

EPISODE 01

[INTRO]

[0:00:43.8] ANNOUNCER: Welcome back to Happy Porch Radio. The podcast for progressive agency owners and web professionals. Season three is focused on the growing number of agencies who are making the world a better place.

We explore what this even means, why is it different from any other agency and how can it be reconciled with the real-world challenges of running a profitable agency? Join your host, Barry O’Kane as he speaks to leaders of agencies who are driven by verify use to positively impact the world around them.

[INTRODUCTION]

[0:00:43.8] BOK: My guest for this week’s episode is Bill Barbot. One of the founders of Three Spot, an agency based in Washington DC. Three Spot’s site says, “We’ve been in business since 1999 and along the way, we have found something out about ourselves. That we value doing work that matters more than awards, accolades or cold, hard cash.”

In this conversation, Bill shares his and the agency’s journey to this point. A point at which they have not only built a successful agency by anyone’s measurements but also have an incredibly clear understanding of the why of their agency.

There is a huge depth of self-awareness and insights in what Bill says and I know that anyone who is looking to be genuinely true to their values and build a successful business will enjoy this episode. Let’s meet Bill.

[INTERVIEW]

[0:01:44.6] BOK: Yeah, thank you so much for joining me. To start, why don’t you just introduce yourself and tell me a little bit about your background and the agency?

[0:01:51.7] BB: Sure, well, my name is Bill Barbot, my agency is Three Spot, we've been around for 18 years. I started the company with two partners in 1999 and we're based in Washington DC and have been for the entire duration of our existence.

My background's actually from the music business. I was a professional touring guitarist in a rock band called Job Ox for better part of seven years leading up to trying to get a real job in the exciting and new world in the late 90's of the "new media." I'm using air quotes, you can't see it right now.

New media or interactive space but I like computers, I like technology but I never really considered myself a designer or anything of that ilk but our background in the DC music business and it wasn't a business actually, it was very much just a community.

The punk rock underground was, if you wanted something done, you had to figure out how to do it yourself. I learned a lot more than I gave myself credit for about business and technology and design, just by virtue of having to work with my bandmates to run our own business as a band for seven years.

It put me on a path of thinking, "Hey, technology and computers and digital media is really cool and it's a great opportunity for me to flex my creative muscle and try to figure out a way to make a living of it." I started the company with two guys, both of whom were coworkers of mine at the first agency I worked with called Magna Interactive, here in DC.

One was a designer and one was more of a content creative director type and I came from more of a project management background. I thought, amongst the three of us, we had enough skills to figure out how to do this on our own. After only being at an agency and employed by someone else for two years, I decided I didn't want to be employed by anyone else ever again and I wanted to run my own company.

I coursed these two guys to leave with me and start Three Spot which we did on Valentine's Day February 14th, 1999.

[0:03:47.3] BOK: Wow, that's great. I'm really interested both in your own personal journey there of moving from a very different – I don't know, maybe if you could don't see it very different but the music industry to working in "new media" or the terminology you used, from back in '99.

Your own personal journey but also then sort of work in the industry but then very quickly to work for yourself and setup your own agency. You said you didn't like, you wanted to not work for somebody else, was that a large part of the motivation?

[0:04:14.2] BB: It was a huge part of the motivation. As I mentioned, again, I'm not sure how much your listeners know about the DC music underground but the punk scene in DC that grew up over the course of the 80's and into the 90's, had to be by virtue of it being an overlooked city from the music industry standpoint, very DIY.

You know, New York and LA were music cities and DC was just seen as some little back water government and nobody really cared about what's going on here but in fact, we had one of the most influential and vibrant hardcore punk rock scenes in the world at the time.

In order for the records to come out or the shows to be put on, the community let in large part, by Ian McKay who is the founder of Discord Records and most of the singer might have forgot it. He and his partner Jeff Nelson started Discord Records and put out his friend's bands.

His mission was to document the scene, document local scene, he was very much focused on DC and Baltimore bands throughout the entirety of its existence and up around that energy grew wall of us who are willing to start our own bands, book our own tours, put out our own records, you know, recording studios that were not major industry studios. But they were built to accommodate musicians who didn't have very much money or very much time to make records.

Everything was really home spun. That feeling of self-determination, that feeling of having control of your own destiny, was something that very much informed my music career and the music career of a lot of folks who grew up in that era. So the time came in the late 90's when I realized I was going to have a tough go being a professional musician for the rest of my life.

We were doing well, the band was doing quite well but our drummer moved to New York City and we were just like, do we want to have a long-distance band, do we want to...? This was in the era before you could just share everything via Dropbox.

You know, he would have to travel down here for rehearsals and writing music and stuff like that and we were just like, "You know, I better get a real job." I went to apply at Magnet, basically because my partner William Calgrove was playing in a band called The Dusters at the time that opened for us.

