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Theme music (00:01):

Please listen carefully.

Taylor Pardue (00:07):

Welcome to the NC State Philanthropy Podcast, telling the world how we Think and Do through the support of our friends, alumni and more. I'm your host, Taylor Pardue.

(00:18):

On today's episode, we're joined by Lindsay Wrege and Michael Evans, cofounders of 321 Coffee, to talk about how they created this successful company while they were students here at NC State.

(00:32):

Thank you both so much for taking time to join us today. To kick things off, just tell listeners a little bit about yourselves — early life, what brought you to NC State and then what you majored in while you were here.

Lindsay Wrege (00:55):

Yeah, thank you, Taylor. I'll go first. My name is Lindsay Wrege. I'm one of the founders of 321 Coffee. Graduated from NC State in 2021. I grew up in Cary, North Carolina, so right down the road.

(<u>01:07</u>):

Definitely was very familiar with NC State growing up. Saw a lot of red in the neighborhood, and so was excited to go through college and, or, sorry, go through high school and be awarded the Park Scholarship, which was a huge draw for me to come to NC State and be just a part of a really, like, driven community. Loved, like, the larger picture that NC State stood for with Think and Do.

(<u>01:31</u>):

At the time, I was studying engineering, so I was really proud to be a part of the engineering school. Ended up switching over into the business school through a number of really great mentors and faculty that I met along the way, and I've loved being in Raleigh ever since.

Michael Evans (01:50):

Thanks for having us today, Taylor. My name's Michael Evans, and I originally grew up outside of the Philadelphia area, so coming to school at NC State was definitely a little different and a new adventure for me. In high school, I was super-fortunate to have a guidance counselor who knew about how strong the school NC State was and had had another student a couple of years ago apply for and be awarded the Park Scholarship, and she was really influential in encouraging me to apply to NC State and to apply for the Park Scholarship.

(<u>02:23</u>):

And so, I did and was fortunate enough to be awarded the Park Scholarship, which is really what brought me to NC State to initially study engineering. Just like Lindsay, when I got to NC State, I took a couple of engineering courses and decided it wasn't quite for me but was really interested by some research that a professor was doing with the statistics department. And so, I ended up talking with the statistics department and eventually switching my major to statistics. Graduated with a bachelor's in statistics in 2020 and then a master's in statistics in 2021, and along the way met Lindsay, and we started 321 coffee together. Now full-time in Raleigh and loving being close to NC State and keeping our ties to the university.

Taylor Pardue (03:13):

That's awesome. Yeah. Thank you both for sharing that. You both mentioned how you came from different colleges and found your way into NC State's Entrepreneurship program, and if listeners don't already know, that program is actually open to students, you know, of any college, any department, and it really just reflects real life — how anyone can become an entrepreneur in any field that they choose. Talk a little bit about that journey. Was that something that you came to NC State with that kind of entrepreneurial mindset where you thought, "I would like to start a business of some kind at some point," or was it something, you know, maybe just a class that you took here at NC State that kind of sparked that interest?

Lindsay Wrege (<u>03:53</u>):

Yeah. So, I can speak a little bit to that. Going into school, I didn't even know how to spell the word "entrepreneurship." Like, it was not on my radar. Starting a company was not on my radar. I even, when starting 321, I actually wanted to go to med school still. I thought it would be a fun side project, and I think that was part of, like, the cool part of the story is that we did not start 321 with this like Jado vision. We started it because we recognized the importance of inclusive employment in our local community, and that there were people with disabilities who wanted a job that weren't, didn't have access to one. And so, that's really what we've set out to do. We didn't have a grand plan; we just recognized that we wanted to create a place where anyone with an intellectual, a developmental disability could be part of a team and contribute.

(04:45):

And that's, we found a medium through coffee. And so, we were, like, "Oh, wouldn't it be cool if we started a coffee shop that did this?" And, you know, in the beginning, it was really scrappy, but it was fun, and it was fun to put on an event and say, like, "OK, we should do a second one." And it was fun to sit around a lunch table and say, "What should we name this?" You know? And just, like, all of those beginning, little steps that we took that sort of turned into some bigger steps.

(05:07):

So, started 321. I think we were both still studying engineering, but for me, personally, I really fell in love with the entrepreneurial process of turning something, or, sorry, turning nothing into something and having an idea and then saying, "OK, what do we do first, and what do we do second?"

