

SEVETRI WILSON



RESILIENT

How to Overcome **ANYTHING**
& Build a Million Dollar Business
With or Without
Capital

WILEY

Table of Contents

[Cover](#)

[Title Page](#)

[Copyright](#)

[Dedication](#)

[Introduction](#)

[1 Coming From Where I'm From](#)

[Triple Threat](#)

[2 The Difference](#)

[Focus](#)

[3 Bootstrapping versus Raising Capital](#)

[Professional Services to Startup](#)

[On the Bootstrapping Process](#)

[Repeatable and Predictable Revenue, Regardless](#)

[Money Can't Be the Only Motivation](#)

[4 Idea to Product: Building a Startup](#)

[Starting With Funding](#)

[Starting Without Funding](#)

[What Not to Do When Starting a Company](#)

[You'll Never Get Going Unless ...](#)

[5 Building a Team](#)

[Hiring and Finding Freelancers and Others](#)

[Out of the Gate](#)

[Contingency versus Retained Recruiters](#)

[Get Out of the Way](#)

[6 I Hear You, But I Need Capital](#)

[Financing Terminology](#)

[Preparing to Raise](#)

[What Legal Documents Should I Use?](#)

[7 Raising a Pre-Seed \\$400,000](#)

[Pre-Seed, Better Known as a Friends-and-Family Round](#)

[The Pitch](#)

[8 Accelerators and Pitch Competitions? Bang or Bust](#)

[9 Raising My Seed Round](#)

[10 Product Market Fit](#)

[Sales: Remember Predictable, Repeatable Revenue?](#)

[11 Raising a Series A](#)

[12 Holy Crap—A Pandemic!](#)

[Prioritizing Mental Well-Being](#)

[13 The Murder of George Floyd, Breonna Taylor, and BLM](#)

[The Talk I Had With My Team](#)

[The Role of Philanthropy in Creating Equity](#)

[Systemic Issues Facing Black-Led Technology Companies](#)

[14 My Hopes, and Losing an Icon](#)

[The Role Technology Plays](#)

[On Building Generational Wealth](#)

[Appendix](#)

[Glossary](#)

[Rate Sheet](#)

[Resilia's Investor Deck](#)

[Online Resources](#)

[About the Author](#)

[Index](#)

[End User License Agreement](#)

SEVETRI WILSON

RESILIENT

**How to Overcome *ANYTHING* & Build
a Million Dollar Bussiness With or
Without Capital**

WILEY

Copyright © 2021 John Wiley & Sons. All rights reserved.

Published by John Wiley & Sons, Inc., Hoboken, New Jersey.

Published simultaneously in Canada.

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning, or otherwise, except as permitted under Section 107 or 108 of the 1976 United States Copyright Act, without either the prior written permission of the Publisher, or authorization through payment of the appropriate per-copy fee to the Copyright Clearance Center, Inc., 222 Rosewood Drive, Danvers, MA 01923, (978) 750-8400, fax (978) 646-8600, or on the Web at www.copyright.com. Requests to the Publisher for permission should be addressed to the Permissions Department, John Wiley & Sons, Inc., 111 River Street, Hoboken, NJ 07030, (201) 748-6011, fax (201) 748-6008, or online at <http://www.wiley.com/go/permissions>.

Limit of Liability/Disclaimer of Warranty: While the publisher and author have used their best efforts in preparing this book, they make no representations or warranties with respect to the accuracy or completeness of the contents of this book and specifically disclaim any implied warranties of merchantability or fitness for a particular purpose. No warranty may be created or extended by sales representatives or written sales materials. The advice and strategies contained herein may not be suitable for your situation. You should consult with a professional where appropriate. Neither the publisher nor author shall be liable for any loss of profit or any other commercial damages, including but not limited to special, incidental, consequential, or other damages.

For general information on our other products and services or for technical support, please contact our Customer Care Department within the United States at (800) 762-2974, outside the United States at (317) 572-3993 or fax (317) 572-4002.

