

Remote Work Trends: A New Location to Team Anywhere

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coffee shop, val, people, work, workplace, pandemic, starbucks, changing, companies, realized, market, freelancing, switching costs, shift, create, lots, experience, business, customer, terms

SPEAKERS

Ginny Bianco-Mathis, Mitch Simon, Mo Hamzian

- M** Mitch Simon 00:10
Welcome to another episode of Team anywhere where CEOs, leaders and experts are building teams, companies, organizations
- G** Ginny Bianco-Mathis 00:20
and amazing cultures share how to lead from anywhere in the world. I'm your co host on the East Coast, Judy Bianca Mathis,
- M** Mitch Simon 00:28
and I'm your co host on the West Coast. Mitch Simon. And we invite you to join us team anywhere. Currently, you can drive to the local coffee shop whenever you want and kind of get your work done. Still, it's noisy. There's no printer projector or a meeting room. What if the coffee shop was set up to provide the ideal workspace that you could rent by the hour? The concept is called Val. And on today's podcast, you'll meet MOE Hamza and the creator who is launching a word cafe that marries the best of Starbucks and we work but with the price and flexibility that you need to Team anywhere. Hello, and welcome to another episode of Team anywhere. I'm your co host Mitch Simon on the West Coast and on the East Coast. I have our glamorous amazing brilliant co host, Dr. Virginia, bianco, Mathis, a nine to six is dead. Yeah, we said it labor is over. Welcome back to loving what you do. And that is how you're greeted by Mohammed Xeons company's website. Today we welcome Mohammed Xion Sloan fellow and CEO at Val VL, a premium utopian technologically forward work cafe. Val is introduced in 2020, during the height of the pandemic, with the goal of ushering in a new era of employment. So welcome. Oh, how are you today?
- M** Mo Hamzian 02:02

M MO HAMZIAN 02:02

I'm brilliant. After that introduction, I'm sitting upright, I'm excited to go. And what a great, what a great way to start. So I'm really happy to be here and taking part in this conversation.

G Ginny Bianco-Mathis 02:13

Fabulous.

M Mitch Simon 02:14

Okay, so so we can learn more about you just give us your experience, we know that you're an entrepreneur, so if you could bring us through your first or second, big achievements?

M Mo Hamzian 02:24

Well, well, first of all, entrepreneurship is one of the least glamorous things you can do. So don't let the room was for you. I, I came to the US about five years ago. And, you know, I, I realized very quickly that the friction in the US is far less than anywhere else in the world. And us the way it's designed, it's almost if things were in binary, and you were a scientist, almost everything would be a yes, until proven negative. Whereas you go to some other parts of the world, it's it's the inverse, where everything is a no until proven a yes, thereby creating an enormous amounts of friction. So number one, I feel as entrepreneurs go, and as our cohort go on, being in the US is just a terrific place to start a business. And number two, about two years ago, I was you know, working in coffee shops, and very, very soon realized that I've been spending lots of money in coffee shops over the last 20 years. And, and, and I felt a great degree of honesty, shame and guilt and inadequacy, that I didn't have an expensive office. And, and and soon, actually moving forward, fast forward, we realize actually, lots of other people feel the same way. But having realized that my home is just not good enough. And I don't have a very expensive office. And I spend an enormous amount of time in coffee shops. Although the coffees grades and pastries are good. The workplace is just it's almost like being in a 1960s Russian plane, you might get from A to B but it's just a rough ride. And so, so I said, You know what this coffee shop experience just needs to be upgraded. And being the entrepreneur that I am, I realized I could do something about it. I realized I would be forsaken, unless I did something about it. And thereafter, I wasn't able to sleep until I started doing something about it and a business was born. And honestly, in terms of your question, what are my greatest achievements? I live for today? My balance sheet is bad what I've achieved today and what happened in the past is exactly that. So my greatest achievement is yet to come. That's my arms. Yeah, that's great.

G Ginny Bianco-Mathis 04:43

Wow, we're emulous lessons in there.

