

THE MARVELOUS MENTOR

CHRIS JOHNSON'S MASSIVE SUCCESS
AFFORDS NEXT-GEN BUSINESS LEADERS
THE OPPORTUNITY TO GROW

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During the post-lunch elevator jam inside downtown Sacramento's Wells Fargo office building, entrepreneur Chris Johnson's Rapid Brand staffers stick out a bit. Their skinny jeans and sneakers line up next to pressed slacks and wingtips as they make their way back to business upstairs. Unlike the usual mix of lawyers and bankers on the elevator, this young squad will spend the afternoon spitballing ideas on how to marry iconic superheroes with microwaveable ramen cookers through branded packaging.



In the coming months, Johnson will ask a lot of his employees, whose average age is just 24 years old. He expects to do \$30 million in retail sales this third year of manufacturing, recently signed a powerful licensing deal with Disney's Marvel, and plans to expand from the four products currently on shelves to more than 100 next year. But Johnson's hiring strategy emphasizes passion over experience, something he says his team has in spades.

"There's one thing I look for in an interview, and it's something you can't teach — that's desire," Johnson says. "You can't teach someone how to want it."

BUILT FOR SUCCESS

It's the same desire he looks for in his employees that fueled Johnson himself during the early days of what would become Rapid Brands. It helped convince Mark Cuban to offer \$300,000 toward financing the Rapid Ramen Cooker, Rapid Brands' flagship product, during Johnson's 2013 appearance on ABC's "Shark Tank."

It may not look like a money-maker at first glance. But the unassuming square plastic bowl, currently manufactured in China in either plain red or black, promises to turn out stovetop-quality helpings of microwaved noodles in just four minutes. That's a savvy selling point, considering the estimated 90 billion packages of ramen consumed worldwide each year. And at a cost of only about \$6 per cooker, it's well within the budget for the college students and office workers who make up the instant meal's fanbase.

In the first year that the Rapid Ramen Cooker was on shelves, Johnson says the company's revenue came in around \$600,000. Compare that to this year's back-to-school season, when he sold 2 million units of the ramen cooker and his latest variation, the Rapid Mac Cooker. Johnson says that translates to \$4–5 million — about a quarter of annual revenue for the two products.

And Johnson continues to score big. In August, he signed a licensing deal with Disney for its Marvel superheroes that he says could boost the company to \$50 million in retail sales by the end of 2016. Beginning early next year, images of popular characters including Captain America, The Avengers, The Hulk and Spiderman will replace the standard monotones of his original product. He's also in talks for licenses with Hello Kitty, Nickelodeon and Pokémon, among others. Johnson's products are now found in every Walmart across the country, as well as other major retailers including Target, Amazon, Bed Bath & Beyond, Walgreens, Safeway and Dollar General.

"I had faith that it would be huge, but never to this proportion and never this fast," he says. At 36, it's Johnson's confident charisma and strong command of his business model that has helped him win over investors and retailers, who often disregard burgeoning companies and products as risky endeavors.

But his fast ascendancy in the microwave cooking market has also meant building a fully-staffed company on the fly. The first year, his wife Shawna was his fulfillment department and his living room the shipping center. "I had to manually input 3,000 credit cards by hand," he recalls of that first season of sales.

YOUNG AND HUNGRY

In August of this year, Rapid Brands had 17 employees and Johnson was looking to hire more. He says he aims to hire driven, intelligent and flexible young professionals for his team. Many are fresh out of college, with little-to-no formal work experience in the product management industry.

"When you choose people on desire and then also you choose people based on character, it builds this culture of, 'I don't care if your lunch is long. I just care about results,'" Johnson says of his hiring philosophy.

His lead account executive, Tiffany Fraser, is only 29. A Sacramento State graduate and former semi-pro soccer player for the California Storm, she's considered a big sister by most of the team. She says that Johnson's integrity has been a key motivator for her and the staff.

"It's a really special place and Chris really supports the culture," Fraser says. "People would be surprised to hear how integral people get to be here, even as young as 20."

Teaching his staff what it takes to succeed in business is important to Johnson, who also runs his own staffing agency called the Johnson Group. A brilliant coach, Johnson has translated his skills into creating what he calls a "young, hungry, vibrant team."

Johnson points to Josh Cosico, a 23-year-old Sacramento State graduate who started last December as an intern and has since been promoted four times. In September, he bumped Cosico up again to "manager of innovation," he says.

