You need to at least have 30 employees and the average is 50, 60 and several millions of revenue. So very few ever get there. So already total outliers, but then my hope is with the program and we have a little bit of a track record now is that through what we do to them, there are many different things.

I'll speak about leadership later. I would assume we were able to change the trajectory. There's a different angle to the era by spending nine months in a group of friends and co-founders, co-entrepreneurs and learning and that then changes the trajectory of lives, I think, in many ways, but also for the companies. That's what I... a little bold what I promised them in the beginning of the program.

Jerry Colonna (42:39.059)

And, and, Mathias, Chris, to what extent did that happen? What happened for you guys in the program?

Mathias (42:51.0)

So you want to go first?

Christian Fenner (42:52.559)

Yeah, so.

The session started and we were like, okay, let's learn something about business. And we went there and we started with a meditation. I was like, okay, this is interesting.

And then the first coach, one of the first slides was the inner game runs the outer game. And this was like already, oh, like, okay, we're going to look inwards. For me, there was, and I think for us, that was already game-changing saying, okay, if you don't understand yourself, like you call it, go into radical self-inquiry, which we learned from you, you will not be able to scale a company and what are you doing now? And what we did is to scale all your not reflected parts, your shadows, and your your weaknesses you don't, you're not aware of. You scale all that into the company, which is what happens, right? We were this, yeah, this typical overhyped startup that like almost crashed because all our not reflected parts were just scaled into the company. And then this first weekend we learned, full stop. We have to look inward.

And this for me was really, yeah, game-changing and also going to the observer's position, right? To look at you as a human being, as a young guy and looking also being kind of like more gentle. And because I think we were just warriors with a strong back, like running like crazy. But there was no open heart. There was no soft heart. empathy. There was empathy maybe for our employees, but not really empathy for us. We were just the guys that have to rock it. Because, it's interesting to say the purpose was kind of this whole justification for me at least. think I'm the right thing. It's fine. But yeah, so this whole raising of awareness, I think for me and really digging deep, okay, what are my unreflected shadows? We can go into them if you want, but this was really for me a game changer.

Jerry Colonna (45:18.565)

I'm surprised that you made it through the first weekend. It must have been a little bit challenging to say, because I'm here. We're running out of money. The rocket ship is running out of fuel. And these folks, these teachers, this faculty, this program is challenging me not to solve my quote, business problems, but I would say to solve your leadership challenges.

Christian Fenner (45:52.232)

Absolutely.

Jerry:

Mathias, how did you stay in that seat? Because I know you were the more skeptical of the two.

Mathias (46:00.352)

Yeah, but I, once I'm convinced of something, I turned into the biggest advocates. So, it didn't

take much time to, get me on board, completely. so, so I think that what happened to me, is that I understood what leadership is. And I don't mean by that, that I got it. I got it, you know, sorted for myself, but I understood the potential of it and, and how much I was still at the beginning of this whole journey. I didn't basically even take the first step. Like this was, I was like a bloody beginner.

And I think any founder is probably triggered by that. And you want to catch up on the others. If you feel like somebody, somebody else is already doing great and you recognize these people as amazing leaders, you want to get there too. And this kind of triggered like an insatiable curiosity to look into my shadows. didn't call it my shadows yet because that was before hearing you and your lessons. But this was it. I understood that there is so much potential for growth that I before I didn't have an idea of all that potential. So I think I was pretty happy with myself. And I didn't really challenge myself enough.

And then as I said it before, we made so many mistakes and then it like daunted on me that there, that I have probably a bigger underlying problem. And that was the inner game. And when that clicked with me, I was like, holy shit. And that, that sparked this whole, whole journey and adventure growth, growth adventure that as it is being an entrepreneur.

And I think even today, mean, Christian and I, before joining this call, we had like a fierce discussion on a meeting and it was even fiercer.

Jerry Colonna (48:05.555)

A fierce discussion. Does that mean a fierce argument?