M Mitch Simon 04:46

So what I'm wondering is, you started so is it Val? Is it Is that how we pronounce it?

So what I'm wondering is, you started so is it Val? Is it is that how we pronounce it?

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Mo Hamzian 04:52

It is it is Val and the name derives. We you know naming a business is almost like naming a child and it took me three weeks to name my daughter by the way. She was born. And she didn't have a name for the first three weeks of her life. She was called Lola. That's not her name at the moment. But I do love the name Lola. But naming a business is a very sacred experience because it has to be congruent with its identity, its positioning, its customer base demographic. So well, and I'm sure we'll talk more and more about it comes from this idea of velocity, whereby all human beings, particularly in the workplace, are looking for speed, direction and trajectory. And we wanted a name that was almost fictional, that could be a noun or an adjective could cross barriers quite quite easily. And for the domain to be available. Sadly, val.com was with a price tag of \$750,000. I kid you not. We, we couldn't buy it. No one else can. That's the good, that's the upside. So we settled on the domain, my vowel but the brand name is Val VO.

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Mitch Simon 05:59

Okay, so my next question is, I'm really curious. Is, was Val conceived, conceived, we're talking about babies received as an idea before there even was a pandemic, or was dealt with develop kind of come into the world, as you saw the pandemic happening? And you said, Oh, my gosh, do I have a great idea?

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Mo Hamzian 06:24

I think the answer to that would be during the pandemic. And I one of those things that are really important to me is, first of all, ideas are cheap, I come from a school that everyone has a good idea, and like everyone has a good book in them, it's the same thing, everyone has a good idea. It's about turning an idea into concept into execution, and then thereby rolling out that opportunity. And there are major gaps and bridges that you have to build. So the idea was definitely conceived, around or just before the pandemic, but in terms of developing it into a concept. The other thing that's important is almost a fundamental to good execution is timing. The workplace is changing, it is a whole wholesale shift, which is now making everything legitimate of us considering a difference in social contract when it comes to work. And that would have been impossible five years ago, simply because human beings are a creature of habit. And switching costs are real, we don't like doing anything new because we're, we're either afraid or we just the risk is too high, whatever it may be. So given that this collective shift was in place, and the workplace is changing, it lends itself very well to this idea that the coffee shop is no longer fit for purpose. Maybe the coffee shop was fit for purpose nine years ago, for workplace because it was an ad hoc environment. But now, the coffee shop is a real place whereby people have been doing work. So it was born during the pandemic, we became very effective June and Pandemic within a month or two of thinking of the idea and start conceptualizing I realized solopreneurs are never going to succeed. Statistics are not on our side to be a solopreneur you need to be part of a team. I my co founder Jack, who's also our CEO lives on the same area island that I do his kid goes to my daughter's school and I said Jack he was in financial management and wealth manager very successful guy said Jack How about

you stop selling money on coming some sort of coffee instead? And and I thought he was having a midlife crisis? Because he said yes. And yes, he was. And the rest of this is that that was a maybe a year and five months ago, and we've been doing this together ever since.

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Mitch Simon 08:42

Alright, so before we get into what the heck is a premium utopian technologically forward work cafe, you you, you say that the pandemic has changed the way that will work forever. How has the pandemic changed the way we'll work forever?

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Mo Hamzian 08:57

Well, let me let me start off by being a bit humorous. That's okay. switching costs. I'm from the from England, obviously. But there's a statistics just now about five years old. So you might have lots of people writing comments saying no, your guess was wrong. But five years ago, this fact was true. whereby you're twice more likely to get divorced, leave your husband or wife in England than you are to change bank accounts. Simply because switching costs are so high consumer switching costs are so high. So when there's a catalyst in the environment,

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Mitch Simon 09:30

is that funny or not funny? I'm trying to figure this out. Right, you know, you tried funny. No, that was sad. Right?