(05:25):

And then, going and doing that and then combining all of that with the social impact that we were making, like, it was something that was very rewarding and fulfilling and seeing, like, yes, we're working really hard, and then we're going to go through this event and people are going to show up, you know, people who have disabilities, and they're going to put on a uniform and an apron that has our logo on it, and they're going to work for however many hours the event is, was something that I think we all took a lot of pride in. And that was really the driving factor in it was, it was a very scary step to make, but in saying, like, yeah, I think I'm gonna leave behind the world of engineering. And, you know, for me, it was med school, and I want to try this thing called entrepreneurship. It wasn't, like I said, it was not part of the plan. It was not something that was comfortable to say or do, but it was having a lot of encouragement from people in the university, especially to say, like, yes, this is sort of a different path, but it's something that is feasible, and it's something that if you work toward this, you can do it.

Michael Evans (06:26):

Yeah, I had always been super-interested in business and thought that, like, it would be super-cool to start a company or run a company, but beyond, like, selling pretzels at the neighborhood garage sale had never really done much with it prior to coming to school. But getting connected with a lot of like-minded people like Lindsay and so many others that sort of helped us get 321 Coffee off the ground. At first, I think it was really that community that we found where we all sort of had a shared passion and felt like, together, it was something that we could do was really influential. And then, also, just as Lindsay alluded to, like, so many great people at the university who encouraged it. Especially within the NC State Entrepreneurship department, there were so many people who were willing to have early conversations with us and guide us along the way of saying, "OK, like, first steps you need to do A, B, C," and that was really great. Without that support, I think it would've been really hard to do what we did.

Taylor Pardue (07:30):

Talk a little bit about that process of just how you go about creating a company while you're also a full-time undergraduate student.

Lindsay Wrege (07:38):

Yeah. I mean, the beginning was literally saying, like, I guess we need a name for this thing. And then, you know, we were sitting around at lunch and someone was like, "Oh, well, you know, down syndrome is when someone has three copies of the 21st chromosome — 3, 2, 1. How about 321 Coffee?" And we're like, "Yep, great. Next step: We need a logo." And, you know, my suitemate at the time was in graphic design school, and so I walked over to Sullivan, and I knocked on her door, and I was, like, "I need you to come up with a logo. Here's the name. Here's what we want to do. What you got?" And then we were, like, "All right. I guess we should host an event." And so, we found an event that was going on on campus. It was a unified football game, so the teams were made up of Special Olympics athletes and then students from the university, and they were playing against us, like, UNC, so that was fun.

(08:27):

And so, we served, reached out to someone organizing the event and asked if we could serve coffee in the lobby, and we rented folding tables from Tally, and we ordered aprons and print-on vinyl or, you know, iron-on vinyl on Amazon. And we just started, like, scrapping it together. And then, to Michael's point, we eventually started talking to some people that actually knew what they were doing. They were, like, "Yeah, you might want to get a URL and get that trademarked. And it was like, oh crap, I hope these things are all available. And luckily they were.

(08:54):

And so, those were some nudges with more context of, like, what are some steps that you should be taking? But, again, to Michael's point, having people who rolled up their sleeves, sat down next to us and said, "OK, if you're gonna do this, here are some real things you need to think through," was so impactful because we just didn't know what we didn't know.

Michael Evans (09:17):

And I think, more than anything, the biggest step that we took was that, after we had the idea, we figured out what we needed to do to do something. We weren't crazy-worried about it being superpolished at first or that, like, "Oh, we're not just going to go straight and open up a brick-and-mortar coffee shop." We were very comfortable with the idea that we were going to build to something, but we were going to start somewhere. And I think that's honestly the biggest thing at first, is just being able to

take that first step and start doing something, put something out there and start getting the name out there and start just being able to work towards what your big vision is.

Taylor Pardue (10:01):

Your story is incredible just in general, but then all the ways that NC State tied into how 321 came about. You know, like you said, talking to your fellow students and your friends to pull in their expertise to having the first events here at NC State. It's just incredible.

Lindsay Wrege (10:21):

It was amazing. I mean, to hit more on that, it was other students saying, "How can I help? What can I do?" It was faculty saying, "You know, if you're trying to serve coffee at different events, you can come to some of the events that my department is hosting." It was alumni saying, "Oh, if you're trying to figure out insurance, I'll tell you what all these funky insurance terminology means." It was just so many people being willing to offer what they could, and at the time, we needed all the help we could get and it, you know, every conversation was beneficial, and it led to something. And it was really cool to see the NC State community, both on and off campus, sort of come together to support us, like, being young entrepreneurs, but, you know, still trying to do something really for the community, and people bought into that.