Wiley publishes in a variety of print and electronic formats and by print-on-demand. Some material included with standard print versions of this book may not be included in e-books or in print-on-demand. If this book refers to media such as a CD or DVD that is not included in the version you purchased, you may download this material at <http://booksupport.wiley.com>. For more information about Wiley products, visit www.wiley.com.

Library of Congress Cataloging-in-Publication Data is available:

ISBN 9781119773870 (Hardcover)

ISBN 9781119774037 (ePDF)

ISBN 9781119773931 (ePub)

Cover design: Paul McCarthy

Cover image: © Getty Images | Baona

A special thank you to my tribe, support system, and everyone who continues to show up for me in unexpected ways. Thank you to Jeanenne for feeling that my startup and business story should be told.

Thank you to my Mama and Daddy, who taught me to be Resilient. Even in death, you continue to give me life.

This one is for all the aspiring entrepreneurs and the entrepreneurs who have faced the ups and downs of starting something. It's for the team members who have stayed on throughout the journey to build something special even amidst the unknown. It's for the resilient builder in all of us.

Introduction

You can't always be first, but you can be better.

—Sevetri Wilson

Before the coronavirus spread across the globe, we were just settling into a brand new office in New York City and positioning our executive team to grow from there—all while maintaining our office in New Orleans, which allowed me to keep my promise to cultivate talent from the place I'm from.

See, the year 2020 was supposed to be a big deal. But then as the agony began of watching, as many of my friends and family were laid off or saw their businesses shutter, I started to realize that 2020 was definitely not going to be what I had bargained for. Then as the year progressed and with the aftermath of the last several months, COVID-19, the murder of George Floyd and Breonna Taylor, as well as the protests across the world that would follow, 2020 was *still a big deal!* 2020 was a year of reckoning for many, forcing everyone to come to grips with the end of normalcy as we've known it. COVID-19 took with it jobs and security for hard-working families across the world. Here in the United States we were slow to respond, some even slower than others. On a call with an investor, we discussed how businesses would now be tested more than ever. Some of us would come out on top (those that were fortunate), some would stay flat (also fortunate), and others would close. The pandemic would test our ability to pivot or capture new opportunities, but more than anything it would test our sanity and ability to keep our teams going when everything around us was turned upside down.

This book is different. I hadn't imagined writing it while going through a pandemic and through our generation's version of a Civil Rights movement.

Yet, in this book I'm going to go there. I'm going to walk you through how I bootstrapped my first business to how I raised millions for my second company, all while retaining majority control; all while at the onset of a pandemic. My hope is that this book will offer something that was missing when I started building as an entrepreneur. I hope that it will shed light on what seems like the impossible, and bring new ways of thinking about challenges. I hope it is a bridge to the other side of your goals, a "how-to" guide of sorts that will bring about the awakening and push you've been looking for. I hope that it is both inspirational and aspirational. Never would I have imagined that someone like me, a first-generation college student who went to school on a full Pell grant, who grew up in a six-person household while her mother brought in a \$26,000 yearly salary, would make it this far. There was no one to teach me the blueprint, but I hope to show you how I built my company from literally nothing while providing a ground-up approach, one where you can start from anywhere.

This book won't be an easy ride, but neither is business. Instead, I hope it will be a journey to economic and financial freedom through ownership, as that is what building a business has been for me.

1

Coming From Where I'm From

To be a woman you have to look like a girl, act like a lady, think like a man, and work like a dog.

—Leah Chase

Attending Louisiana State University (LSU) for undergrad opened up an entirely new world for me. I come from a small town about 45 minutes outside of New Orleans, the city where my mama and her family are from.

The first time I became really aware of technology was when I was in middle school, when my mother brought home our first computer, a Dell desktop. We didn't have the Internet, but my Mama would get these AOL dial-up cards for free. Now, obviously, I would be exposed more to technology in college, but I had no idea that my journey would lead me into tech.

At LSU, I met a professor who truly pushed me and many others to go beyond the thinking of the small towns we came from. Dr. Leonard Moore would likely have the single most impactful role in my life while I was in college—so much so that I added history as a second major. Yet, more than anything, he showed how someone could manage multiple opportunities. He had written books naturally as a college professor, but he and his wife Thais had also started a program for youth, and a youth church. He was living a life that I had never imagined was a possibility. There was nothing luxurious about it, either; outwardly at least he lived very modestly but I had never seen this coming from where I was from. Over the course of my life, exposure has helped me more than anything to actually realize the

possibilities of not only my work, but what my life could be like as well.