Mathias:

Yeah. Yeah. we, we both like, we've been in this journey now, like for three years and really working on us, you know, reading the books, but also giving us feedback, you know, speaking about our shadows, the blind spots, and all the rest of it. And yet. we fuck things up massively in our day to day lives. It takes two or three bad nights and our nerves are, you know, there we go back to meditation and sleep quality. But it doesn't take much for us to fall back into old patterns. But now what happens is we have the vocabulary to when we, once we calm down, we can really reflect on what just happened and we can clear things and sort things out for us.

And we see our colleagues who haven't taken this course, obviously they're not the founders, but, I think they're sometimes amazed like how we can fight with each other and then how we become friends again and have this book vocabulary and language is almost existent just between the two of us. we didn't find common ground and then we've grown another percentage point. and we've learned another thing and we might fuck it up again a couple of weeks or months later. But then it's like a pain in the ass to realize that you fucked up again and you know exactly what you went wrong. And we still have the hope that by one point we stop fucking the same things up over and over again. But that's at least we now know what's happening or have an idea and the vocabulary to talk it through. And that's the amazing thing. Yeah, that's the

consciousness that we gained from taking this course with Sebas.

Jerry Colonna (49:39.538)

Hmm.

Jerry Colonna (49:55.379)

You know, I want to bring your attention to something. You're going to continue to fuck it up for the rest of your lives. Because that is part of the process of being a human being. Okay? You know that the subtitle of my first book is Leadership in the Art of Growing Up. And the last line of the book is, "and with that I mastered the art of growing up."

I want to bring your attention to the phrasing there. This is not a science. It's an art. It's an imprecise art. And it's a practice. And we are daily, regularly, this is the point of leadership, we are daily confronted with the parts of ourselves that need to grow. That's the gift of leadership. That's the gift of entrepreneurship.

And Sebastian, I've listened to them, I've been watching your face. And I'm really curious as how you take in what it is that they've shared about their journey. I mean, here you are, you you were a tentative kind of entrepreneur launching a program, not really sure how it was going to land for people. As you listen to these brilliant young men These heart-centered young men who give a shit about the world, but also recognize their own inner game. What's going on for you?

Sebastian (51:50.606)

Gratitude for what you guys said, the feedback that I received but also for whoever put me in that place and allowed me to build this together with other people. a moment also to mention my friend Helmand who invited me to lesse to help him think about this and also Franz who bet on us from the beginning gave us a chance to build something.

Jerry Colonna (52:26.163)

Franz the Dean of the school.

Sebastian:

The Dean, exactly, thank you. Gave us a chance to build something that didn't exist yet and it's quite different in many ways.

Another emotion is somewhat surprise also about the impact. I I have been on this personal growth journey and studying leadership and things for quite some years, know, sort of from my own journey but also trying to bring this into organizations.

So I knew a little bit and I always had the aspiration of making this an important part of the program and the intuition that it could even be the most meaningful. But then I was also kind of faced with what you said, Christian, that you guys, want recipes, want frameworks, want strategies, you want to know how do I raise money and maybe how do I pitch better and...



these very practical things. We do deliver that. Let's say I'm less and less shy about putting the leadership piece front and center also in our marketing because I'm more and more convinced that this is probably the...

why it is really worth doing this and this will carry you hopefully through and through with to some success with this journey but it's something that stays with you for the rest of your life. Whatever organization you lead or whatever family you lead or whatever activity in your life, these leadership skills are useful 360, 24/7 and so I'm surprised how by sometimes the little I do, the little we do, the little time that we have, how big that impact is. mean obviously not for everybody. I think you guys are particularly receptive to it. But you're also not an exception. People come for the recipes and then they leave us grateful for the transformation that happened with them and how that exactly happens, we speak of it Jerry.

Sebastian (54:52.906)

I don't really know. put little ingredients, many small little interventions over the course of nine months and then the result. Yeah, seems something seems to seem to work and it's really, it's very gratifying, very gratifying.

Jerry Colonna (55:11.987)

I'll venture a guess as to what I have witnessed now that I've been a kind of adjunct faculty into the program now for three years. I think that what I have observed is that there is a steadfast intellectual rigor to the practical. But the container that you create is based on presence in the heart. And that combination is, I think, where the magic of this program is.

