

# Building Community Through Canadian Clothing with Local Laundry's Connor Curran

Richard Dri is a Portfolio Manager and founder of Dri Financial Group at Scotia Wealth Management.

By listening to Dri's podcasts, you will learn the strategies that successful investors use to become financially independent.

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## Biography:

Founder and CEO of Local Laundry, Connor Curran, joins me for a truly fascinating conversation here today. Somewhat of an anomaly in business today, Connor has made the commitment to not only manufacture and sell clothing in Canada, but to build community and profits along the way. Brimming with Canadian pride and financial wisdom, Connor Curran and his organization are on a trajectory toward even greater success in the worlds of both business and philanthropy.

During our conversation, Connor shares how he is able to make money manufacturing and selling clothing in Canada, the processes involved, and the way in which Local Laundry builds stories and community through garments. He also discusses his company's podcasts, revenue growth, the surprises and low points he has encountered, and those things he would have done differently. Connor also sheds light on his and his wife's money saving habits and investment strategy, the ways in which he protects his income, his perspective on financial independence, and where he sees himself in 5 years. Finishing up with some valuable words of advice for entrepreneurs, Connor brings this remarkable interview to a close. As you will discover, we could have talked for hours, given the vast amount of knowledge, experience, and commitment that Connor brings, and I know that you will agree that he is one proud Canadian who is destined for greater and greater success.

## Highlights:

- From 1989 to 2015, the percentage of clothing that was manufactured and consumed in Canada went from 80% to less than 5%
- Local Laundry manufactures and sells clothing in Canada because it is both the right thing to do, and it sets them apart from competitors

- They work with manufacturing partners across the country, most of whom are second-generation, family-owned businesses that have been around for a long, long time
- One of their big pivots during the pandemic was really focusing online, which they always had done, but more importantly, focusing on custom garments for organizations and businesses
- Once they create the garments, they want to help tell that story of those garments
- They host two podcasts: Proudly Made in Canada, and Spilling the Tee
- This year they are on track to double their revenues from last year
- The number one thing that constantly surprises Connor is the amount of the outpour of support that they've received from the community, other businesses, nonprofits and artists
- The idea for Local Laundry came to Connor while he was doing his master's in Sweden
- Connor's advice to people who are not sure if they should start a business is to stop talking about it and just go do it
- Connor and his wife are saving, protecting, and investing their money wisely, which, according to Richard, are definitely the ingredients for achieving financial independence going forward
- For Connor, financial independence means having the choice and the ability to choose whether you want to work or not, whatever work that is, and not having to worry about whether or not there's enough money in the bank
- In 5 years, Connor would love to have his house paid off, have a team of 10 to 15 people working with Local Laundry, be a national brand, and see a little bit more education with people about supporting Canadian manufacturing
- Connor's advice to entrepreneurs is to only compare themselves to who they were and where they were yesterday

### **Quotes:**

“Not only did we see it as the right thing to do, that was the first thing, but we saw it as a way to diversify ourselves from all the competitors.”

“If you have the choice, once a year support made in Canada, whether it's clothing, beer, furniture, art, you name it, music.”

“We started targeting other businesses that typically had those cheap shirts made elsewhere.”

“We really want to be seen as an organization that builds community, that brings people together, that share stories, that leaves this place, the community, a little bit better than the way we found it.”

“We believe in long, slow, organic growth.”

“I'm absolutely addicted to the people that I meet through this vehicle of Canadian-made clothes.”

“Action cures all.”

“I wish I could go back and go Canadian-made right from the very get-go.”

“We're going to be producing in partnerships with some of the largest national and global companies there are.”

“You're doing things that most people right now think cannot be done. I, for one, think it's time that we start believing that we can manufacture whatever we used to. We can manufacture it right back here in Canada.”

### **Links:**

<https://locallaundry.ca/>

**Richard Dri:** Welcome, Connor, to The Richard Dri Wealth Navigator Podcast and thank you for participating.

**Connor Curran:** Thank you so much for having me on. I'm really looking forward to it.

**Richard Dri:** Me too, Connor. I'm looking forward to this. You're the owner of Local Laundry and you're actually selling Canadian-made clothing, which on the surface, I have to admit, seems a bit of a contradiction.

**Connor Curran:** What was that?

**Richard Dri:** I know. I didn't know how to start this, but I had to go right at it. Everywhere you go, you find shirts or pants or any type of clothing made in China, Singapore, and Malaysia. They're offshore. Everything you read indicates that these manufacturers have to produce their clothing or make their clothing offshore, bring it back to Canada or North America, and then sell it to us at whatever profit margin they want to do. But you've basically turned this whole idea on its head and you're proven that, hey, you can make clothing here in Canada and sell it to our Canadian population and make a profit. I want to know how you do that. Why can't other people do that? Now, I know you can't answer for other people, but how do you do it?

### **Making and selling clothing in Canada at a profit (4:49)**

**Connor Curran:** Great question. Well, first of all, I'd like to start off, but we used to do it and it used to be a common thing. We've actually done research into it. That prior to 1989, 80% of all

clothing that was consumed in this country, that was bought and sold in this country, was made in this country. Prior to 1989, almost all clothing you saw at stores was actually made here in Canada, so it's not as far-fetched of an idea as you might think. We used to make things here in this country. Then we did some more research on what the number is today. If you fast forward, 1989 to 2015, that number is down to less than 5%, so it jumped all the way from 80% of all clothing consumed, that Canada has made here down to just under 5%. We thought that was crazy.