Doc would say that if you do something you are passionate about, you don't watch the clock. These thoughts of how I could use what I was good at to build something I loved wouldn't die, so entrepreneurship for me started at a young age.

I went to a large university—a Southeastern Conference (SEC) school with over 30,000 students and a national title-winning football team, so we were one of the first colleges to have Facebook. The coolest thing about Facebook then besides another place to post with your friends was that you were able to upload albums and sell and buy furniture on their marketplace.

Yet, for the most part, people were still on Facebook without a face. Instagram wasn't really a thing. Twitter was just taking off, with celebrities posting about their projects or other tidbits about their day.

I created *B-NOW*, a college online newspaper, when I was in school, and my first company would come when I was 22.

I've never been afraid to start something on my own. I think this goes to having confidence in your ability to figure it out even if your capabilities aren't there yet. Yes, in a way you can fake it until you make it, but eventually you're going to really have to make it. But more so, this is about starting somewhere so that over time you can become an expert at what you do and command the type of payment you used to only wish for.

Even with that, I had a lot of hiccups along the way because I had to really grasp and understand not only how to run a business but how to start a business from nothing. I didn't inherit a business and I didn't have anyone to turn to show me the ropes.

There are a lot of challenges that you are faced with when starting, and then running, a business. It's still challenging, you know, even as a second-time business owner now building a company to scale.

As a business owner, you have key responsibilities to your team, to your clients, to your investors if you have them, to the IRS—you name it.

You have to ensure that your business is legally sound. You have to ensure that you are paying people correctly, whether they are a W-9 or W-2 employee. You have to decide when and if you want to go from W-9 employees to W-2 employees and know the differences between them. There is so much foundational work that goes into play in building a business, particularly one you plan to grow, that if you don't do certain things correctly they will come back to haunt you.

Then there is the actual work: going after contract opportunities, and building and selling whatever product or service you are offering to bring revenue into your company.

Most importantly, you have to make your business make sense. When you're trying to get people in the door or contracts closed you will feel the pressure to take what sticks or whatever someone is offering you. It will on first sight look like an opportunity, but could be anything but. I talk later about upside-down contracts. When you are venture-backed you might take on a customer where the financial gain might not be as rewarding but the benefits you receive from the deal, because of a prominent logo or other reason, might be worth it, whereas if you are bootstrapped this might be a luxury you can't afford.

As a bootstrapped company one thing you have to learn quickly is how to monetize what you are seeking to do.

People know that one of my favorite things to remind entrepreneurs of is that you are in business to make money; otherwise, what you're doing is solely a passion project. What I've found is that the real magic happens when you can be both. If you prioritize one over the other you'll likely start to question yourself and whether it's worth it. Passionate about a business that doesn't make you money? You'll certainly suffer from fatigue and burnout, and eventually your business will most likely fold because you can't sustain a business that's not profitable. Only in it for the money? The initial rush of having money will satisfy a part of you, but the longing for something more will without doubt catch up with you and that's a different type of fatigue and burnout in itself.

Triple Threat

As a business owner I was a “triple threat”—and not in a good way. I was Black, a woman, and young. And so, in many ways, when I was hitting roadblocks early on I felt the world was working against me. I had individuals across the table who weren't that much older than me, but they didn't look like me and so some of the struggles that come along with that were questioning myself, like oh man, what am I doing here again? Should I even be doing this or that?—the questions I was asking myself was a challenge within itself, and because there was no one else at the table who looked like me who was I suppose to ask were my feelings valid?

But I was here and I felt like I had nothing to lose, and I mean that very literally. My mother had just passed away when I graduated college and I started my company six months after that, and for me it was like, you know, I had spent so much time wanting to create this life so that I could help my mother, I felt like she'd missed out on so

much and she had given so much to her children. When she passed away, I really had to rebuild in many ways.