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Mo Hamzian 09:39

Sorry. Yeah. Finally sad. Yeah. But it is true in terms of streaming costs. And you know, you look at 2008 2010 when the world went into this major kind of crises and shock because of the of the financial crisis, and count how many unicorn startups are graduates of the US Don't turn, it's uncanny. And it's the same thing. Now there's a major disruption in the workplace whereby I no longer have to go to work, big or commute to work to do good quality work, my employer is recognized that I recognize that we've now have a new contract together, which says, Actually, I can work from wherever I want, if you're okay with it, and major employers are getting on board. So this idea of the commute is changing. And if kind of people like Malcolm Gladwell, anyone to go by the therefore geography is changing. People are now saying, Zoom towns are being born, where they're saying, Well, I live in a secondary market or a tertiary market. And I work remotely. So why not? Why don't I live by the beach, for instance? So that Jewish shift is coming. During

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Ginny Bianco-Mathis 10:49

mainly, I just have to your phrase, the phrases you're using are priceless. I love you said zoom zones are are changing. Incredible. Yeah. Zoom towns. What some town Do you live in?

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Mitch Simon 11:05

Well, He lives on an island, Jeannie. Yes.

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Ginny Bianco-Mathis 11:11

Marvelous pictures as you talk. Thanks.

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Mo Hamzian 11:13

Thank you. Well, I mean, that is exactly right. I live in a town with maybe 10,000 people. And only today and only possibly in this country, and only possibly in this era. Could my co founder and I create a company whereby everyone we employ is remote. I mean, I don't see Jack every day I see Eph, I seen five or six times on Zoom, but I see him maybe every other day school drop off and everyone else was part of us, we're now almost 30 people, including the investors, the advisors, the people on board. No one lives near each other. And we make it work. Because we've created a culture around it, we've created remote culture. And when you're not alone, it's difficult to be a black sheep. When you're not alone, and everyone else is in the same boat, collectively, I'm doing the same thing or thinking about the same thing that is legitimate. Now, you're actually saying you know what, it's okay. It's no longer a taboo. It's okay, for instance, to be a freelancer maybe nine years ago, 10 years ago, you might have kind of whispered it to your uncle saying, I'm freelancing because you know, you were he doesn't have a job, she doesn't have a job. But today Upwork has legitimized freelancing whereby it's okay actually to do that as a lifestyle. And people are thriving because of it. Permission has been given. Exactly right.

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Mitch Simon 12:35

So why do you say that you open on your website at my vale.com? Why do you say the nine to six is dead? With what's what's behind all that?

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Mo Hamzian 12:45

Well, the nine to five is been dead for a while, and that lots of Dolly Parton has sung songs about it's been true for a very long time. We think the 96 is kind of shifted slightly, and it talks about a different conversation. But you know, I'll just regress for a few minutes and tell you why we have a conversation about it to start off with and we realized very early on, what's our identity? Who do we want to be as a brand? Are we a coffee shop? Are we selling technology? Are we selling space? What exactly are we selling because time and money is finite, we have to go and invest in that vertical, whatever we're selling. So we realized very quickly, as a team that actually we want to sell experience very much like GoPro sells experience Disney so experience Nike sir experience. So that became very important for us. And experience requires a brand requires an identity requires it to be emotional and engaging. So building a narrative, which was sincere and topical became a quest for us because we wanted to, we wanted to galvanize the customer. And we say the nine to six, the way, the way we work and have worked, since the Industrial Revolution, may no longer be fit and the internet but 30 years ago,

shifted that companies like we were came along and shifted that again by saying to moe, it's okay not to have a lease because you have a subscription to the work. And actually, you're perfectly fine to do that. And now it's we're talking about flexible, hybrid. And, and because of that, we need a new kind of work environment and work ethos. And sometimes it's important to fall in love with work again. And labor is the antithesis of that. Trudging through things is not is not good for innovation. And that's just the mindset. So us tapping into that is to say, you know, the past is dead. Long live the future. We're trying to be one of those startups that are Schritt that's, that's really the conversation we're trying to start. Okay, great.