I want to start out. When we first started, we didn't know the first thing, what we were doing. We didn't know how to run a business or start a business or e-commerce or clothing. We didn't know anything. The first round of our clothing, it was coming from all over the world because we didn't know any better, but then when we started doing some digging and started doing some research, we looked into things like, first of all, quality of the garment and then other things like the environmental factor, the economic factors of supporting Canadian manufacturing. We were shocked. We actually saw it as a way to build. Not only did we see it as the right thing to do, that was the first thing, but we saw it as a way to diversify ourselves from all the competitors because I started the clothing company as...I just Google searched how to make a t-shirt company and I watched a YouTube video.

**Richard Dri:** Why not, eh?

**Connor Curran:** It's not very complicated. When I realized that, I was like, "Man, if I'm doing this, probably everyone else is doing it" and everyone did. Everyone had their own clothing company. How do you stand out when everyone and their dog is creating their own clothing company? You have to be different. Not only are you competing against everyone else who's just starting up and watching Google and YouTube, but you're competing against the big players as well.

What we started noticing was that people were always about, "How do we make as much money as possible by producing a garment for as cheap as possible?" We wanted to go the other way. We wanted to say, "How can we make a garment that is quality, that can give back, that is well-made, that will last?" We saw a trend of let's make our clothes here in Canada because they're going to last longer. The big guys can't compete because there's no way that they're going to onshore all of their products. They went offshore back in the 80s and 90s when that stat started to change. They're not coming back. They've gotten fat off those big fat margins of overseas labor. We thought this is a way that we can differentiate ourselves. This is the way we can give back and really believe what we're all about, making your laundry local.

**Richard Dri:** I love the idea because I've lived through that whole period from 1989. I started working probably around the late 80s and so my working career has seen that shift of manufacturing jobs being shifted offshore. That's why I had to bring that up because I've had clients that were in the manufacturing of clothing. In fact, it's not just clothing. It's almost everything.

**Connor Curran:** Everything. You name it. If you look at your parents' house, your grandparents' house, everything they owned, they bought 30, 40 years ago. It was quality. It was made to last, but it was also made here, from suits, coat hangers, toothbrushes, tables, chairs.

**Richard Dri:** Furniture.

**Connor Curran:** Furniture. You name it. It was all made here. Then all of a sudden, we shipped that all away. We're all to blame. I think us as the consumers are to blame as well because I love a good deal as much as anyone. When I was working in other jobs and even now, I didn't have as big of a salary and my money didn't ... I got to find ways to make money stretch. We're all to blame. I'm not ... There's people that manufacture overseas and that's fine. People can do what they think is best for their business, but we just wanted to make a stance that, "You know what? It's possible to have Canadian-made clothes." We're not saying, "Go to your wardrobe and throw everything out that's not Canadian." We're not going to guilt anyone with anything. We're just saying, "If you have the choice, once a year support made in Canada, whether it's clothing, beer, furniture, art, you name it, music." If you could just make a little bit of effort, it could go a long way to support a diversified Canadian economy.

**Richard Dri:** For sure. Totally agree. Okay, you make your clothing here in Canada. I assume you contract it out. Or do you have your own tailors or garment makers? How do you actually make it?

## **Local Laundry's manufacturing process (9:28)**

**Connor Curran:** We work with manufacturing partners across the country. Most of them are second-generation, family-owned businesses that have been around for a long, long time. Some of our manufacturers are in Vancouver. Most of them are in your backdoor in Toronto. We have partners in Montreal, some in Calgary. It's really across the country.

**Richard Dri:** Well, we had - I've lived my whole life in Toronto - the Spadina. The strip along Spadina used to be called our Clothing District.

**Connor Curran:** That's right.

**Richard Dri:** That's between, I think, what, Bloor and maybe Queen. There'd be one factory after another that made garments, clothing, probably for-

**Connor Curran:** The cool thing is that's slowly coming back. You're starting to see a lot of independent retailers, clothing companies that are making their own stuff. It's slowly coming back. What used to be a bustling district, what used to be a great industry vanished overnight, during the late 80s. I haven't given up faith. There's a lot of people that ... Because again, like I said, it always comes down to the consumer. With the consumer, there's an appetite. They want to support Canadian-made. A lot of consumers are getting away from that fast fashion. They want clothes that last and feel good about themselves.

**Richard Dri:** Now, you manufacture it in Canada. Then how do you sell it? I've looked at your website. I assume most of it is electronically. Or you just ship directly from the manufacturer to the customer? Or do you have a middle spot?

## **Local Laundry's selling process (11:00)**

**Connor Curran:** Yeah. Absolutely. We have our online website, locallaundry.ca, and that's where the company was birthed and started, and that's where it'll always be. We have our manufacturer. We have our fulfillment partners and warehouse, which are also in Toronto. That warehouse, they ship for us. They decorate for us and they're really great.