One of the last shows that we played in DC at a club here called the Black Cat, his band opened and we got to talking in the dressing room and he said, I said "You know, I'm kind of, we're in the bits of winding down the band and I need to figure out something to do with my life." And he's like, "Well, you should come interview at Magnet," where he was working at the time.

He was an art director there and he said "Yeah, you know, you'll figure out something to do" and I was like, "Well, I don't really know much of anything," because I felt like I was a musician and the music business was something that I understood.

I didn't know what an agency was, I never worked at one before. I didn't know, I knew a little bit about I programmed our own band's website, I knew fundamentals of HTML and some basics of design, we used to make our own flyers and do our own T shirts. I had a lot of sensibilities about what goes into the work that we do now, but I didn't know how to do anything professionally.

I had this bit of a complex when I first started working at another agency that I didn't really know how to do anything and who could possibly value the skills that I have? But because of the DIY background that I come from, I realized I actually knew quite a lot because I knew a lot about business and accounting and travel logistics and project planning and all of these things that I just absorbed through that DIY culture, really informed my confidence in knowing that I actually do know something that's worthwhile and that's valuable.

I also realized that working for somebody else wasn't really for me. I thought that being my own boss was kind of my way in the world and the path that I wanted to be on. It wasn't long before I

felt like I had served my apprenticeship at another agency, that I decided it was time to go out on my own and give it a go.

[0:08:02.2] BOK: Yeah, awesome, like you say this sort of at the time you described undervaluing those skills that maybe they're looking back at it, you can see that actually you had more of those skills that you've described and you realized at the time, that's pretty cool.

Then you've started the agency, what was the reality of that like versus your perception before you started or in the buildup to starting your own agency?

[0:08:24.4] BB: Well, it was very exciting because if you were in the business in the late 90's, it was a very wild west time. Lots of businesses were starting up, you know, the .com boom was just beginning to crescendo. Lots of agencies were coming up, there were a lot of agencies, traditional agencies, that had absolutely no idea how to do digital interactive as we called it back then who were eager to partner with anybody who could figure this stuff out.

We were just like, "Well, we know how to do it." In the early days where "Okay, we're going to partner with Young and Ruby Cam or we're going to partner with Jody Blue T." We're going to partner with these bigger ad agencies who had these great relationships with big brands who could feed us work and we were just like, "We could go that route."

We also by virtue of Magnet where I came from, had some very big companies that we worked for. I was actually the account director of the Kellogg's cereal account when I was working at Magnet. I knew a thing or two about packaged goods, we had some good connections through that. There's a lot of opportunity to do work but at the time that we started the agency, we were mostly interested in self-determination, setting our own beat, growing as fast as we wanted to, there is a looming sense of opportunity like "My gosh, this couldn't really take off."

"We could make a lot a money in, retire by the time we're 35." But a lot of it for me just really had to do with self-determination and the ability to take on whatever challenges felt interesting and exciting to me at that time.

That's where a lot of the energy was going, it was like, "What can we do next that would be cool and fun to try?"

[0:10:00.6] BOK: Yeah. I had a similar start at my career around that time and it was wild west is a pretty good description. As you know, this series of the podcast is about purpose driven or mission driven agencies and now, Three Spot agency has very clear positioning and a very, for lack of a better word, a very clear mission. How did that come about, was that something that we started in the early days or something that we started in the early days or something that grew as the agency grew?

[0:10:25.1] BB: Well, I told you so much about my background and the DIY music community here in DC because that was the foundation for who we are now. When we started the business, I had a two-track mind.

There was the track of my roots and my interest and my sense of urgency about justice in the world and community and what it means for people to get together and do something positive together and then there was the track of, well, I also need to make a living.

Those two tracks were divergent. They were parallel but separate. I felt at the time and granted I was in my late 20's at the time. I was just like, well that's just the way of the world, right?

You make your living doing whatever it is you do and then in your free time, you volunteer or you donate money or you contribute in other ways to nonprofits and those who are really trying to move the boulder of humanity up the hill. I saw them just as two separate tracks.

It wasn't until just maybe a couple of years into Three Spot's existence, maybe not even a couple of years that we began working for nonprofit clients. DC as the seat of government is very well populated with nonprofits and foundations and associations who were doing good things in the world.

They all want to be around the seat of government. Our local business around here, government is the biggest but right behind that is all of the nonprofits and lobbyists and interest that are looking to make change in the country and in the world.

It wasn't long before we started working with clients like that, we started working with the peace corps in the government very early, we started working with, it wasn't right at the beginning but not long after we're working with Planned Parenthood, we were working with a lot of really brand named nonprofits. We began particularly William and me began to think like this should really be our focus because this is where our heart is.

This is where our values are, this is where our history is. But were we willing to set that hard line to say, "Okay, in order for us to do this one thing well, it's going to mean learning how to say no to other things that were less interested in or less aligned with our values."