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Mitch Simon 14:59

Tell us what is Val? And how did you come up with the idea?

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Mo Hamzian 15:06

Well, Val, if you and I met in an elevator, this is what I will tell you. Okay, I would say, I would say if Starbucks was mum, and we work was Dad, and they decided to have a kid, we would be that kid. What does that mean? Well, notice I said Starbucks is mum, the matriarch, which means we're definitely a coffee shop, and we're not a co working. So val is, in simple terms, a word cafe, something that's local to you hyperlocal. In fact, within 1015 minutes of where you live, behaves very much like a coffee shop. But is is a workplace whereby you can still be a transactional user, you don't have to be a subscriber or a member, anyone can come in just like it to a coffee shop, you can reserve seats in advance, you can get flex, flexible privacy. In advanced, we have the latest technology, latest equipment, we have thought about how you work, whether you're on a zoom call, or a phone call, or thinkspace. Or actually, you just want to be in a meeting with someone else. So we've started thinking about the modes of work and build equipment around it and pricing around it in a coffee shop setting. To really just upgrade the idea that coffee shop. And we are we are complementing your home, we're not trying to disrupt your home place, because val is not cheap. At some point, we are too expensive. If you want to spend seven, eight hours in Val, it might cost you \$100. And thereafter, you might be better off having a subscription to a co working. But if you're the kind of customer who goes to a coffee shop for four times a week, spending an hour and a half every time you go spending 10 \$12 Every time you go, well, then there is real No, there's really no choice. If we are local to you, you can reserve a pod or a seat in advance, you have secure Wi Fi dedicated space, you have equipment that you know, we have seats that cost \$5,000 Just for one seat, that you can sit in it with wireless charging, acoustic value. Land network, so all those things are in place. Why? Why would you go anywhere else, when you can travel the same distance, spend the same sort of money and go to a coffee shop that is flexible and designed for you to do some quality work. So we're saying don't don't travel any further don't necessarily spend any more than you go to a coffee shop. We want to create this repeatable experience whereby we can we can be in lots of places very, very quickly. So that's what we know.

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Ginny Bianco-Mathis 17:47

Just to comment and what you've created is choice on and that's what the whole hybrid and virtual and why people are happier. They're redefining what work means for me, you know, I can go to Val on Tuesdays and Thursdays. go to Starbucks for I just love it right? I can create

this mural of here's what it means. Here's what works mean for me this week.

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Mo Hamzian 18:17

I love that exactly right. This is what we say we say, Look, if you want to go to a wedding, you're going to take your iPhone, because that's you're going to take pictures. And if you want to get on your bicycle and go mountain riding and get Monday, you might put a GoPro on, you're not going to take your iPhone, and that's exactly what we are. So you might exactly go to Starbucks on your drive through. But when you want to crush it for an hour and a half on your \$3,000 computer, yeah, you can only go to Valve, because there's nowhere else designed for you in for those hour and a half. So it's actually very interesting distinction there a journey.

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Ginny Bianco-Mathis 18:53

I love, obviously, you put a lot of work into who's our customer, and all the different situations that the customer might find himself or herself in. And here it is, here's this picture. Here's that picture, you know, defining I hate to use this term, because it's overused but defining the why. You know, I said, as you said we have no choice but to go to Val.

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Mitch Simon 19:24

And is are there any veils that are that are running today?

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Mo Hamzian 19:29

There are lots of them running in our heads. Yeah, which is which is that's where it starts. Thought creates reality. We've secured several leases we're launching in Savannah in a couple of months. We have a couple of leases behind that. We you know we have we are highly accomplished people with lots of really interesting backing. And we're enormously ambitious like all I mean, startup culture has to be ambitious. Otherwise you're not necessarily a startup personality and which startup doesn't want to grow. So we yeah, we want to we want to get to lots of these valves around around the country and then and then overseas. But in next year, we'll probably have three or four of them. And then soon thereafter,