I'll name it. The fact that it's part of a university that is intellectually rigorous but grounded in a kind of spirituality. Forget religion for a moment and a deep appreciation for humanity makes this program something I'm proud to be associated with. And I have witnessed people grow in this way.

Christian, Mathias, I want to come back to this notion. OK, so the inner game affects the outer game. And again, this would be a Hollywood tale if the outer game was all great. But how is the outer game going? How are you? You're at 25 employees now. What's that experience like?

Christian Fenner (56:47.01)

Yeah. So like you said, it's not, we're not done yet, far away from it, but we managed to kind of turn things around and become a quite stable company. yeah, like I said, a constant team and we are growing again. So we had like this high in 2021 with lots of losses and then we basically crashed down. Yeah, really hard.

Then we did the relaunch and it still didn't work out. So we thought now we have it and even then the products were not where they should be. So we took another year to really figure it out. now, yeah, we still working on it, but we have a stable business. We grew 60% last year, trying

to do the same this year. So we're back on track. There are big challenges ahead. The cocoa prices are four times higher than they were the last 60 years. So we are in a really cocoa price crisis. So we have to challenge, if we fight that, we're increasing prices. The whole industry is upside down right now. But I think we have some tools and maybe, I don't know,

I have the feeling that we talked about the inner game, but not what it really means. maybe, I don't know if for me, I just want to give an example also to you, what you helped me figuring out because as we were on a retreat together, I burned like a belief system, like a belief that I held really deeply. I still, I don't think it's gone, but just want to show maybe to anybody who listens, like what, that can trigger is like for me, it was like this belief of not being enough and of this, I think typically founder belief system of being an imposter and saying, actually cannot do anything. And this is a show I'm putting on. And this led to me being a people pleaser, a really perfectionist, micromanaging founder. These are examples how then this goes into the company, which made the whole culture not ideal. But the core was actually me being super insecure.

And this is what we worked on together to find out where does that actually come from? And this is still something I'm working on. So this is not, it's not, it's not gone, but you helped us.

Jerry Colonna (59:27.027)

Mm hmm. It's still a practice.

Christian:

It's still a practice and you really helped us to, to, find vocabulary and to find these belief systems and to try to let them go slowly. And, and this then translate in really different habits in leadership in the company, but the route is actually super personal and inside, right? So just, yeah, maybe to give some color to this process.

Jerry Colonna (59:54.875)

Well, I appreciate the elaboration on that and, you know, in the same spirit, I'll note, in addition to participating in the classroom-based programs, one of the things that Sebastian enabled was for us all to gather together in a retreat to model after Reboot's Bootcamps. And we went through some really powerful experiences together that really strengthened what we were doing in the classroom. And I watched two brilliant young men, I'll say it again, grow in their experience. And what I'm hearing is the experience of the company is not where you want it to be. You're not fully exited and, boy, raining money from the skies.

But the roller coaster ride seems to be a little bit slower and the ups and downs of the roller coaster seem to be a little bit more manageable. Is that right, Mathias?

Mathias (01:01:05.4)

It is right, for sure. I think we still have quite a long way ahead of us, but I really do see a significant difference. Looking back where we were two or three years ago to where we are now,

I think how the company does, how people feel in the office, how they show up, a reflection of, at least to some extent, is a reflection of the inner game of the founders.

And just looking at that, it's encouraging for sure.

Jerry Colonna (01:01:40.039)

You know, I'll, yeah, go ahead.

Mathias (01:01:40.406)

And yeah, maybe to add maybe on Christian's point and yours, it was hugely powerful to first do the theory. Your lessons, think anyone who attended one knows that your lessons aren't too theoretical. They're very pragmatic also. But then, you know, reading the book and then going out to this amazing retreat just outside of Barcelona.

I mean, we were, we were reading books and you know, we had coaches and we did therapy, but we never, think at least speaking for myself, I never really understood the core issue that I had, like what was wrong with me. And I never got it. And it was, it was in that retreat that it came upon me and I understood why I was allowing myself to be an ogre towards other people and thinking that that was okay.

