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## WHY BRAND GURU DAYMOND JOHN'S WORK IS NEVER DONE

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By Pamela Babcock  
Photography by Mindy Best

Brand guru and FUBU founder Daymond John looked up to iconic brands at a young age. To keep her son from getting in trouble as a kid growing up in a working-class area of Hollis in Queens, NY, John's mother had rules about when he had to get home at night.

In the summer, his curfew was before the exterior lights went on outside one of New York City's most iconic buildings — the Empire State Building.

In winter, when dusk came earlier, he was supposed to be home before the booming 7:45 p.m. supersonic Concorde — which carried the rich who could afford its exorbitant fare — would shake the homes in Queens as it arrived in New York from Europe.

"You have to be faster than the Concorde to get home," John's mother, who raised him as a single parent after his father left when he was 10, told him.

John never flew on the Concorde, which was retired in 2003. But years later, his career has taken off and, perhaps not surprisingly, his offices now span the entire 66th floor of the 102-story Empire State Building, where he has landed on his trip from fashion entrepreneur to brand guru.

"I'm halfway to the top," John, 45, says in his office, his signature style on display in a brown, chalk-stripe bespoke suit from J. Lucas Clothiers, a plaid Tom Ford bow tie and trademark, seemingly saucer-sized, diamond earrings.

Some might argue John is already near the top. Over the last two decades, this multimillionaire and star on the hit television show *Shark Tank* has evolved from a successful fashion icon who launched a brand that filled an untapped need in the urban clothing market to a celebrity, sought-after branding expert, and business and motivational speaker.

His ascent, complete with plenty of challenges, provides a lesson in qualities that make a successful entrepreneur and

### Brand Wisdom from Daymond John

**A CEO's role in branding:** "There has to be a core belief in what the product and/or the company is communicating to people and providing," John says. "[Apple's] Steve Jobs made it clear. He said we don't want to keep talking about how many gigabytes and drives we have because then we become one of everybody else. We want to talk about how [our product] makes you feel."

Other CEOs that get branding? John says Richard Branson, founder of Virgin Group, fellow "shark" and Dallas Mavericks owner Mark Cuban, fashion designer Tom Ford and Elon Musk of Tesla Motors top the list.

illustrates how a brilliant brand strategy can bring unprecedented growth.

Jim Cramer, host of CNBC's *Mad Money*, has featured John as a guest several times, and says he counts on his business acumen and winning picks to deliver results.

"His judgment about brands and branding is the best, bar none, that I have ever seen," Cramer says, adding that John told him BlackBerry "had no game" when the stock was in the \$70 range and first isolated that Samsung equipped with Android could catch and pass Apple. "He's made more money for *Mad Money* viewers than just about any guest I have had in more than 2,000 shows."

## For Us, By Us

John was one of the smarter kids in school — and knew it — but he never went to college. Growing up, he ran a few side businesses — usually two or three — including working as a van driver.

"I knew I wanted to be a millionaire by the time I was 18, but by the time I was 22, I was broke and serving shrimp at Red Lobster and realized maybe I'm not as smart as I thought I was," John recalls.

But a beat in the background soon changed John's life. Hollis was the birthplace of hip-hop music, with homegrown acts like LL Cool J and Run-D.M.C. making it big. In 1992, he and three friends from the neighborhood partnered to create FUBU, which stands for "For Us By Us" and later became a \$350 million global brand.

FUBU was an attempt to tap into a sense of trading with each other instead of big companies.

The company came about like this: John saw a tie-top hat in a music video but was put off by the price, so he made one for himself — his mother had taught him to sew. Before long, John began making the hats for friends, too, then started hawking them from a duffel bag. One day in 1992, he and his friends made a big order and sold them on the streets of Queens. He made \$800 in a few hours.

John and his partners then created a distinctive logo and began stitching it on everything from hockey jerseys to sweatshirts and T-shirts. The brand took off when John convinced LL Cool J, a Hollis native and hip-hop superstar, to wear a FUBU hat in a Gap commercial and sneak in a FUBU line during one of his raps, saying, "For Us, By Us, on the low."