Taylor Pardue (11:09):

In addition to being Park Scholars, you were both also part of the Andrews Launch Accelerator program and Miller Fellows, too. Talk a little bit about how these funds also helped you get 321 off the ground.

Lindsay Wrege (<u>11:21</u>):

They were both really influential on 321's growth and trajectory. So, first, we were involved in the Andrews Launch Accelerator, which is a summer program. One of the founders has to be, I think, either a current student or, like, within five years of graduation. And it's everything from funding to mentorship to connections in the community; access to, you know, legal resources and stuff like that, programming. It came at the perfect time for us because that was at the point when we decided, like, okay, we want to do this, and we don't want this to just be something we did in college. We ultimately want to do this after we graduate. We did this during the summer after our junior year, which was also when COVID-19 hit. And so, it was sort of a combination of having that structure to challenge us to think bigger and, like, OK, if this is going to be something that you do after you graduate, right?

(12:13):

Like, this is no longer just a little setup on folding tables, and this is no longer just a shop at the farmer's market. Like, what are you gonna do? How are you going to get there? How are you going to pull this off? And then combined with, oh, and by the way, there's a global pandemic going on, and everyone's being told to stay home, and retail shops aren't allowed to open, so what are you going to do now? And having that community, both of mentors but then also of peers and other student entrepreneurs, sort of trying to pivot and react in similar circumstances was so, I mean that I, that's how we did it. Like, it's because it's not easy, but having those people to bounce ideas off of and leverage one another was what made it possible.

Michael Evans (13:02):

And then, following graduation, being part of the Miller Fellowship was, to Lindsay's point, sort of once we had the picture of, OK, here's the big picture of where we want to go, we both want to work on this full-time after graduation. So, being part of the Miller Fellowship made that transition a little easier. We were surrounded by other people who had just graduated and were working on their businesses, being given some financial support to make sure, you know, you could pay the rent right after graduation. Just all of that, like, so largely influential along with, again, the continued mentorship and people to talk to.

But there were so many great programs at NC State that we were able to take advantage of, I mean, even beyond just the Andrews Accelerator and the Miller Fellowship. We participated in the eGames with NC State Entrepreneurship. We'd participate in the Wolf Den Pitches with NC State Entrepreneurship, and then we'd go and we'd set up a table at Entreprelooza and get to meet all sorts of new people from the university. There were just, year-round, so many opportunities with NC State Entrepreneurship that really helped us get our name out there and connect with different people who helped us take these next steps or ended up being customers of 321 Coffee. Just so much great stuff within that NC State Entrepreneurship community.

Taylor Pardue (<u>14:24</u>):

(<u>13:37</u>):

I think that says a lot about both of you individually, but also the Park Scholars in general. Students who are part of this program really seem to show that willingness to go above and beyond — you know, to excel in the classroom, certainly, but to also seek out opportunities and really maximize their time on campus to get that full, rich experience, and I think this story really highlights that.

Lindsay Wrege (<u>14:47</u>):

I do think, like, in a large university, it can be ... you just don't have the resources. Like, there's a lot that happens on campus, but you don't have the resources for the university to hand students on like a platter, "Here's everything for you to take advantage of." So, it does make it up to students to go ask the questions and go be persistent and go find out about the opportunities. But if you're willing to do that, there are so many opportunities and resources that exist on a college campus and, specifically, at NC State, just with the strong community of support, the access and proximity to the city and downtown, and so many companies that have chosen to partner with NC State because of what's going on on campus. I think it's really impressive and empowering when you see, when you do take advantage of that, what you're able to accomplish for yourself.

Taylor Pardue (15:39):

Talk a little bit about that transition from college life and doing this on the side to making this your full-time entrepreneurial mission.

Michael Evans (15:50):

Yeah. So, we started off early on our freshman year just doing a lot of pop-up catered events around campus, and then when we got to school sophomore year, we were approached by the State Farmer's Market, in Raleigh, about going and serving at the State Farmer's Market. So, we sort of took our folding tables and our mobile operation and set up at the farmer's market for a season before being invited by the farmer's market to set up a more permanent shop inside, and that permanent shop we said yes to. And we, I got in touch with my freshman-year roommate, who was a construction major at NC State, and he was super-willing to help us build out that space. So, we built the couple of iterations of our

space at the farmer's market ourselves with some friends, put in a full-on espresso machine so we could have a full coffee menu, figured out how to source some baked goods and all of that stuff and had ourselves a little shop at the farmer's market, and that was really great.