That ultimately led to a schism between William and myself and our third partner. Because our third partner was also, he was very aligned with doing the nonprofit work but at the same time, he was just like, "But I just want to do work that's interesting to me."

If that's for profit work, helping Kellogg's sell cereal or helping discovery channel sell advertising, then he was cool with that too. We thought, we have the capabilities to do whatever we want with our time on this planet and so why would we not just double down and say, "Hey, I've got limited time, I've got limited resources, I've got limited energy, why not just go all in in and focus all of it on the kinds of clients and the kinds of causes that we want to be serving."

And really live the be the change you want to see in the world cliché. That ultimately in 2013, it wasn't until 2013 that we very stridently drew that line. We have been a mission driven, to the extent that that is meaningful anymore, you know, like Phillip Morris has a mission to sell cigarettes.

I get a little bit tired of the whole mission driven concept, right? It's more about values alignment, right? Taking your personal values, the values of the founders, the values of the principles and applying those to the values of the company and using that as a means of aligning the work that you're doing with those personal values.

You're not walking into work every morning, holding your nose saying, "Yeah, I'm working for a client who I think is doing something that is not okay in the world but they pay well, right?" I

didn't want to be that kind of person, I didn't feel like that was a way to feel like I had integrity as a human being and it didn't feel to me like – if I had that measure for myself as a person.

I want to put that same measure to my company. What does it mean to have a company with integrity? Well, it aims to have a set of values that you identify very clearly that you have absolutely no problem repeating to your staff ad nauseum so that they're clear about what they are.

And that you have no problem telling the world about, so if the world is clear, who they're working with and why they're working with you. I think it took a great deal of maturing for us to get to that place, this was not an overnight decision. It was a rather slow growth and a slow dawning and realization that aligning what I felt to be true and right about the way that I spend my time, with the need to feed my family and to make a prosperous company for my staff.

Could actually coexist and they could no longer be parallel but separate but they could actually be conjoined. Pointed in the same direction and actually on the same train with one another.

[0:15:32.8] BOK: That's really interesting journey that you're describing there and I connect with so many parts of it but what one word that really stood out for me was you described it as a maturing or like a long slow period of growth and maturing.

I find that really interesting and if you don't mind we'll dig into that a little bit more like the challenge of seeing the mature and grown up modern capitalist or whatever, the focus being on the bottom line, we focus on the money, that's the thing that you're supposed to be, you know? As a grown up. As I'm sort of...

Was that a challenging period? You talk about that dichotomy and the challenge, the sort of pull between the two, was that a really challenging point to get to. Or was it part of like as the business matured, you got more comfortable to build up a reputation and so on so that you're able to kind of – less of a challenge to focus on those kinds of work?

[0:16:21.1] **BB:** Well, in a lot of my own personal philosophy and my personal thoughts about the way the world works, a recurring theme or recurring notion that everyone needs to wrap their head around is that out of fear.

I think that we so often in our lives make decisions from a basis of fear when we should be making them from a basis of values. Right? like what do you actually value? Can you put aside your fear to embrace your values?

I think as a young person that's very difficult to separate those two. And to realize, "Well I value providing for my family," can be couched in the terms of, "I'm afraid that if I say no to this opportunity, I won't be able to provide for my family."

Or, "I value working for clients who are aligned with my vision for a more just and humane world" could be at odds with "I'm afraid that that might turn off some clients who would be reluctant to come to us because we sound too liberal, progressive..." whatever.

Right? You get this idea that fear is playing in the background of your head a lot, telling you not to do things because you'll be deprived of something, you'll be deprived of opportunity, you'll be deprived of money, you'll be deprived of staff, you become just affected because they feel like you're too much about the mission and you're not about making the rent or advancing their careers.

I think as you age and as you mature, both as a company, and as a human. You begin to get comfortable with both A, fear being a natural part of the landscape, right? Everybody has to fear something, it's like you're never going to be free from fear, you're never going to be free from death or sickness, these things are just a part of life.

Fear is always there and then second you have a lot of capacity to manage fear and to manage uncertainty. I think that you doubt that a lot when you're young or at least I doubted a lot when I was young.

I was just like, “If I make a bad decision now, I’ll never live it down, if I take the left path when I should have taken the right path, I’m forever going to be going down the wrong alley and I will end up and the company will fail,” right?

You get to this place where as you begin to mature and as the company begins to mature, you’re just like, “We’re never going to do away with uncertainty and fear, it’s always going to be here but what we’ve got is greater confidence that we can negotiate it.”

We can navigate it and we can absorb it and we can dodge and parry and do whatever we need to, to accommodate it. I didn’t have that when I was 30 and I do have that now that I’m close to 50.

[0:19:06.4] BOK: What about the buildup to that point in 2013 where you drew that line and clearly defined the agency’s identity? Was there a period before that where you were consciously knew that was going to happen and consciously looking for more of these works and kind of almost validating it for yourselves? Or was it happening more organically, more less consciously?