Traditionally, when you were growing a clothing company, you have your own website or maybe your own store, but then traditionally, you try and get into other stores, other retail partners. That was our way of thinking. We had some fantastic partners like Mark's Work Warehouse, Sporting Life, Below The Belt. This time last year, we were in over 25 stores across Canada and some really great retail partners, but then, of course, 2020 reared its big ugly head and came knocking on our door, and overnight, our business just shifted entirely because gone were the big retail orders, which we had grown accustomed to, to grow our business. 60 to 70% of our revenue was coming from retail partners. We had to change and like many other businesses, we had to pivot. One of the big pivots that we did was really, instead of retail, focusing online, which we always had, but more importantly, focusing on custom garments for organizations and businesses. We started targeting other businesses that typically had those cheap shirts made elsewhere.

**Richard Dri:** I know what you're talking about.

**Connor Curran:** You know exactly what I'm talking about.

**Richard Dri:** We all have them.

**Connor Curran:** We all have 20 of them. We all have to wear for one day, whether it's a volunteer thing. They don't fit. We don't look comfortable in them. We don't look good in them. We either throw them out or we sleep in them or we paint in them.

**Richard Dri:** Or do lawn work with it.

**Connor Curran:** We approached all these organizations and said, "Stop making pajamas for people, that eventually just fill up the landfill." We're importing garments to put in our landfill. We said, "Let's make a quality garment that shares a story rather than just printing a logo that tells a story, that people actually want to wear. They feel good. They look good." We've had a lot of success. We've had some national campaigns with some large organizations like Shaw or the Calgary Flames or CBC. We've created gear garments for organizations that tell a story rather than just print a logo.

**Richard Dri:** I find that really interesting. I think we talked about that off air. Maybe if you could give me an idea of a story that the garment will create because again, that is cutting edge. I don't think of a garment or a t-shirt as a story, but you're promoting that. Then you're tying it into the community and building a sense of community. Help us understand how you do that.

## **Building a story and community through garments (13:44)**

**Connor Curran:** Gladly. Well, it's funny because in all these organizations, there's always a marketing team. There's always a communications team. They spend all this time coming up with the greatest logo ever, this fantastic logo. They say, "We're going to take this brilliant logo and we're going to put it on a shirt" and then it just stops. The story ends there. People wear the shirt and they say, "How can we get this on as many shirts as possible for as cheap as possible?" Then the story just stops, all this work, all this thought, all this intention, and purpose. This great design just stops at the shirt.

We really like to think that the story just starts at the design. After we print a shirt, that's really when the story starts. What we do is not only... we're not a promotional company where we just print a logo on some shirts and then you give us money, and then we see you later and never hear from us again. Actually, once we create the garments, we want to help tell that story of those garments. Maybe it was for a volunteer event. Well, what was that volunteer event? Let's get you on our podcast. Let's get you on a guest blog. Let's do a group photoshoot. We'll post about it on our social media. "Hey, everyone. Check out this great volunteer event that company X did. This is why they do it. This is how many people they've got. These are the volunteer hours. This is how long they've been doing it." Let's push them out. Let's help share that story so we can tie it in with the charitable campaign maybe.

There's an organization, Rich, out there. They are doing a Christmas party. They got gifts for everyone. They said, "Hey. Can you make blankets?" I said, "We've never made blankets before, but you bet we'll make them." We took all these old rolls of fabric fleece that we use to make sweaters and said, "It can't be made for anything else." They were typically dumped in their landfill. We said, "Let's take them. Let's recycle them. Let's turn them into blankets. What we'll do is not only make blankets, but also, for every blanket that we sell, we'll donate one to a homeless organization." This company, instead of a Christmas party, they gave these blankets to everyone. We made over 300 blankets and we're going to donate 300 blankets. We diverted a bunch of fabric from going straight into landfill. There's a story there. Now we're going to get them on our guest blog. We're going to get them to the podcast. We're going to push it out on our social. We're going to help share the story and say, "Look at this great company." Not only are they supporting local. Not only are they supporting Canadian-made. They're supporting sustainability, but also, because of them, thanks to them, we get to donate over 300 blankets in their name, to a charity that they help choose. Then we'll go down, take a photo donating the blankets. There's so many opportunities to tell that story and it doesn't just stop at the design.

**Richard Dri:** You're not just a made-in-Canada t-shirt company. It's more of a marketing company, more of a social media company that you've combined with your manufacturing company.

**Connor Curran:** We really want to be seen as an organization that builds community, that brings people together, that shares stories, that leaves this place, the community a little bit better than the way we found it. We want to work together. We want to collaborate. We want to help each other grow. Canadian-made garments is just the vehicle at which we do that. You know what I mean?

**Richard Dri:** Now, tell me about your podcast. Who do you bring on there?

## **Local Laundry's podcasts (16:52)**

**Connor Curran:** We actually have two podcasts. One is called Proudly Made in Canada, where we feature other great Canadian businesses that are either manufacturing in Canada or building community in their own unique way. It specifically highlights people that are using their business, similar to us, as a vehicle to give back and build community. We've had breweries, coffee companies. We've had charities on there, anyone who's going that extra mile, that are proudly made here, that are happy to be proudly made in Canada. That's the first podcast and that's one that me and my business owner host.

Then we have another podcast called Spilling the Tee, which is done by our head marketer and Community Manager, Kathleen Smiley. She interviews different people in the community, that are experts in their own marketing field, how they use marketing as a way to give back, and their unique marketing skills to build community. We're not a massive podcast network yet, but it's just one other way to share the story.