That move gave the brand instant street cred. But money was tight. To get start-up capital, John and his mother mortgaged their home for \$100,000 and moved out, turning it into a makeshift factory and office space. More orders followed when John and his partners went to video shoots and began product placement, sometimes begging to get rappers to wear FUBU clothing in music videos and at concerts. Suddenly, people thought everyone was wearing FUBU when it was just a couple dozen shirts.

"We exercised what I call 'The Power of Broke,'" John explains. "We didn't have all the resources that everybody else had. But we had common sense."

FUBU exploded after a Las Vegas trade show. John and his partners didn't have the coin for a booth, but showed buyers the line in a hotel room and rang up more than \$300,000 in orders. Before long, FUBU had a contract with Macy's and later, a distribution deal with Samsung that allowed its designs to be manufactured and delivered on a massive scale. At its peak in 1998, FUBU recorded annual sales of \$350 million.

But it wasn't an easy trip. Advertising dollars were initially tight, so in high-traffic urban communities up and down the Eastern Seaboard, John and his crew whitewashed and spray-painted metal shop doors — which were pulled down from 6 p.m. until 10 a.m. and prime advertising space — with the phrase "Authorized FUBU Dealer."

And when MTV caught on and began charging Coca-Cola \$5,000 for a 30-second product placement spot in videos and began blurring logo and brand names in music videos, FUBU regrouped with a strategy. John and his partners made a new logo that had the number "05" on it. It wasn't scrambled because it now looked like an athletic jersey. But everyone still knew it was FUBU.

## A shark is born

Over the years, John continued to focus largely on apparel and founded or acquired other clothing lines, including COOGI — originally an Australian brand that focused on colorful knitwear and was reinvigorated given his expertise — Heatherette, DrunknMunky and Crown Holder. Coogi also emerged as an urban brand similar to FUBU, thanks, in part, to placement on reality shows featuring the Kardashians and in more than 100 music videos. John also began doing brand consulting for others.

One day, television producer Mark Burnett asked if he'd like to star on *Shark Tank*, which features prominent executives who listen to business pitches from everyday folks hoping to take their company or product to new heights.

"He's made more money for *Mad Money* viewers than just about

**Nature and nurture:** "We're all born, obviously, with a very specific brand and DNA that's just our nature," John says.

But your brand changes and grows over time. Interests and loves in early stages of your life aren't necessarily going to be the same that you have later on. It's all about how you control the perception of your brand.

"If you don't control the perception of your brand when you walk into a room or you meet somebody or you fall in love, you leave it up to them to interpret what they think your brand is," he says. "And once people interpret what they think your brand is, they project their own faults, flaws, hopes and dreams on you."

## Man of many words

**How Daymond John gives back through his literary works**

Daymond John has penned two books: *Display of Power: How FUBU Changed A World Of Fashion, Branding And Lifestyle*, (Naked Ink 2007) and *The Brand Within: The Power of Branding From Birth to the Boardroom* (Display of Power

## any guest I have had in more than 2,000 shows." Jim Cramer, host of CNBC's *Mad Money*

John initially balked. Why invest his own money on a show? The phone was already ringing off the hook with people wanting to do deals. But John took the bait and hasn't looked back. Since debuting on *Shark Tank* in 2009, he's listened to plenty of bad pitches (including his pick for worst ever: a guy who proposed surgically implanting Bluetooth into peoples' necks) but a lot of good ones, too. Over the years, he has invested in about 40 products introduced to him on the show. The most successful include Talbott Teas and SoundBender, a magnetic, power-free iPad amplifier.

Before *Shark Tank*, John was getting pitched clothing lines all day and night, "like I don't understand anything else," he recalls. The show gave him the opportunity to broaden his horizons. "After that, I started getting a lot of great opportunities with other brands and products."

In April 2013, John paid \$50,000 for a 37.5 percent stake in Mission Belt Co., a Provo, UT-based company that makes a distinctive no-holes belt and gives a percentage of profits to help hungry families feed themselves.