[0:19:28.5] BB: The latter, it was happening organically and less consciously and we also, I think William and I both lacked the courage at that time to really recognize it for what it was.

Hindsight is 20/20, right? It’s easy to look back and say, “Well we were moving in that direction the whole time intentionally,” but we weren’t intentionally, right? We were in a relationship when you’re in the midst of that relationship, it’s hard to see the patterns, right? It’s hard to see the things that you do even sometimes subconsciously that betray your motives and betray your vision for where you want the relationship to be going.

Then when you take a step back, you’re just like yeah, all along, I was actually working across purposes with my partner because I was, right? The two of us, William and I were aligned, even though the two of us didn’t sit down together and say, “We’re aligned” and David who was our other partner is also aligned.

We were just like, “Well, you know, what I feel to be right is to really push hard into this space of social good and progressive causes.” We just naturally gravitated, that was our instinct talking, that was our values talking.

It wasn't until we actually brought in, I guess you would say it's like a business coach, he ended up taking us on a retreat just the three of us, just here in town, to a hotel and we just spent a couple of days holed up in a hotel talking about you know, our future and where we wanted to go and how we were going to align what our personal vision for our futures – were with what we saw the company's vision for the future being.

It became very clear when we went through that exercise, a guy called Dave Shofe, he's based out of Geneva now, he's American but he's in Switzerland. He or Lozano, I'm not sure where he is. He's somewhere in Switzerland.

Every time I talk to him, he's got some fantastic mountain backdrop behind him. He took us on this voyage of self-discovery to use a tripe cliché where we were able to finally, because of having a moderated environment, we were able to be very direct and clear with one another about what we wanted.

We began doing these vision exercises for the business, it was very clear that William and I wanted to go this way and David was less interested in going that way and much more interested in going this other way and we knew that we couldn't bridge those two paths. It was just – it was an irreconcilable difference.

We were comfortable with it but you know, it sucked because we had all started the company together and you know, David had imagined this to be his baby, as much as we envisioned it to be our baby. But we recognized that for the business to continue to be successful for two of us.

We had to part ways with the third and that was a very difficult thing to do, it was very disruptive. There was a whole lot of – I talked about fear, there was a whole lot of fear around that, what would our clients think, what would our staff think?

There were a lot of people who were very loyal to David, he is a great guy and a very talented person but in terms of where you can go with a company, you just can't have your founders pulling in opposite directions, or even mildly different directions.

I think it's real easy for us to imagine like, "Well founder's pulling in the opposite direction, naturally they're going to go nowhere," but we were a team of horses that were attached to the same carriage, stage coach, whatever.

But one of them wasn't hitched to the other two. We were just – it leads to a lot of friction and a lot of inefficiency and a lot of bad feelings and a lot of negativity. I just don't feel that any company can run successfully with that degree of negativity, existing at the core of the leadership.

[0:23:07.2] BOK: Yeah, very much so the way you're talking about the conflict within founders there. What's interesting though, I was about to ask about what was the catalyst for the move in 2013, do you think that without that, and this coach, that third party moderation, that you would have been able to get to that same point, was it just –

Would it have not have happened or would it have taken longer to get to the same point do you think?

[0:23:28.8] BB: This is pure speculation on my part. I think eventually it would have happened, it just might have been much less, it would have taken too long. I think it might have taken so long as to have been a very negative move for the company. I don't think the company could have existed much longer with our misalignment going on at the top.

[0:23:50.9] BOK: I'm not surprised to hear you say that and the value that good coaches or mentors provide in those environments is just – it's almost invaluable.

[0:23:58.8] BB: It really is.

[0:24:00.3] BOK: Okay, now you had made that decision, you're kind of go over the short term challenge of making changes and restructuring and so on, did it feel immediately – was there

challenges after that? Did it immediately feel positive and start moving forward or was there a continuation of that journey?

[0:24:15.2] BB: Well, it was hard because personally, I was also separating from my wife at around the same time, we're since divorced but going, I was effectively going through two divorces at the same time.

We had, you know, everything was largely amicable on both fronts, on both the business and the personal front but even still, it's a very expensive and a very time consuming and a very soul consuming, right? It takes a lot of your attention to go through these things deftly and to manage negotiations in a way that doesn't derail your entire life.

It was tough to pivot quickly into the new Three Spot, or the newly aligned Three Spot because there was just so much distraction going on simultaneously. But we knew we needed to do it and we began like our site redesign around that time began to be more clear about we are company who works for the good guys which we since hardened that line but at the time, it was a relatively fresh concept I would say.

There weren't a lot of agencies, particularly in the digital space who were clearly focused on "Hey, we just want to work for clients who are values aligned with us in the progressive, humanitarian and animal rights and environment type space."