**Richard Dri:** Oh, that's terrific. Let's drill down a little bit. Are you profitable at this point, Connor Curran? We talked about it off air. Maybe give us a general idea of how the revenues have grown over the last little bit.

## **Local Laundry's revenue growth (18:08)**

**Connor Curran:** Absolutely. Yes, we are profitable. With Canadian-manufactured garments, it was difficult to make the traditional retail model work, so there was a year or two where we weren't as profitable as we were growing, as we're transitioning to Canadian-made, but then as we made that transition and fully committed, and went down this custom garments page, we are very, very profitable. A lot of people don't realize the way that traditional retail works is that you make a garment, let's say for \$100. Well, the traditional retail agreement is you agree to sell that product to a retailer for 50%. They sell it for \$50. Now, you have to be profitable at \$50 per unit. When you're making stuff overseas, you could definitely do it, but when you're manufacturing here in Canada, you have to really push to get that.

Then all of a sudden, you agree to those terms. They buy in volume, which is great, but then you have to give net 30 terms, net 60 terms, net 120 and that's before any kind of penalties incurred or any kinds of costs incurred to getting set up with their logistics system or shipping or anything like that. Believe it or not, a lot of retailers, they still pay by checks and now you're



waiting another two weeks to get the check. Again, we had some great retail partners. I'm very thankful for that, but sometimes it just doesn't work with Canadian-manufactured garments.

It can be a little difficult, but what we really like about this custom garment is you don't have net terms. We don't produce anything until you purchase it and so the goods are already sold before they're even made. Whereas traditional retail, you have to fork out the money. Build stock up on inventory. Help the retail partners take it off their hands, but now, we're not waiting. We only produce things after they're sold. We've reduced that net 30 times. The margins are a little bit better. This year we're on track to double our revenues from last year, which is insane, considering that we're in a global pandemic. Like I said, people are out there, they want to support local. They want to support Canadian-made. They want to support small businesses. We've hired our first employee. We're looking to hire one to two more people next year.

We've always believed in slow, organic, sustainable growth. My business partner and I, we've never put more than 1,000 bucks each into the company. That was two, three years ago. The business has always been self-sustainable. We always believe in taking a salary and no long-term debt, no other equity, no investors, no nothing. We believe in long, slow, organic growth. We're not in the business of scaling at all costs. We're not a tech company. We're not looking to go from one round of funding to another. Profitability is number one.

**Richard Dri:** And they said it couldn't be done.

**Connor Curran:** Well, the thing is it can be done. This is what businesses used to be built on. I'll never forget. Pre-COVID and everything, I was walking downtown and there was a big sign of this space that was going through an auction. This was a place I just toured about two months ago, a beautiful space. Now all their furniture is up for auction. I thought these guys were rolling in the dough because they have fancy desks, fancy chairs, big-screen TVs, beer on tap. I asked the guys, the movers. I was like, "What happened to these guys?" I'll never forget. One of the auction movers who was just moving furniture, he says, "Nobody wants to grow a business anymore." Nobody wants to start a small business. Everyone wants to scale. Scaling is sexy. Growing a business is not sexy. Everyone wants to go from zero to 100 million, to a billion evaluation by next week.

**Richard Dri:** They want to be the next unicorn. Probably not the way to do it. Exactly.

**Connor Curran:** It can work for some ways, but for a lot of businesses, especially if you're not in tech, there's a little world cup called profit. You can't forget about it. Are you profitable? Revenue is great. I love the old saying, "Revenue is vanity. Profit is sanity and cash is king." It's so true. We've all drank the Kool-Aid. We want to be the next Airbnb. We want to be the next Google and scale at all costs and get that billion-dollar evaluation. We'll worry about making money later.

**Richard Dri:** Get the eyeballs to the website. Now, Connor, tell me, what surprised you the most while you created this great business from scratch, that has so many things? That, I think is excellent, from the point of view of creating the garments here. You've also created an economic impact for people that are actually living and working here and the climate effects of

not having to ship garments across the oceans and then across the land, and then eventually to a store. I would imagine that you've created a very eco-friendly environment with this. In that period of time where you've done all this, what would you say surprised you the most? It could be a negative thing. It could also be a positive thing.

## **What has surprised Connor the most (23:18)**

**Connor Curran:** Well, there has been so many positives. There's been 10 times the amount of positive things that have surprised me versus the negatives. I think the number one thing that constantly surprises me is the amount of the outpour of support that we've received from the community, from other businesses, from nonprofits and artists, people you never would expect. Whether they're a customer or another business that want to support or they're a company that want to get their garments locally made and responsibly made, that has always been the biggest surprise. I never thought that people would support this idea as much as they have. We would be nowhere, absolutely nowhere without the support of our community and that's every kind of stakeholder that is involved from the ground up, from our team, our manufacturing partners. I love and I'm absolutely addicted to the people that I meet through this vehicle of Canadian-made clothes. It never gets old. I never get sick of it. I get giddy with the thought of all the great people I'm going to meet and connect with and relationships I'm going to build and grow over the next 10, 20, 30 years.

**Richard Dri:** If you look back now, you're still a young man, but what was your low point so far and how did you climb out of it?