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Mitch Simon 20:15

you know, it's funny as I connect the dots, Genie and Mo, you know, we had Barry Winklevoss on, who was the head of the Future of Work Institute in Dublin, who was talking about how work will soon be like going to Disneyland, as kind of, as you've pointed out there, MO. And we also had on the founder of cave day, which was, which was a a way for you to have accountability, and an accountability group to really do the hard work. So it seems like most of what you've done, you know, have taken at least these two concepts, and I'm saying you get a million others, and put it together. And yeah, I could definitely see that working like a charm. And

being everywhere. You know, for me, I just need a conference room. Once in a while, I don't need it every month, and I might need a small conference room. So I love it. No, I'm coming. But Savannah, Georgia is really far from Yeah, go.

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Ginny Bianco-Mathis 21:18

Well, I guess I'm looking forward to your advertising. You know, what does that gonna be? Like? Um, and, um, the experience piece? Yes, I was thinking of you. Mitch about I know, you're really jumped on that notion of experience experience.

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Mitch Simon 21:38

So so my, what I'd love to do is I'd love to understand this is, you know, this is my background in marketing, the your typical user, he or she wakes up in the morning, and how is your typical user? The type of person that decides, I'm going to go to Val versus I'm going to go to Starbucks versus I'm going to go to we work versus I'm going to stay home. And in how many of those people do you think there are? And or do we? Do we not know yet that that that we are in fact that person?

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Mo Hamzian 22:13

Wow, that I love the last part of that question? Well, number one, I know enough about going to marketing to operate businesses successfully. But we're very excited. We've just recently about two weeks ago, high the CMO lady called Jasmine Crowder, and she was CMO of beat stars, which is one of the largest music platform in the US. And she joined us at Val. And we love that she's highly accomplished, obviously, but also she comes from this kind of music background whereby this level of experience is very interesting and customer acquisition. So in terms of differentiation of product and why one customer would come to us versus Starbucks versus we work well. We would I think Ginny raised this earlier on, and that is we I mean coworking. I love it as a vertical by the way, because they kind of they pie and they pioneered something that maybe Regis was trying for for a very long time. But we work is almost almost or co working for, for that matter, almost always a commute. It's very rarely simply because of the real estate cost. There are warehouse solution. They're very, very rarely local to particularly local to suburb or the secondary markets where you live. And co working I think is trying to become much more micro we'll see how that goes. So number one, number two, we work or co working is a membership program, you have to pay \$350 or they're about to get a hot desk, there is no privacy thereafter. And one thing we realized is when our customer is at home, they have psychological safety. They do work really, really well. But after a while monotony of home and infrastructure of home means you just need to leave home and go to a coffee shop where we were. So a lot of customers particularly the freelance market don't want to be encumbered by monthly subscription. They find that unrealistic. I'm just too paid for hot desk. So we and because they don't have the market share co working does have haven't got the market share. So we've said we want to start off by going off to the freelance market whereby graphic designers, artists, computer programmers, and believe it or not, the numbers are striking, staggering. Upwork and elderman. Did the report last year they do it every year. And you might fall off your seat when I tell you this but in in the US 59 million people last year did some sort some former freelancing that's a third of the US workforce, of whom 25 million are younger

than the age of 40 at 75% of all designers across the US have freelancers. So when you look at those sort of numbers you realize and combined, the workplace is changing and remote workers becoming highly flexible, and less dedicated. You realize actually, this, this other third place is becoming important maybe 50 years ago, that third place was the Library. Today that doesn't exist. Today. The third place is the coffee shop. Because in England, actually, the third place is the pub, but even on hot, but because you need a third place, and the coffee shop, so the customer, Starbucks and Dunkin Donuts own 70% of the coffee shop market in the US. But a large proportion of the balance sheet north of 60% comes from to go and drive thru. And they realize let's sell product faster in a smaller real estate. That's what they do. So when the space is in there,