(16:54):

We did that for, still do that today. So, that shop still exists there at this point, and it's great. We've expanded it a little bit and then sort of reimagined it a couple of times, but it's still a great shop there to provide coffee to those going to the farmer's market. And always really busy on the weekends — huge lines, which is just really cool to see. Like, every time that we get to go over there, along the way, the summer that COVID-19 started, we were questioned, like, what the future of the business would be and how businesses would grow given that COVID-19 was now a thing. And so, we decided that an appropriate pivot for us was to start roasting our own coffee.

(17:35):

So, prior to that, we had just been buying coffee from another local coffee roaster, but we decided that we were going to start training our staff on how to roast coffee, which is a very technical process, but our staff was super-interested in learning about it, and we trained four of our awesome baristas on how to roast coffee. And that's something that stands with the business today is that we still roast our own coffee and, in fact, just bought our very own coffee roaster and are getting excited to really get that up and create a whole production space where we're able to get our coffee shipped out all over the country into all of our different locations.

(18:20):

Moving a little bit from the point that we started roasting our own coffee, when we started to roast our own coffee, we got connected with a company called Pendo Penos, located, headquartered in downtown Raleigh — big, growing software company in Raleigh. And they had reached out about us supplying coffee for their office, and we were totally interested in doing this, but while we were having these conversations, they were telling us that they were building a new headquarters in downtown, and they wanted to have a coffee shop in it, and they wanted to know if we would be interested in running their coffee shop in the office.

(18:57):

So, we were totally on board for that. The impact that that would make for our staff, the number of jobs that we'd be able to add because of that, was just a fantastic opportunity. So, earlier this year, February 2022, we opened that in-office cafe with Pendo and, along the way, started planning our very first storefront for Raleigh, and that we were really excited to open August 20 of this year and opened at 615 Hillsborough Street, right in downtown, to a tremendous welcome from the community and a tremendous show of support.

(19:32):

Currently, today, three locations open. One more, Durham, coming fall 2022. So, and that was a lot of those early conversations that Lindsay and I had with each other as we started to realize, like, "OK, if we're going to do this after graduation, we need to find a way to grow the business." And so, it was starting to look at some of these opportunities. How do we grow the roasting aspect of our business? How do we grow our retail presence? And getting connected with great companies like Pendo along the way, that really challenged us to think about some of that retail stuff in a different way. So, creating inoffice cafes and creating, really, elevating the partnership that we could offer to a lot of local companies helped us feel comfortable both taking the leap and working on 321 coffee full-time after graduation.

Taylor Pardue (20:23):

I think it's very important that you sat down and really determined where you wanted 321 to go and what steps you needed to take to achieve that success rather than just experiencing this growth and playing catch up with it and, you know, certainly succeeding anyway, but much more foundational, much more structured, and it just really shows that entrepreneurial mindset we were talking about earlier. So, in addition to these relationships you have with other companies, other organizations around the area, you're also working with NC State on an exciting new project. Are there any details that you can share about that right now?

Lindsay Wrege (20:55):

Yes. We are so excited for some of this stuff that's in the works. So, obviously starting 321 on campus as students, leveraging a ton of the campus resources, NC State really does mean a lot to us, and it's been such a pivotal part of Michael and our personal development, but then, also, of 321's success. And so, we were thinking about what are some cool things that we could do? And we had the idea to make and release a branded 321 Coffee Wolfpack roast. And so, we pitched this. We had seen this done in collaboration at a different university. We bought it to bring in, and we took it to the NC State football team. They said, "Yes, we need to make this happen." We then got connected with the licensing department, and what was really cool was that they said, you know, "Other companies have pitched this idea to us, but we've never thought it's been, like, the right fit."

(21:48):

They were like, "This is the right fit." And that meant so much, to have the university backing us and excited about what this product could stand for, right? It embodies Think and Do. It is, like, NC State blood running the company, starting the company, fueling it all. It's just a really cool product that's going to stand for so much of what 321 has done. So, we've been working with the licensing team, we've been working with our graphic designer, who is another NC State grad, on just really creating a product that showcases and embodies both brands, the collaboration, and starts to tell the story just because there are so many touchpoints here between 321 Coffee and NC State, and we're excited to be releasing it in the next couple of months. We'll be selling it online, we'll have it in our shops. We hope to at some point look at getting it into some grocery stores. Personally, we're just thrilled that, like, how cool is it that there's going to be a bag of coffee with Tuffy on it that is also roasted by our people and has 321 Coffee's name on it. Like, that's so cool.

Taylor Pardue (22:56):

I can tell you firsthand, as an employee here at NC State, everyone is just always so excited to hear about a new 321 success in the news. As of this recording, of course, your grand opening here on Hillsborough Street is just very exciting. Everyone's looking forward to going over there and being able to get coffee in person, and then now this cobranding opportunity just takes everything to a whole other level, and we're really excited to see what the future holds for both.