## **Connor's low point and how he climbed out of it (24:30)**

**Connor Curran:** I think a low point for me, maybe not so much with the business, but earlier on, I was fresh out of university and graduated with honors. I was the senior class president. I did everything right in university. Then I was looking for a job right out of university and I fell into an oil and gas job here in Calgary because that's what everyone does if you want to be successful. I just didn't enjoy it for a second. Really, it was not for me and I didn't like it. One day I came into work and I got laid off. I'd never experienced anything like that. The boss' boss comes in and just hands you a piece of paper and said, "You've been busting your butt for two years here, but that doesn't matter because share prices are down or price of oil is down. See you later. Thanks so much." I was just devastated. There goes my whole life, upside down. This was my whole plan for the last six, seven years. What do I do now?

That was probably a pretty good low point, but my thinking is always keep moving forward. Action cures all. My wife and I, we moved to Sweden. I got my master's there and that's where Local Laundry was born. I looked up to what my parents had done. They immigrated to this country with no education and no money. They became entrepreneurs themselves and built their business from the ground up and built a very successful life for themselves. I said, "I'd love to be able to do the same." They gave back to the community using their restaurant as a way to

give back, as a vehicle to give back. I said, "I'd love to do the same." It was there in Sweden while I was doing my master's that I came up with the idea for Local Laundry.

**Richard Dri:** Very good. Connor, I have a lot of listeners that are either in business or they're thinking of starting their own company or they're fairly new, they're fairly green at running a business. They're looking at people like you, people like me and they're asking me very often, I'm sure you have the same question, it goes something like, if you had to do it over again, and I know you're a lot younger than me, but if you had to do the last, say five years ago over again, what would you have done a little differently in order for you to maybe save time, maybe make a little bit more money or perhaps give back to the community in a bigger way? What would you have done a little differently?

### **What Connor would have done differently (26:59)**

**Connor Curran:** Well, I think I would have made the switch to go Canadian-made a little bit earlier. It took us about two and a half years to come to the realization that that was the important thing. That's what we needed to do. I wish I could go back and go Canadian-made right from the very get-go. I think our business would have looked a lot differently. I don't really have too many regrets in that area. We failed a lot, believe you, me. We made some bonehead moves throughout the way and we'll probably still continue to make them, but every failure that we had, every bad decision has led us to grow as a business. I'm so incredibly happy as to where we are right now. I'm so excited to see where we're going to go in the next five, 10, 20, 30 years.

My advice to people who are not sure if they should start a business or are thinking about starting or even just the very early stages, stop talking about it and just go do it. There's nothing worse than coming up with a perfect business plan and coming up with the perfect product and just waiting six, 12, two years before it actually comes to fruition. I would say stop talking about it. Go out and do it because otherwise, there's no such thing as a perfect business plan, a perfect company, a perfect product. You're always going to be a little bit embarrassed by your product and if you're not, you've waited too long. Just stop talking about it. Go out and build that business.

**Richard Dri:** Good advice. Connor Curran, how old were you when you started Local Laundry?

**Connor Curran:** I was 25.

**Richard Dri:** 25.

**Connor Curran:** Yeah.

**Richard Dri:** There you go. I think I was about 29 or 30 when I started.

**Connor Curran:** You don't need money. I started with 50 bucks.

**Richard Dri:** You're right. You don't need money. You could use it as a crutch. Instead of spending thousands of dollars on social media ads, you call people or you use your contacts.

**Connor Curran:** Absolutely.

**Richard Dri:** Or use LinkedIn, which is very, very affordable. It gives you a start.

**Connor Curran:** Absolutely.

**Richard Dri:** You've got to work with what you are given. Interesting. Let me pivot a little bit because this is a Wealth Navigator Podcast. I want to talk a little bit about how you and your wife earn money, well earning, I know your side of the coin. Your wife is also a full-time nurse-

**Connor Curran:** That's correct.

**Richard Dri:** If I remember correctly. The two of you are professionals. You're making reasonable income and pretty well soon, very, very good income or very strong income. How do you save? Is there a predetermined amount of money that you put away on a monthly basis? Do you put more money back into the company? You said you're very frugal with that. Tell us a little bit about how you and your wife put away money for, say retirement or maybe buying a house or a boat, a longer-term type of goal?

## **Connor and his wife's money saving habits (29:42)**

**Connor Curran:** Well, first of all, rule number one, never buy a boat.

**Richard Dri:** I know.

**Connor Curran:** You want to be the guy that shows up with a six-pack to the boat and look like the hero that way. That's what Bill Burr always says. Never ever buy a boat.

**Richard Dri:** The joke is you're only happy two days after you've bought a boat, the day that you buy it and the day you sell it. Those are the only two days that you're happy.

**Connor Curran:** Exactly.

**Richard Dri:** Anyway, boat is off the table.

**Connor Curran:** I think, first of all, when you start a business... I started the business and didn't take a penny out and worked another job full-time, and grew my business on the side. Every penny that we made at that company went right back into it. I wanted to start a business that I didn't have to keep feeding money into because if you have a business that you have to keep feeding money into, you don't have a business. You have a hobby. I worked full-time, building the business on the other side while I was working full-time and putting all the money back in.

In order to do that, you have to give up a lot. There's only so many hours in the day. I made the decision early on that I really wanted to build this business. I gave up everything that wasn't family, my health, or business, so I gave up alcohol, for example.