And it came down to this belief that I wasn't welcome in this world. And it was like, was an explosion and it made, it all made sense. And as with Christian, it's now, it's something that is, that I'm conscious about now, but it doesn't mean it's gone. It's still there and I have to really work on it.

And then there are weeks where I have more space to think about it and consider it and work on it and against it. And there are other weeks where you're just overwhelmed by work, something kind of like got messed up and you need to fix it. And your child is sick and you had a bad night and then you got swamped. But then coming back to that consciousness and awareness that this is the underlying belief.

And it's like with your torch, you know, looking at it, looking at and face it properly is a huge relief every time you raise it again in your consciousness.

Jerry Colonna (01:03:40.915)

Hmm.

Jerry Colonna (01:03:53.585)

Well, what a powerful moving.

## START LEDE

Jerry Colonna (01:03:59.699)

I really appreciate both of you for sharing your stories here. I'll start to close us out by reminding you of something that my Buddhist teacher, Sharon Salzberg, often says. And she speaks about it initially in the context of meditation and finding ourselves grounded, and then all of a sudden we get all wrapped up in our thoughts. But I think the language is totally appropriate for what you're experiencing here.

And she says quite simply, begin again.

Jerry Colonna (01:04:35.205)

The thing to remember is everything that you have learned in this experience, everything that you have gone through, understanding the impact of the inner game. It's not something that you will lose. You will just forget it. And when you forget it, you begin again.

Jerry Colonna (01:04:57.907)

I want you to hold on to an image, which is part of the leadership journey is a process of coming home. It's a process of coming back to oneself. It's why I like to start with origin stories. It's why I like to get co-founders together to say, remember that time you reached out to me and you called me up and I was banging my head against the table at, we would say Mercedes, you say, you pronounce it properly. Remember that experience? Remember walking into that classroom and being presented a slide that says the inner game affects the outer game? Like what the fuck does that mean? That process of re-mem-bering is an expression of what Sharon would say is begin again. Now I'm an old fuck. I'll be 62 this year, okay? And the one thing that I have learned is that coming home to myself, coming back to myself, is the best way that I can experience and respond to the craziness of my own mind and the world as it is. Because Lord knows the world as it is right now is nuts.

But we come home to what is important to us. We come home to the values that define us. You come home to this friendship that you have developed. Even when Christian, when Mateus is a jerk, because we both know he can be a jerk. Just kidding. This is maybe, perhaps, as you guys go through this scaling. And Sebastian, they are in scaling mode slowly, steadily. Easier roller coaster ride, building a business. As you go through this, you come home to what matters.

I've been saying this a lot lately. A few months ago, I met with my teacher, my elder mentor, Parker Palmer. And as you know, one of his books that meant the world to me is Let Your Life Speak.

Sebastian, I know you read A Hidden Wholeness recently, and it really shaped your thinking again. After spending a weekend with him, I found myself thinking about our conversations, and I wrote something, which I then printed out and shared. And what it says is, what matters is what matters.

Jerry Colonna (01:07:47.665)

Now that's a clever way of reminding myself to stay connected with what matters. That is the ground that will enable you to continue this scaling journey that takes you all the way back to purpose, takes you all the way back to agency, that takes you all the way back to this experience of being good and wise adults and role models for the descendants, if you will.

Jerry Colonna (01:08:25.137)

I want to thank you for sharing your story here. We weren't really sure how this was going to unfold. And I didn't make anybody cry, at least not yet. So I feel like disappointed.

Christian Fenner (01:08:38.864)

This comes such that the timing of this, your words is really remarkable for me because I just last week I had these, these thoughts of like, okay, I need to maybe begin again, but then also like not being gentle to myself saying that it's like, I think it's began again, begin again and don't beat yourself up that you have to. And, and, and I was like, wait, like also like

Jerry Colonna (01:08:58.005)

Amen, brother. Yes.

Christian Fenner (01:09:04.447)

I love the Stoics and this way of going through life. And I learned about negative self-talk in your head. And then when you have the negative self-talk, it doesn't mean that, especially two years after a program like that, you right away get it and then to actually have the moment, this is the negative self-talk and come to the observer position again. And then actually I was like, nice. Okay. I can still do it. And then I was feeling better right away. And I remembered all that.