It was relatively unique to just say, "Yes, we work for the good guys" and there was a lot of good, positive reception to that There were a lot of our nonprofit agencies who had worked with us for years, who were just like, "I love the new branding. It's what I knew about you guys all along but you never really had said it."

That began to get a life of its own because I think when you start to mean what you say. In terms of your marketing materials and what you say about yourselves on your website, what you say about sales and pitches, it begins to resonate with the right people and it didn't resonate with everybody and there is that fear coming in again. Like, "Oh now we're going to start alienating some perspective clients," or, "We're going to have to say no to some biz step opportunities".

And “Oh my god, we still have rent to pay and payroll to make and how are we going to do it if we’re turning down opportunities right and left because they are no longer for the kinds of firms that we want to be working for.” We began gaining momentum, the world started giving us the kinds of opportunities that we are seeking to attract because I think we are really giving off the kind of energy for what we wanted to attract and the universe is responding in kind.

[0:26:42.9] BOK: Interesting phrase there, you started to mean what you say or say what you mean. You’ve rebranded the agency but did that feel at the after as you were in those positions and having those conversations, did it start to feel as real as that? Like you actually had a deeper connection than you had previously to the work that you are doing?

[0:27:01.1] BB: Oh it absolutely did. It was very night and day for me and again, I had a lot of personal noise going on at the time but looking back in retrospect, I just think about – it was such a relief. There was so much clarity when all of a sudden, you have given yourself a very clear and contained litmus test to evaluate your decision making. I think that when you are a business that allows itself to be pulled in all kinds of different directions, you as an owner or an operator or president or CEO, are constantly faced with enormous strain of decision making.

It’s like, “I don’t know, is this opportunity good? Is this opportunity bad? Should we partner for this? Should we go out of house? Should we be acquired? Should we acquire? Should we grow? Should we shrink? Should I hire this person? Should I fire this person?” All of those decisions are so much harder to make when you don’t have a rubric to apply to those decisions and when you give yourself a real simple framework, does this align with our values?

Period paragraph or question mark paragraph, everything becomes so much easier and you realize that you have created so much noise for yourself by thinking that you are creating opportunity. You think you are giving yourself options and in fact what you’re doing is just creating confusion. I am not saying that the only path forward for any business is to be aligned with the values of your heart but I kind of am, in many ways.

It’s just that some people’s values of their heart are, “Well I want to make a good living” right? Or “I want to be the biggest seller which is on the east coast and I want to dominate the east coast

widget market.” Or “I’m Elon Musk and I want to send a rocket to Mars,” right? It doesn’t necessarily need to be a social purpose but it does need to be a passion and a commitment that you have in a very almost mono maniacal way, to focus on that vision and to focus on that mission.

Use that as the rule, to test every decision that you have to make and it makes making those decisions so much easier when you can just say, “Hey does this match or doesn’t? Oh it doesn’t? Then forget about it, we’re not going to do it.”

[0:29:13.9] BOK: And was it an easy process for you to clearly define what those values like is there a written statement? Was there a challenge with you partner and with your team of getting that clear, or was that a thing that you just said, “This is it.” Or was it more of a journey to build up what that definition is, what that litmus test is?

[0:29:32.6] BB: Well that is an excellent question and we phrased it originally, in retrospect now it seems to be a very trite way, which was “We live to serve the good guys and help the good guys do better” and we knew what good guys were and we knew what better meant. So we decided not to get wrapped up in breaking it down into a million words. We just wanted something that was really simple, helping the good guys do good better. Which now everybody’s got that because we didn’t trademark it.

And so there’s all kinds of social good agencies who are like, “You know we help the good guys do good better,” but at the time again, it was like there were relatively few of us who were saying that and it served as it was something that our employees could remember. It was something that we could put on our website. It was something that we could put in pitch presentation, presentation materials and proposals and it resonated, right?

It’s like, “Oh we are looking at three different potential agency partners for this work. There is only one of them who exists to help us serve our mission better.” This is from a client’s perspective, right? A client is saying, “There are three agencies who are capable and qualified to do this work. All of them are equally capable of being good designers to build strategy, digital partners. But only one of them is willing to say we exist to help us serve our mission better,” and that got a lot of people interested.

That got a lot of clients like really into it. That got a lot of our staff really into it. The kinds of employees that we began to attract were very much on the mission driven front. They were just like, "I've been dying to work for an agency where I can finally put the skills that I have as a coder, as a designer, as a strategist, as a copywriter in service of something that I actually believe in and I'm not just writing jingles for McDonald's but I am writing copy that is trying to get people rallied around women's rights issues on a global basis," or whatever issue it is that we are talking about.

And so, that crystallization as trite and as generic as it was, was a huge help for that. It did need to be put into words. But the problem was first of all as I mentioned before, it was generic to the point of being easily corruptible by anybody else and I don't even pretend to have invented it. We just picked it up and ran with it but somebody else probably in the 70's came up with "We help the good guys do good better." So we realize over the span of time between 2013 when we planted our flag in the sand.