I haven't drunk in three years. Not just because I had any issues with it, but I just saw it as an incredible time and money waster. I gave up alcohol entirely. No more going out for beers with friends. No more cabin weekends. No more crazy parties, that kind of thing. Done. I gave up basketball, both coaching and playing. I gave up hanging out with friends. I gave up everything. If it wasn't family, business, or health, it was gone, out the window. Day and night, I was working full-time, building my business.

Then the second thing is if you have a business partner, really make sure that your values and what you want out of the business are aligned. My business partner, Dustin Paisley, very different personality-wise, very different skillset, but we get along. We've never come into an argument or disagreement because we both want the exact same thing out of the business and that is, we want the business to work for us. We don't want to work for the business. We want the business to work for us. When I was able to finally grow the business to a point, after two and a half years, where I felt it needed my attention full-time and we could afford to pay myself a salary, my wife wasn't going to let me leave my job and go work for free for my business. We grew it to the point until I wasn't going to go full-time until we could get to the point where it could pay me full-time, not an exorbitant salary, but at least something similar to what I was making.

That's the beauty about starting young, is that you aren't making much money when you're young, so paying yourself a similar salary isn't too difficult to do. That was always number one. The business got to make money. You got to give up time to grow that business and then take a salary once you're full-time. My business partner still isn't full-time with the business and he's never taken a salary. He's never taken a penny out of the business, but once he goes full-time, you better believe we're going to pay him a good salary that's equivalent to what he's getting now. I know I'm talking a lot, but-

**Richard Dri:** No. That's very interesting. At this point, you are pulling out a salary from the business. You didn't at the very beginning because you were working full-time and you didn't leave the full-time job until the business could actually provide you with a salary to replace the income that came from your full-time job. I think that's a very, very good approach to do. You didn't burn the bridges and say, "Okay. I'm going to work on this company and it's got to work." Unfortunately, I did that approach. I quit my full-time job and started a business from scratch, with no revenue. It probably is not the best way to do it. It does light a fire under your seat, but it may not necessarily be a good fire. It creates a lot of stress.

**Connor Curran:** It can be done. that was the thing. I started a business so I could enjoy life a little bit more. I wasn't stressed out. I didn't want to do it that way. Then when it comes from a personal side of things, my wife and I, we're very frugal. We live well below our means. I think a lot of things that people get caught up in as well when becoming an entrepreneur, is they try and keep up with entrepreneur Jones over there. We see them on Instagram with a fancy car, big house, and all the parties, and bottle service, and all that. I drive a 10-year-old vehicle. We live in a modest house. We don't buy fancy things. I don't have to buy clothes, which is really nice. I get

free clothes for life, but everything we do buy is either second-hand, thrift stores, vintage shops, or Facebook Marketplace, and that kind of thing. My wife is very thrifty at that kind of thing.

**Richard Dri:** Any idea, Connor, what percentage of your gross income would you say you and your wife are saving at the moment?

**Connor Curran:** This is perfect because I did my financials this weekend so I could be prepared for this. Every month, I do financials for our household income, just as you would a business. What was our net income? What was our net expenses? How much profit? What's our overall net assets that are liquid and non-liquid? What's our debt? That kind of thing. We budget to save at least 15% of our income every month and that's usually on the low end. With the pandemic, it's really easy. We've been saving at least 20% of our income, combined household income every month. A big part of that is we really strive to be absolutely debt-free. We don't carry credit card debt, no car loans. The only thing we have is our mortgage and that's it. My wife, she had a student loan that she paid off diligently and got all of those paid off. We don't buy anything unless we can pay for it in cash.

## **Richard's perspective on their savings habits (35:19)**

**Richard Dri:** There's a lot of value in that. Good debt versus bad debt, I've written about or blogged about for a long time now. Buying a house with a reasonable mortgage that you can carry is good debt. Bad debt is that boat or having the clothes or the car or the fancy vacations. The problem with bad debt is you get no value out of it, no financial value. You may get a little bit of gratification from it, but then you quickly realize that you have to work even harder than you were in order to pay for that or to keep up with the Joneses. You get on this treadmill, if you will, a financial treadmill and you're constantly going faster and faster to try to keep up.

I think the habit that you and your wife have done is a very good approach. Look to save 15 to 20%. Invest it at a reasonable rate. Over a long period of time, it will create a tremendous amount of wealth for you and your wife, in addition to the company or the business that you're creating, without the financial stress of having to be on that treadmill. That's good. Now, the other thing that struck me is that you actually create a personal financial statement every month. I have to indicate that that is very, very rare, although mandatory, but very rare. I do that now as well. I used to do it manually, which was a pain in the butt. Recently, I've used mint.com. I recommend it to anybody who wants to do a budget. I think you use QuickBooks.

**Connor Curran:** We use QuickBooks for our business.

**Richard Dri:** QuickBooks. Sorry. What do you use for your home budget, your home financial statements?

**Connor Curran:** I just use Google spreadsheet. I do it that way because I like it because it forces me once a month. It doesn't take me very long. I do it manually. It'd take me about half an hour on the weekends, but it forces me to go into all of our bank accounts and check. I go through all the transactions and I classify all the transactions as how much we spend on

entertainment, groceries, restaurants. Are we over budget under budget? It forces me to go through all of our credit card statements, our bank account statements, make sure nothing's amiss or anything like that.