Christian Fenner (01:09:33.005)

But at first I was like, this is really something also that probably is with us the whole of our lives to actually drift away again and come back and drift away and being gentle along the way.

Jerry Colonna (01:09:47.321)

That's right. That is the art of being human. That is what it means to be human. To drift away and come back. To drift away and come back. And what we want to build is the resilience and the skill of coming back. That's the magic of meditation. It's not sitting on the cushion and blissing out. It's the ability to come back that we cultivate.

END LEDE

Jerry Colonna (01:10:21.619)

Sebastian, I would be remiss if I don't mention our upcoming founders forum in June. Christian and Mateus, I really hope I get to see you again because in the first week in June, we're going to be gathering in Barcelona and kind of revisiting a lot of this experience here. Sebastian, take

a minute and just tell us what's going to happen at that forum.

Sebastian (01:10:54.282)

It's the first time we bring together our young community of founders. We have now almost a hundred founders who have or are going through our programs and we want to compliment them with another about a hundred who might join us later on, but companies or founders of companies in a similar stage. And we sandwiched this conference in between two modules, the foundations of scaling in the back and Keep Scaling, which is the ongoing program which Matthias and Christian are taking part in, is in front of that. So we have a big chunk of the community already in town and then we open our doors and our hearts and want to come together and celebrate entrepreneurship, founders, learn a little bit and yeah, and we'll be joined by luminaries like you, Jerry, will be on stage telling stories. Patty McCord, the former Netflix head of talent during the, think, 98 to 2012, the wild Netflix years, the mother of the famous culture deck, she will be with us. We have James Allen, Jimmy Allen, the founder, the author of The Founder's Mentality, so really leading thought leaders who know a lot about personal growth and scaling of organizations. But the protagonist should really be you guys, Christian, Matthias and the many others. You'll have lots of time to mingle, to discuss, to share on stage, off stage. will be, I think, a wonderful communion coming together and celebrating what we achieved and looking also forward, probably some big news also to announce hopefully by then what we're going to do with the School of Founders. So really looking forward to that. And I think Matthias and Christian are confirmed, you're confirmed. So, mm-hmm.

Christian Fenner (01:12:56.889)

Absolutely.

Jerry Colonna (01:12:57.619)

They'd better be. I'd go to Germany and bring you down there. So if you don't.

Christian Fenner (01:13:04.353)

And we'll bring some chocolate, that's for sure.

Jerry Colonna (01:13:06.173)

That's right. That's right.

Sebastian (01:13:06.766)

That's true, exactly.

Mathias (01:13:08.664)

That's what Jerry wanted to hear.

Jerry Colonna (01:13:10.151)

That's all I wanted to hear.

Mathias (01:13:12.056)

Ha

Jerry Colonna (01:13:13.767)

Well, I'm going to wind us down, but again, I just want to say profound gratitude to both of you. And I want you to know that you've never really been far from my heart. And I'm just really excited about the journey that's in front of you both. And I feel honored to have been a kind of uncle in the process here and been there with you. And I look forward to seeing you again in June.

Sebastian (01:13:42.67)

Thank you for doing this, This today, you held wonderful space to, again, a beautiful conversation, which, without you, wouldn't have happened. So thank you for doing this so graciously and kindly, and for all the support you've been giving us from the very first moment. You're a big pillar, ideologically and practically, of what we're building here. I'm really grateful for that.

Christian Fenner (01:13:42.691)

Thank you so much.

Mathias (01:13:42.744)

very much looking forward to that.

Jerry Colonna (01:14:11.537)

Well, thank you for the work that you do, Sebastian. It really matters, as you can tell.

Sebastian (01:14:11.65)

And you guys...

Sebastian (01:14:18.126)

And thank you, Christian.

Mathias (01:14:18.594)

The great orchestrator, the great orchestrator, Sebastian Ross, 100%.

Jerry Colonna (01:14:20.325)

Yeah

Amen. Amen.