CEO Nate Holzapfel, a self-described "long shot," says John was his first pick but that he was shocked at the investment because John was the least complimentary during his pitch. He says he quickly realized that John plays his cards close to the vest and is "an amazing negotiator" with "spot-on" timing.

"He wasn't critical, he just didn't say anything," Holzapfel recalls. When he met John, he had a box of belts in the back of his car, no business cards and no website. Four weeks after the episode aired, Mission Belt did \$1 million in sales. John has been instrumental "in getting us out there and showing us how to scale and to grow a business," Holzapfel says.

Holzapfel now does public speaking with the Daymond John Academy, which helps give aspiring entrepreneurs the tools they need to succeed.

"Daymond not only has lived the dream but he wants to help others fulfill it, [too]. He's got enough money he could literally be sitting around on a boat in the middle of the Caribbean doing nothing, but he does all this stuff because he cares so gosh darn much." However, Holzapfel adds, John's "not joking around. The guy is a businessman. But out of the all the sharks, I think he's the softest."

### Ringin' off the hook

As *Shark Tank* grew in popularity, John was inundated with requests from companies and celebrities. He had founded Stealth Branding & Marketing in 2005 to focus on music video and television show product integration. In 2009, he switched the name to Shark Branding and it has grown to help everyone from start-ups to large corporations, athletes and celebrities explore brand extensions or just hone their communication.

The company, which has about 20 employees in New York, Los Angeles and Miami, has divisions focused on corporate and entrepreneur consulting, live entertainment and talent management, as well as licensing and design services. Corporate clients include Fuse Science, Jamba Juice, Reebok CrossFit 5th Ave, Resultly and various *Shark Tank* investments. Talent management clients have included global superstar Pitbull and now, rapper and record producer Lil Jon, model Selita Ebanks and singer-songwriter CeeLo Green.

"The artist themselves is the genius; they're the ones who have created the brand already," John explains. "It's just me helping them understand some of the business aspects of the brand and how to get the brand out there."

Over the years, John also has managed his personal brand with social media, public relationships, strategic partnerships, and endorsements and projects with Babson College, Miller Lite's Tap the Future business contest, Edison Nation, Harvard Business School, Network for Teaching Entrepreneurship, Startup America and Shopify, an Ottawa, Canada-based e-commerce platform for entrepreneurs.

As an ambassador for Shopify, John helps broaden its appeal beyond just the "Fast Company, Mashable, TechCrunch world," explains Ted Kingsbery, Shark Branding's director of business development, who started with the company in 2009 as an intern.

John is one of several all-star mentors in Shopify's annual Build A Business Competition, which is designed to help entrepreneurs kick-start business ideas. Participants open an online store using one of Shopify's templates, then get paired with a mentor who provides guidance as the business grows and competition progresses. The top-selling shop in each of nine categories (John mentors fashion and apparel) gets \$50,000 and a trip to New York to spend time with John.

John also promotes Shopify. In December 2013, he tweeted about one of Shopify's shops, Bubba's Boneless Ribs, in Ohio: "WOW! Bubbas ribs site is blowing up in 3hrs and it didn't crash – <http://ow.ly/rvBar> ! That's why I set up my partners with @Shopify!"

The shop already had steady sales, but after the tweet, the store went viral and ended up being one of Shopify's highest-selling stores that day. Out of more than 80,000 shops on Shopify's platform, Bubba's Boneless Ribs produced the third-highest gross merchandise volume.

Publishing 2010). He describes them as "a form of giving back."

John says publishers initially approached him right after his divorce when he lost his family due to "7 or 8 years of having a lot of money ... and going in the wrong direction and celebrating and becoming the wrong brand — not becoming the brand that was true to myself but becoming what I thought public perception was going to be."

He says publishers initially wanted him to write books about "cars and women and jewelry" — stuff you see in magazines every day. He did some soul searching. His life was changing, so he decided to write books to help people understand what it takes to be a dedicated entrepreneur.