Cosico's job description is hefty and covers everything from hiring new staff to designing in-store displays and product packaging — all firsts for the millennial manager. But those responsibilities and Johnson's support fuel Cosico's loyalty to Rapid Brands.

"Chris really accelerated my feeling that I can be great, ASAP," Cosico says from behind his desk in his



private office. “I’m not tied down to that timetable that society and the system has kind of put on my generation. The process doesn’t exist here if you don’t want it to ... It made me want to kill it even more, because these are people that care about how much I’m growing.”

And the learning curve at Rapid Brands can be steep. Last spring, Johnson charged Cosico and the rest of the team with creating 10 new products for a Walmart sales pitch — full prototypes complete with packaging and branding — in just two weeks.

“They go, ‘Chris, are you serious?’” Johnson recalls. “I said, ‘Listen, I believe we can do it.’”

Perhaps because of his youthfulness or the efficacy of Johnson’s theory on mentoring, Cosico remained undaunted by the task. “It’s weird because at first, I was like, it didn’t even faze me anymore,” he says. “This is just part of being here.”

The team decided which 10 ideas to develop, then started building the proposed product plans from scratch that day. Some worked on patent and trademark paperwork, others began hashing out the actual design — “dimensions and all that stuff,” says Johnson. He pushed his packaging manufacturers to get him samples while the team created fresh logo drafts. Despite the massive workload and short timeline, the

team powered through, and Cosico says the environment wasn’t as pressurized as it might sound.

“It wasn’t like I was staying here 14 hours a day or anything,” he recalls. “That was a crazy two weeks, but when I look back on it, I can’t believe how much we got done without feeling like I was frying my brains out or anything.”

Not one to pass up an opportunity, Johnson scheduled a meeting with Target for the day after the Walmart presentation, with all of his beta products boxed and ready to go. Beyond noodle, rice, oatmeal, brownie, veggie and pizza cookers, there are even more products still under wraps, with prototypes stacked in the company kitchen waiting to be unveiled.

Walmart committed to carrying an additional seven of the new products, while Target took them all. “We’re talking millions of units,” Johnson says. “It’s insane.”

Cosico feels the experience was a “turning point” for the company, and for him personally. “I kind of just saw what I’m capable of,” he says. “In many ways, I feel much like a perfectionist. I’m like a marble statue; you can’t crack me. But it was cool to feel that vulnerability of ‘I’m learning, and you’re accepting of that.’ I feel even more motivated to bring it every day, because it’s

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– Chris Johnson, founder & CEO, Rapid Brands

personal to me now. It’s personal to me that I succeed, because if I look good, I’m making Chris look better.”

THE MISSION TO MENTOR

Johnson, who coaches his 12-year-old son’s basketball team (he has four kids in all), says creating that self-empowerment is what he’s all about.

“I hate micro-managing,” he says. “I want to lead and coach and mentor on how we’re going to get there ... I want to give you big projects that stretch you and grow you and make you more fulfilled — because when you win at that, your confidence soars. You feel empowered and you feel like, ‘If I get stuck, Chris has always got my back.’”

Rapid Brands currently has four products on shelves: rice and oatmeal cookers, in addition to macaroni and ramen. Next year, with the new additions in every variation of licensing, that number will jump to about 100 — with each product needing its own shipping, tracking, marketing and management. But this rocketing growth doesn’t mean Johnson’s commitment to mentorship is waning.

Instead, he’s busy starting new projects with his limited spare time. He’s writing a book, *Faith and Execution*. Johnson describes it as a step-by-step guide for getting new products to market with “no shenanigans,” hoping to illustrate for those in shoes he once wore “exactly how I did it,” he says.

Taking a cue from his success on “Shark Tank,” Johnson is also launching a small business incubator to help entrepreneurs in the Sacramento region get their projects off the ground. His goal is to find 1,000 people whose ideas he will help launch by serving as mentor, investor, distributor or even outright buying the idea for a royalty.

“We’re going to create this whole innovation hub company that gives people the opportunity to pitch us,” he says. “We either are 100-percent in or 100-percent out, because when we take the product we go fast and furious.”

At the heart of what Johnson wants to teach is the “difference between faith and fear,” he says. The mental and emotional choices entrepreneurs face completely control the future of their product or company. Johnson knows that his experiences getting past setbacks and turning Rapid Brands into a national powerhouse can be a blueprint for others to follow.

“Faith and fear are polar opposites, but they share one characteristic ... They both want you to believe something that hasn’t happened yet,” he points out. “If I can do it from a square plastic bowl, anybody can make a huge success.” ■

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