Saying, we want to be an agency that exists for positive social change and now that we have to go even farther and we have to be much more direct and clear with what that vision was and what those values were. So, we talk – every time we have an all-hands meeting when we're talking about company strategy – we're talking about where we're going next, we talk about those values and we reiterate those values to folks. But to be very honest, we have had a very hard time putting it into the traditional mission-vision values framework from business school.

I never went to business school but I hear this, they talk about these things in business school and so we articulate them in occasion. I like to go through the exercise of writing it down because it helps me to get that clarity to say like, "Oh when I look at lots of my competitor's websites and their marketing materials and I see what they are saying about themselves and I recognize the value of differentiation and positioning."

And so I go, "Okay what are they saying about themselves that we can say better or different so that our value proposition is unique in the market place?" And that's really hard to do. It's increasingly hard to do because especially with this younger generation of millennials coming up who are very values driven people and are very interested in having their careers and their

social personal missions aligned, there are a lot of companies out there who are saying these kinds of things.

And so, getting to a place where we feel like we've distilled it into one piffy phrase has been very, very difficult but we didn't know and in this most recent redesign of threespot.com, we did recognize that we needed to go further and we needed to harder with the brand. We needed to be more direct about who we wanted to work for, to the exclusion of others and express very clearly a willingness to say no to opportunities that didn't map to what we wanted to do.

But that sounds really great on the surface of it but in practice it's much more difficult. It's difficult when you think about how to handle performance issues with your staff right? Compassion is something that we value but we also value honesty and directness and so you've got to still navigate the waters of, "How do I set down with someone to say hey, you're not living up to your performance in a direct way." But also recognize that they've got something going on at home that is severely impacting their ability to focus entirely.

How do you draw the line? We like to think that it is very easy to identify clients who are "good guys" or "doing good things" but there is a lot of grey area in that world, right? You can look at any number of scholarly articles written about pick your non-profit. The American Red Cross that could chastise them for spending too much money on overhead and their ratio of overhead to funds received is out of whack and therefore, they are wasting donor dollars and disserving the people who are giving their money.

And giving their blood to the American Red Cross, right? And you have to take a step back and go, "Alright, well at the end of the day if we wanted to have some kind of loyalty test or like some kind of really hard core litmus test about what "goodness" means, there's probably about three clients in the world that we would end up working with because everybody is a human being" and everybody has got their own dysfunctions. Every organization has their own dysfunctions and their own asterisks.

So instead, we just try to take a look at the biggest picture possible and think, does this feel right? Does this feel in sync with who we are as people and who we are as a company and do we feel like this is interesting, challenging work that we feel is doing something positive for the

world. Even if it has some asterisks associated with it or even if we're not building the thing that is going to change the game for people with cystic fibrosis.

Are we doing something that is helping those who are serving those who suffer from cystic fibrosis? Cystic Fibrosis Foundation is one of our clients that's why I picked that high ball disease to focus on. I am sorry, I don't mean to call it a high ball disease. That is disrespectful to those who suffer from it but it is a relatively rare disease. So, I just didn't come up with that out of nowhere. I digress, the point is we know in our hearts what feels right and what makes sense and what is aligned with what we want to do.

Writing that down and putting that into a statement is much more difficult. I know that there are lots of folks, the Jim Colin's of the world who are just like, "Yes, you must be able to articulate it. You must have the team fights on," like Johnson & Johnson has had since 1910's or whatever to get everybody rallying around the same flag but I don't necessarily believe that is true. I think that there is a connection that I've got with my staff and that I've got with my partner.

And that I've got with our clients that is kind of like a knowing look, "Yes this is right. We know this is right. This is okay. This fits with what we want to be doing in the world," and we're okay. We're okay with that being less codified and less of a slogan and more of a feeling.

[0:36:59.7] BOK: I really like that. That sounds more like, well I guess that last phrase you said, I was thinking what you are describing, there is a more real-world values rather than their marketing slogan. Living it rather than trying to use it purely as branding tool. To me it resonates really well because it is one of the challenges that I often have this, how do you describe those values in a piffy way. Do you find though that or how often do you find you say when an opportunity comes up or a potential client is there, how often do you say no?

[0:37:33.8] BB: Well it's changed. In 2013-2014, I was saying no a lot and that's because leading up until that time, we were lukewarm. We were wishy-washy about who we were and what we stood for. I mentioned, you set yourself up to attract what the universe is prepared to give you and that's sounds very metaphysical but in reality, when you are positioning yourself as, "We're a digital agency that does stuff," you are going to attract a lot of people who are looking for a digital agency that does stuff.