Lindsay Wrege (<u>23:19</u>):

I love that we are, obviously, like, huge fans of the university and hope that we can use this specific product to find different things to celebrate different, cool and unique ideas that we can incorporate. So, I appreciate and I'm thrilled to hear that, you know, the NC State faculty and staff are excited, because we are, too. We had a fabulous grand opening, and it was so nice. We saw so many NC State shirts walking around, you know, leading up to the grand opening. We did some private, like, soft

opening events with various groups on campus, but then the Wolfpack community definitely showed up the day of, too. We had the courtyard that we sit in was packed with people, and it meant so much to see Raleigh showing up to celebrate this really big milestone for us.

Taylor Pardue (24:01):

So, obviously, a lot is going on with 321 right now. A lot is getting ready to happen. But just looking out into the future, you know, where does 321 go from here?

Lindsay Wrege (24:10):

Yeah. So, in addition to the retail side of the business, Michael touched on this, we found a lot of opportunity in partnering with other companies. So, whether that be supplying coffee and being a coffee vendor for different companies in their break rooms as well as partnering with some companies to operate, like Michael said, in-office cafes like we do with Pendo, one of the things that we really like about this model is how it bridges our stance on inclusion with other companies. Like, don't get me wrong, we're very proud of the jobs that we've created internally for our team, but we ultimately want to be, like, an agent of change that helps other companies be more inclusive in their workforces as well. And so, if that looks like companies that hire out of 321 to make their staff more inclusive or if that means that they, you know, if they're going to buy coffee, right, by embracing their supply chain and by buying coffee from us, that's helping create more jobs for our team. And so, we're really interested in seeing, like, what different ways we can really push that envelope and partnering with other companies to sort of use 321 as the start of a chain reaction and leveraging other companies in their respective industries with their respective workforces to start bringing inclusion to a larger scale.

Taylor Pardue (25:25):

So, as kind of a closing thought here, both of you have taken part in programs that have been supported by NC State donors, by philanthropy, but I want to let everyone know that you also give back now as alums, and I think that's really important. I wanted to say, you know, why do you feel so strongly about supporting current NC State students, current NC State programs, and just kind of how did that come about?

Michael Evans (25:49):

I think 321's story and Lindsay and I's story is so much a direct result of philanthropic efforts of the university. The connection point for all of us that started 321 Coffee together was Park Scholarships at NC State. And all of us being able to have that opportunity and have that investment made in us, I think, was really empowering as freshmen coming onto campus and made us realize, like, we can try to do something like this. And then, throughout our years, we were supported so much by philanthropy to NC State and Entrepreneurship.

(26:27):

"Philanthropy" would be one of the words that I would consider, like, most influential on 321 Coffee and on Lindsay and I's journey with this, because, again, so much of it wouldn't have been possible without the philanthropy that people give and show for the university. So, I think it's really important to us, it's a priority of ours, to make sure that as other people come through the university, they can have similar experiences and that, honestly, as encouraging more people to give back to the university. Hopefully, we can have more people who get to have similar experiences to this because, I think, again, so much that

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we experienced was so empowering and so vital to the journey that we were able to have with 321 Coffee.

Lindsay Wrege (<u>27:14</u>):

I think Michael summed that up great. I think we've been very fortunate to be on the receiving end on a number of opportunities that were made possible because of generosity and philanthropy. And so, part of that is us, like, being proud to turn around and help do our part in making those opportunities for the next people who are in line behind us. And I think, you know, it's the premise that if a million people all give \$1, that can add up really fast.

Taylor Pardue (27:41):

Sounds great. Thank you both again so much for taking time out of your busy schedules today to talk to us and just give us a little more background on 321 and, just, congratulations on all that you've accomplished. It's been exciting to see all the recent successes, and just looking forward to see all that you accomplish in the future, too.

Lindsay Wrege (27:59):

Thank you for the opportunity, and thank you to all of NC State for the number of ways that you've supported Michael and myself and 321.

Taylor Pardue (28:11):

To learn more about NC State's partnership with 321 Coffee, please visit go.ncsu.edu/coffeecobrand. If you'd like to hear even more stories of Wolfpack success, please subscribe to the NC State Philanthropy Podcast today in the Apple or Google Podcast stores, on Spotify or through Stitcher. Be sure to leave us a comment and rating as well to let us know how we're doing. Thanks for listening, and as always, go Pack.