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Ginny Bianco-Mathis 25:58

and Moe, definitely, especially given the numbers you just shared. Going after that market makes all the sense in the world would there not be a market, and I'm sure your research did or will be researching it going to some of the companies themselves, because they're trying to get rid of real estate some of them or have a different shape to their own real estate. And they could buy the yearly Val for all their employees as an option for them to use. And for also the company to use for that occasional conference that they may have by regions, Zoom zones. Four times a year is that

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Mo Hamzian 26:54

you're definitely onto something we are trying, we are thinking about introducing a team plan down the line, we definitely believe we believe the pain point that people exhibit a material of age and function is the same. And and that's why if you're not at an office and you're not at home, there's very little space to go elsewhere on reliable space. I mean, you go to hotel lobby or, or Mitch mentioned getting a conference room part of the problem of a conference room. If you want it by yourself, you're paying for the net loss of the other three or four people who don't show up if you can't find a conference room for one person. So you're paying 50 \$60 for a room because it's been designed for for six people, nature of real estate is that way? Well, we have, we have phone booths, each phone booth cost about \$20,000. And if these things are in literally like sitting in a Tesla, they're incredible pieces of kit. And we say for \$5 an hour, you can be in that phone booth. And that phone with best lighting, best acoustic best best sound best air quality, wireless, it's totally secure. It's your own cocoon that you can do work five days or not, that doesn't exist in the marketplace at the moment.

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Ginny Bianco-Mathis 28:09

Because I look for it.

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Mitch Simon 28:11

Now I saw it. I saw them. And we work two weeks ago and I saw those numbers. I've had a question for you. What's your message for business owners who want their employees to have their butts in their seats in their offices at eight o'clock every day?

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Mo Hamzian 28:32

Well, it's very difficult to generalize, but there are lots of businesses that you have to still shop. I mean, the whole of the logistics in the US is being supported by deliveries at the moment. So those companies definitely have to be the the companies that don't I think it has to be I love the word choice Genie used that we have to create an infrastructure whereby we can have both certainly fought for for those major companies. And, and not not penalized on promotion or or as our camaraderie because you've decided not to go in. So sometimes it's very difficult to take a car and just chop the roof off and say no to convertible. I mean, it's difficult to do that sometimes you have to build it from the ground up to really make it a viable convertible. And it's sometimes these large, it's It's the curse of the incumbent, right? Even even Google or Twitter or Uber. These are these are new companies, but they're they're enormous, enormous companies. They even have a legacy cost and it's difficult for them to change the fitting. It's like an oil tanker trying to do a u turn. But I think they're trying the right ones are trying and it's about the hardest part is to shift culture to say it's okay guys not to come in anymore. And it's okay to work remote. And in fact, we're, we're investing how many millions of dollars to change infrastructure of our software. of our, of our buildings to support remote. So definitely the companies that are starting today like ours, we're at a competitive advantage to be able to adopt some of those new practices than the incumbents.

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Mitch Simon 30:14

Okay, great. This has been fantastic, Mel, I think we got a billion more questions. You know, I'm looking right now at the announcement. Cushman and Wakefield spent \$150 million to have a piece of work. I'm sure you're looking at some of that money as well. No. Hopefully, you know, one day when you're super famous, you'll still talk to us. But for now, how can we find you? And how can we learn more about Val?

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Mo Hamzian 30:37

Well, don't go to val.com. Because we couldn't buy that. It's too expensive. Go to my val.com. Or honestly, find me on LinkedIn. I love meeting new people. And find me there. But I really enjoy taking part in this conversation. I love your show, guys. And I'll definitely continue listening.

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Mitch Simon 31:00

All right, well, thank you so much Mo. I think, Jenny, thank you so much to our listeners. I bet you've I mean, I'm just I'm really excited about this thing, all the dots and we're on the cusp of something that will most likely be all over the country if not the planet in the next few years. So Moe, thank you so much. Please share this episode with your friends, your buddies or colleagues, your German Shepherd, and and please give us some stars. This was this was an awesome awesome podcast episode, and we look forward to seeing you next time on our next episode of Team anywhere