**Richard Dri:** I used to do that, Connor, manually, exactly what you're doing. Then I found mint.com They're an aggregator. What the program does ... It's owned by QuickBooks. Not QuickBooks, but Intuit, which owns QuickBooks. You will be able to give the app access to your bank account. I believe it's a one-way street. I think the security is quite good. I feel comfortable giving them my passwords because I do my tax returns on, what is it called, their tax program. I forget at the moment. They have very, very confidential information that is kept safe. You have your passwords in there. They dial into the bank or banks that you work with. They download your statements, just like you would onto Google Sheets.

It then automatically ... Well, you have to train to their bit in order to ensure that all of the transactions end up in the right account, but over a month or two that you do this, you'll find that you basically don't have to do any allocating. You just have to go through to make sure that checks are not actually posted because it doesn't know what the check is. It just knows the dollar value that the check was for. You'll have to go in. There'll be some things that are misallocated, but for the most part, I'd say 90 to 95% of the transactions are properly allocated once you've done the work at the front end. It is a lifesaver for me. I used to do it your way as well. I think it's a great way. You may want to try it, but I encourage all my clients and anybody who's interested.

The point I wanted to make though was that little exercise, whether you do it manually or whether you do it through a computer program or an app, is essential because we do not know how much we spend. I don't have a formal survey, but I would imagine that the majority of people, just from my own experience, have no idea where their money is going. The problem is that over a period of time, you're still young, but over 10 years, 20 years, 30 years, if you don't have a good handle on your money, so much of it will be wasted, so much of it will just fall through the cracks when it didn't have to be that way, when you could be a little bit more deliberate with your money.

The other thing you said, which again struck a really optimistic tone in my brain was that you are debt-free. Again, you're a contradiction. We're trained to not be debt-free, but I think you have to try to do that. If you can afford something within a very reasonable period of time, you could use a bit of debt, but generally, you try to pay for it in cash. I think those are very good ideas. Now that you're saving 15 to 20%, you're very frugal. Both of you are working. The business is profitable. What do you invest that money with? Some people buy real estate, art, stocks, and bonds. What's your investment strategy?

## **Connor and his wife's investment strategy (40:52)**

**Connor Curran:** It's a good question. It's a mixture of everything and this is probably one of the areas where I could probably use a little help, to be honest. For me, I always see my investment is the business and I put everything, that's the risky side of the business, and hoping that it has a big payoff. Then my wife who works for Alberta Health Services as a nurse, she's got that more stable, great pension, that kind of thing. Any excess cash, we put right back into a mortgage. We always do max out or lump sums, that kind of thing because we want to pay off

mortgages as quickly as possible. Where we can, is stocks. Every company I've worked for, I've always gotten stocks, whether it's an oil and gas, engineering company. Recently, when I worked two and a half years, I worked for a tech company here in town. They just went through a big acquisition. I've got stocks in that. I've tried playing the stock market and investing 250 bucks a month, but I never seemed to do well in it, so I gave up on that. Then my wife and I had a couple of meetings recently to invest in some mutual funds and that kind of thing. I really see my big investment as the business.

**Richard Dri:** I totally agree. That's what I would encourage. Pay down your mortgage. Reinvest into the business as long as, obviously, the return is the greatest of any other options that you have available, but if it's a successful business, you will find it almost impossible to match the return that you will get from investing your business in your business when you compare it to, say stocks or real estate or any of those particular options. The reason you would do it with any extra money is to create a little bit of diversification. Not a little bit, but to actually create diversification.

I would do what you're doing. Definitely put a lot of it back into the business because your ROI, your Return on Investment is great. You're right. Maybe a little bit of money or a portion of the portfolio, that is something that you and your wife would have to determine. Is it 10%? Or is it 20%? Or is it more? It goes to an investment that is not dependent on the success of your business. That way, if, God forbid, it doesn't work well, you've got the opportunity to lean on that.

**Richard Dri:** Now, other than investing, do you ... One of our biggest risks, especially at this age, and we've talked about this offshore, not offshore, off-camera, is premature death. We've talked about losses in my family and in your family. Also, the other thing is disability. Disability for younger people, it actually has a greater probability than death and yet many people don't know what they are covered for and for how much and for how long when it comes to disability insurance. Maybe you could take a moment. Walk us through how you and your wife have covered yourselves, from the point of view of death and disability.

## **Connor and his wife's death and disability coverage (44:08)**

**Connor Curran:** Absolutely. We experienced it in our very immediate family, someone who was sick and passed away. Thank goodness, they had critical illness insurance at the time that they were able to get sick. They didn't have to worry about money and life insurance as well. Their partner and everything were well taken care of. We saw that as a wake-up call. "Hey. If one of us gets hit by a bus tomorrow, we want to make sure that the other one is well taken care of." As a business entrepreneur, my wife, she's working as a nurse in AHS. Great benefits, but for me as an entrepreneur, we don't have benefits. Thankfully, I get to benefit off hers, but if I get sick, what happens? We've gotten critical insurance put in place right away, life insurance in case anything happens to us.

But one thing that entrepreneurs never, rarely, think of, and we've seen this before, is when two business owners own a business and one of them passes away, and then the business transfers.