Whatever that stuff happens to be. When you position yourself as a digital agency who works for progressive causes and clients, then those who aren't progressive causes and clients don't have any interest in you. So it begins to build momentum on its own and so it's much less frequently now that I have a lead that comes out of nowhere that it's just like, "Yes we're a real estate marketing firm in Tampa and we need you to build a website so that we can put houses online."

Those kinds of people aren't contacting me. They are doing a Google search looking for who knows WordPress and they're not going to find us that way. We're attracting people who are looking for personal recommendations from their peers in the non-profit and foundation space and that's where they are getting their name. So we're moving in the market that we want to be moving in now and that means I have to say no far less frequently.

[0:38:58.4] BOK: So in essence you have moved that no much earlier in the process like the reason they don't find you or when they do come across you, you'd say, "These guys aren't for us?"

[0:39:05.9] BB: Yeah. To be honest with you, I look at every incoming lead that we've got and I think it's probably tops once or twice a month where I get something that's just completely not aligned with who we need to be. A lot of times, we do get very small non-profits who are not best built to serve. We are a little bit too big to work well inefficiently with the small non-profit and so we get a lot of small non-profits who are attracted by our message.

But who don't recognize that they are shopping in the wrong store for the kinds of agency or kind of digital design partner that they need. I have lots of smaller agencies and freelancers that I will refer those folks to. But by and large, people who are just completely coming at me from left field with, "I've got this great business idea to hand painted tires" and I'm just like, "Okay, hand painted tires is not my thing. Yeah please shop somewhere else. Thank you very much."

[0:40:02.4] BOK: One of the other things you said when you talked about change in the kind of people that wants to work with you, not just clients but in terms of staff and recruitment and so

on, have you seen over the last, whatever, four years that sort of broader change in other areas of your business as well as just with the types of clients you work with?

[0:40:20.8] BB: Yes. Well I have seen it with the passion of my staff. I feel that their enthusiasm for the work that we do has increased and when your enthusiastic about something, you tend to do a better job. I think that the quality of our work has in many ways increased. I also recognize that the mission and the alignment with the values helps them through periods of what otherwise would be potential flight risk turbulence, to put it bluntly.

In other words, if you've got a bunch of people who are just looking to you for a paycheck, if they have any doubts that the paycheck is going to be there they are going to go somewhere else to find that paycheck because that's their priority, right? Their priority is, "I want a stable place that I can call home, that doesn't make me cry my eyes out in the bathroom every afternoon because my boss is such a jerk and that pays me well."

If that is all that they're looking for, then they're probably not going to care where they work but I've got people who care very deeply about where they work and care very deeply about the clients that they work for. That enables them when we go through times which we do like every agency to go, "I'm going to ride this out. I'm going to stick with it because I don't believe that there is any place else that I could be working in this town at least, that gives me the kinds of clients and the kinds of opportunities to do good things for those clients, that I get a Three Spot."

And I have done my job, William and I have done our jobs well if we have created that kind of empire, where we got that kind of loyalty from our staff and we in turn need to show that kind of loyalty to them.

[0:42:00.8] BOK: Yeah, that's really powerful. I hadn't explicitly picked that off from what you said but it's making – to go back to your sort of slightly – the world giving back as well as a way of serving this when we are working with our values and we're connecting with our people and therefore, we're all stronger together because we are all committed to this broader – or our definition of those values.

[0:42:23.5] BB: Yeah, that's right.

[0:42:24.4] BOK: Do you think that there is a continued challenge? You talked about it in the early stages, especially this sort of conflict between the, “Hey we need to make money” and “Hey we want to work with and have an impact, having what we define as good.” Do you find that your agency – do you still struggle with that? I guess basically, bluntly, does it hurt the bottom line?

[0:42:44.1] BB: Yes and no. I will say no, it doesn't hurt the bottom line and that my definition of bottom line is more about quality of profit, than it is quantity of profit. Which anybody, if I had any investors right now who are just business people looking to capitalize on my company would be croaking right now if they heard me say that. I'm interested in doing good work for people that I care about. For people, clients, causes that I care about.

And if that means that at the end of the year, I turn a 2% or 3% profit but we had done some tremendous work to help solve the world's most intractable problems, then I see that as acceptable. I'm just like 3%, but we helped solve an incredibly difficult problem. We helped save people's lives from a malaria or we helped solve a really, really complicated policy issue that has salvaged healthcare for millions of Americans, those kinds of returns are valuable to me.

And they're not necessarily valuable in the strict economic sense and that they're not dollars coming into the company that are in excess of what we spent and therefore we got profit that we can throw around and throw a big party at the end of the year, but it is a feeling of accomplishment. So in that respect, the definition of bottom line and the definition of success becomes much more nuanced and much more fulfilling for me.

With that said, I'm not stupid and I'm not naïve, most of the time anyway. I recognize that we do have to be financially successful. I can't, my team can't go get approved for a mortgage on a house as they are growing their family on the basis of, “Well but we helped solved an intractable problem in the world and so that doesn't count for anything?” They need money, right? They need to be making more next year than they made this year.