"Because 98 or 99 percent of the people will not make it, and they will work just as hard or harder than I do," John explains. "This is what I really wanted to lay out in the books."

### 8 things you never knew about Daymond John

1. His given name is Garfield. Daymond is his middle name. His father, who is from Trinidad,

"Daymond's social media reach, his valued judgment among his followers and his expertise in creating successful businesses served to boost Bubba's Boneless Ribs' profile and propel an already good sales day into record numbers," says Harley Finkelstein, chief platform officer for Shopify.

While there are plenty of other marketing and branding companies, Kingsbery says one reason people chose John is because he focuses on the bottom line.

"He comes at it from a CEO perspective where he's trying to save your budget rather than just saying, 'Let me just blow it and spend it on things that are cool,'" says Kingsbery.

### Looking to the future

John isn't kicking back anytime soon. He has recently gotten into fitness products. Last year, he and his apparel partners purchased Etonic, an athletic footwear line, and invested in several CrossFit gyms.

Working with a group of high-net-worth investors, he plans soon to launch Shark Associates, a real estate investment venture designed to "revitalize a lot of cities and do a lot of things for entrepreneurs. A couple billion dollars is set aside to start doing some major things for people and entrepreneurs and businesses," John says.

Andrew Cohn, a Phoenix-based real estate investor working on the project, said the goal is to capitalize on everything from fast food restaurants to hotels and grocery-anchored shopping centers that will pay dividends for years to come.

Cohn says what surprised him most was John's modesty, openness and ability to grasp "the real fundamentals" of commercial real estate and strip down to the basics quickly.

"The fact that he had no ego was just amazing to me," Cohn says. "He's a very down-to-earth guy that obviously worked his way up through the trenches and is appreciative." John speaks openly about mistakes he's made, particularly when he first started making money and bought a lot of showy homes instead of "things that were throwing off income," he says.

"Most entrepreneurs don't even think they're set up for failure and their failures are swept under the rug, but he wears his proudly and discusses his baggage without prompting and absent any ego getting in the way," Cohn says.

John says goal setting has been one key to his success. On his BlackBerry (yes, he still uses one despite his low confidence in its stock), he has six to eight "very aggressive" six-month goals that cover everything from health to family to career. He reads them five days a week: "every morning when I wake up and every night before I go to sleep so it's the last thing I'm thinking about," he says.

Want a strong brand? Be prepared to sum it up in two to five words. John says over the past several years, his personal brand has been: "I'm on a quest."

"It has become a brand of trying to learn and educate myself in various ways — educating myself about what's going on in the world with technology and all these new developments, educating myself on how I want to be perceived when I leave the planet."

"Hopefully I'll be around another 45 years or 50 years," he says. "But I have to start putting all those things in motion and learning how can I help others as well as help myself simultaneously and also not be a slave to greed or prosperity." **CEO**

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named him after a famous cricket player. Growing up, kids called him Damien, as in *The Omen*. "I was called the devil all my life," he says.

**2. He's got a family.** John is the divorced father of two daughters. He loves dogs and has two dapple dachshunds, Blake and Spartan.

**3. He's got an outdoorsy side.** He likes snowboarding and both saltwater and deep-water fishing.

**4. He doesn't sleep much.** He generally gets four hours each night, but he sneaks in a good nap when he's on a plane.

**5. His favorite book is *Think and Grow Rich* by Napoleon Hill.** John first read it when he was 16.

**6. His first major mentor was his mother, Margot.** Other key mentors include LL Cool J, Russell Simmons and marketing wiz Jay Abraham.

**7. He missed his chance to meet Nelson Mandela.** Some of his FUBU partners were in South Africa to open a store. Mandela sought them out, but John wasn't on the trip. Along with losing touch with his family, it's one of his greatest regrets, John says.

**8. He's dyslexic.** At least according to his Twitter account. John is a prolific tweeter @TheSharkDaymond with more than 150,000 followers and often begins tweets with the phrase "Rise & Grind!" There, he says he's "Blessed with Dyslexia."

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