If you don't have a shareholder agreement, then the surviving partner or the surviving family of the partner who passed away, what happens with their share? We've seen it time and time again, where they didn't have a shareholders' agreement and then didn't have cash in place. Now all of a sudden, you're doing business with your partner's wife or your partner's husband. It can get quite messy. We recently just got life insurance in the business as well so that if one of us passes away, the insurance pays to the company and the company uses that money to pay out the deceased partner's family for their shares. We're very well protected. If we get sick, if one of us passes away, got to make sure that everyone's taken care of.

**Richard Dri:** Well, Connor, you are actually doing everything right. You've covered all your risks, life, disability, critical illness, shareholder agreement, backed by a life insurance policy. That is it. I'm like you. I unfortunately have seen shareholder agreements not being created. Well, either they are created too late when people are actually fighting or they're not created at all. It's not just death, but death can occur. There is a disability that could be for the rest of your life, for the rest of your career, working career. It could even be a partner who wants to do something else.

How do you then sell or how do you value a company? How do you actually buy him out or her out? Unless you have a shareholders' agreement, it's a lot more difficult to do. Again, you're saving, you're protecting, and you're investing. Those are definitely the ingredients of achieving financial independence going forward. Now, I ask most of my guests if they've ever sat down and thought about what they think the definition of financial independence is to them. What is financial independence to Connor and his wife?

## **Financial independence for Connor and his wife (47:10)**

**Connor Curran:** That's a great question and it's definitely something we're working towards. In my mind, it's having the ability to work if you want and not work if you don't want to, but still have the freedom to... If you see something that you want to spend on or go out for a nice dinner, you're not worried about money. The choice, the ability to choose whether you want to work or not, whatever work that is and not having to worry about, am I going to have enough money in the bank to do it?

I know for my business partner and I, Dustin, we love the business. We're always going to be working, no matter what, in something or other just because we absolutely love it, but if our wives don't want to work in their jobs anymore, they don't have to. That's the goal. That's what we want to get to. If they want to work, great. If they don't, great. That's fine too. Or if they want to do something else and to be able to live a certain lifestyle that we want to live well within our means and nothing extravagant, but just to have that ability to say, "You know what? Let's go out for dinner. Let's get the guacamole. Let's get the dessert" and not be stressed out about it, not fearing that bank account login.

**Richard Dri:** For sure. Connor, I'm going to try to bring it in now. We've talked a little bit about your financial picture. We've talked about the business. If we were to talk, say five years

from today, so we're into 2025, the end of 2025, or at the beginning of 2026, where would you be at that point? What do you envision as the next step for Connor Curran?

## **Connor's vision for 5 years from now (48:44)**

**Connor Curran:** Man, I get so excited just thinking about that, where we're going to be in five years, 10 years because honestly, I've turned 30 now and I started the business when I was 25. If you were to tell the 25-year-old me that I'd be where I was today, I'd be losing my mind as a 25-year-old. In my mind today, we're nowhere near where we should be. The next five years, we're going to be B Corp certified. We're going to have a small, but mighty team, maybe 10 to 15 people. We're going to have the brand nationally across Canada and we're going to be producing in partnerships with some of the largest national and global companies there are.

I really see...I'd love to have the house paid off in five years. Maybe that's a little bit of a bold assumption, but that and a team of 10 to 15 people working with us, and a national brand and a little bit more education on people to support Canadian manufacturing, why it's so important. We're seeing a nice trajectory now. Even amid the global pandemic, people want to support local, people want to support small businesses. We hope that in five years, that trend just continues to grow and grow and grow and consumers hold businesses accountable, and they vote with their wallets.

**Richard Dri:** Thank you. Well said. Now, did I miss anything in our discussion, that you think we should cover? Anything from your personal financial picture to your professional life? Is there anything you'd like to add?

## **Connor's advice for entrepreneurs (50:13)**

**Connor Curran:** Yeah. I would just say the hardest thing in the world to do is just ... you're on your own journey. Do not compare yourself to anyone else. Do not compare yourself to anyone else, but who you were yesterday because that is a tricky slope and it's so easy to do with social media and everything. I look at other people who started clothing companies. They're younger than me. It seems like they're 10 times more successful. I still get down in the dumps. I'm like, "Man, why aren't I doing that? Why am I not doing that?" You cannot do it. If you have friends that just got married and bought a house, it doesn't mean you need to go buy a house. If you have friends that have started a company and they're running all sorts of worth, that's okay. Everyone's on their own journey. Do not compare yourself to others and do not try and compete with others when it comes to lifestyle or anything like that. You are on your own journey. Only compare yourself to who you were and where you were yesterday.

**Richard Dri:** Well said again. I could continue to talk to you for another hour, but I think we're going to close. Thank you very much, Connor, for helping me understand how to make products here in Canada and actually do really, really well from a financial point of view and also from a human aspect. You're giving back to the community. You're employing people. You're doing things that most people right now think cannot be done. I, for one, think it's time that we start believing that we can manufacture whatever we used to. We can manufacture it right back here

in Canada. We've just got to give it a shot. Now, maybe it'll take people like you who are disruptors, and maybe it will not come from the big manufacturing companies, but little by little, I think it can be done. I think it will be better for the Canadian population if we can do that.

**Connor Curran:** Absolutely.

**Richard Dri:** Thank you very much. All the very best in the holiday season and, of course, over the next five years. Hopefully, we'll talk again when you've hit that global or national level and we'll compare notes again. Thank you very much.

**Connor Curran:** Perfect. My pleasure. Thanks for having me on.