They need to receive bonuses, financial rewards for things they have done well and earned. We need to keep pace with inflation if nothing else. It's like money does drive the world in so many

different ways. I have to be aware of the fact that yes, we do need to deliver financial performance and that does create some strain sometimes and again at this point, it's not as black and white as Smith & Wesson coming to us saying, "Help us build a website to sell more guns."

They have no interest in us and we have zero interest in them but it is a client who is doing good things in the world coming to us with a project that is not necessarily consumer facing and is kind of back office-y a little bit. It might be a little bit boring to work on and so we have to think, "Well you know we need to take on jobs like this because not everything is going to be the Webby Award nominee," right? Sometimes there's just some bread and butter work that we've got to do. To help keep moving things forward.

I think that nobody who works for me right now is naïve enough to believe that if they were to go work for one of our non-profit clients, that everything over there is all about bleeding hearts and saving lives and serving the mission, right? There is back office crap that just needs to be done to keep any organization moving forward. I do like to be selective about the jobs that we take on and make sure that I am not asking my developers to learn a brand new language.

Just for the sake of winning some work or asking my designers to do, I don't know, something that they don't want to do, whatever it is a designer doesn't want to design. I don't want to ask them to do these kinds of things. So I am looking for creative challenges because we are a creative agency, right? Yes we serve clients who are doing great things in the world but at the same time, we're also creative people and we need to scratch that itch as well.

So it is just not about, "Do I feel fulfilled by the mission of the clients that we are serving?" but also, "Do I feel professionally fulfilled? Am I learning something? Am I honing my craft and becoming a better human being and a better professional as a result of this?" So sometimes we do have to take on some work that might not be as sexy as we would like to have it be all the time, in the interest of making sure that the bottom line in the traditional sense, the financial bottom line is being served as well as our overall broader mission based bottom line.

[0:46:54.6] BOK: Yeah that's good and powerful too. Thank you so much. I would love to go into a lot of that, in more detail and take but I don't want to take up any more of your time. I do

have one final question, when you are talking about that broader definition of success, do you look at measuring some of those things and actually trying to measure, not just directly in the measure of impact that your work has on your clients but a broader definition of impact of the agency?

[0:47:21.3] BB: That's an excellent question and I would love to say that we've got a formalized framework for it but we don't. What we do is when we're doing our annual report and when we're doing our year end meetings and our year beginning meetings. So we try to get together in December to talk about the year that it was and we get together in January to tick off the year that's coming, we try to talk about things much more broadly than in terms of financials.

As the president of the company, it is my responsibility to make sure that we are financially sound. So I do care about those numbers and I do talk to my staff about those numbers. They've got to see how we're doing. Utilization is a reality, like as an agency, I got to make sure that I've got billable hours behind all of the people that I'm paying to work here. That's just the reality of running a business. But if all we ever talked about was utilization numbers and profit margins and those kinds of things. We would lose sight of the fact that we also need to be talking about client success.

We do load in a measure of conversation about client success into our conversations that we have internally. Not as a means of like, qualifying something, like saying, "Well, you know, we lost 4% on that project but look at what we did." It's more like, "Looked at holistically, we need to be thinking: What are we here to do? What are we as a company here to do?" If we're true to ourselves and if we're true to our talk and walk our talk, it is to create a positive impact on the world around us.

That positive impact can be measured in any number of ways. Some of them are easy to measure, financials, numbers are numbers. Others are a little bit more slippery and a little bit softer.

But if we never talk about the slippery or more soft ones then we're never going to recognize that a holistic approach, in a more universal and thoughtful approach towards measuring value and impact, we're never going to get there to have that conversation in the first place.

There's a lot of need on Williams and my part, to make sure that we are using that not just at year end. But using that as a framework for talking about every opportunity that we take on, as learning opportunities for us as individuals, as opportunities to do great things for the world, be it through our clients as well as opportunities to run a successful business.

[0:49:39.6] BOK: Thank you so much, I really appreciate your time here today and thank you so much was for sharing so much detail with so much clarity. I think that's inspiring both for me and hopefully for the listeners.

[0:49:50.1] BB: It's my pleasure Barry, really enjoyed the conversation.

[0:49:52.9] BOK: Right. Very last finally, for anybody who is listening who wants to find out a little bit more about Three Spot and explore your agency a bit more, where can we direct them?

[0:50:01.1] BB: They can see our website at www.threespot.com.

[0:50:07.1] BOK: Awesome. Thank you gain.

[0:50:08.8] BB: Thanks Barry, have a great day.

[END OF INTERVIEW]

[0:50:10.8] BOK: You can get all the links and notes from this episode on happyporchradio.com where you can also find out how to send us questions, feedback and get involved in the conversation about this series. If you enjoy the show, please share with anyone else who might enjoy it too. Thanks for listening.

[END]