I had to reframe what it was that I was living for. I'd launch my first business, Solid Ground Innovations (SGI), in July 2009, but wouldn't make it publicly known outside of my clients until 2011, which is also when I started to see real growth within the business.

I experienced so many lessons down the road, and it's important to know that you will face a lot of challenges. I made money. I lost money. I had contract deals that, starting out, I would have never dreamed of. I had an employee steal from the business by creating fake vendor invoices. I was furious. I had to fire my own clients because I no longer wanted to work within a situation that was not designed for anyone to succeed.

Yet, if it weren't for these hard lessons that I learned within SGI, I don't think I would have been as prepared to start a second company. Without the success of SGI, Resilia wouldn't exist today.

When you're first starting off in a business you feel like you can't turn down work, at least not paid work. I look back to some of those situations and today I wouldn't touch some of the work we took then because it wouldn't make sense. Time is one of my most valuable assets, and you don't want to waste it on deals that aren't worth it.

Choosing to turn down some work was one of the most refreshing moments in business for me. I was coming into my own as a business owner and leader; I could take opportunities that were meant for me and pass on the ones that I thought were not. But it wasn't always like this. Early on I had to build my capabilities, and create a name in the industry, and prove that we could compete, so I was happy to do work to build my portfolio and resume. This didn't

mean working for free, but it did mean that the rate I charged in 2010 was a fraction of what I charge today.

I also made a conscious decision to stay in Louisiana and build my business where I was from. Not once but twice. People are always floored that I've made this decision, but I'd been committed to creating an ecosystem for minority business owners, and those who I never saw get a chance to sit at the table.

Building a business in the Deep South as a Black woman is challenging—and that is putting it lightly. At times, I thought maybe it wasn't meant for me to be here. Maybe I needed to go somewhere else because I could grow faster, I could hire from a larger talent pool. Eventually I would open up offices in other cities to create this dynamic, but I stick with my initial thoughts on if you leave at the moment you taste success, then you never grow an ecosystem where things do grow faster, where the pool of talent does become bigger where you're from. I also grappled with the idea that maybe I couldn't be a “king” on my own land—something I would paraphrase when talking to my mentor about the biblical saying “no one is a prophet in their own land.” A lot of entrepreneurs may experience this phenomenon where they don't feel supported where they are from. The idea is that when people are too familiar with you they're not as attracted to you as they would be to someone they are less familiar with. This is also perhaps why you see statements like people support strangers before they support those they know. Even Jay-Z had a verse in his track “Boss” that said, “rather work for the man than to work for me.” Yet, there were times where I was really frustrated. In many ways, I'm still frustrated. I had been on all the lists—the LSU 100 fastest-growing businesses, all the 40-under-40 lists in and out of my state; I had joined the most exclusive boards. I had helped people secure powerful roles and jobs, and when they were in a

position to help me never lifted a finger. I had won a Pulitzer Prize for public service. I had been recognized by the White House. I checked off all the boxes. Why was it still so hard for me to access resources?

Maybe one of the reasons I'm still here is also so that I can extend support to other entrepreneurs, the support I felt it took me a very long time to receive. The support I feel like I still don't always receive.

When I started a tech company I knew I'd have to venture out of Louisiana if I wanted a chance at scale and to grow faster, and we now have a second office in New York City.

When I went out to raise capital for the first time, the journey was intense. I had never raised capital before, but surely once I showed investors how well my first company was doing and how I had bootstrapped it to seven figures and had already started to gain traction for Resilia, it would be a no-brainer. Right?

The idea of raising capital when I first started out in business wasn't even a factor. It just wasn't something you did where I was from. So, when I saw all of these headlines, with people more captivated with companies that had raised tens of millions of dollars, but not have the same enthusiasm or press attention for those who had *made* tens of millions of dollars, it was odd to me.

By the time I had closed my seed round I had made far more money in my first bootstrapped business than I had raised, but when news of my raising \$2 million became public, it went viral. I was shocked. I wasn't on the tech scene. I was just in New Orleans building a company out of sight; so many people, especially within the realm of Black tech, had never heard of me, and because of this I seemed to have come out of nowhere. In reality, I had started my first venture almost a decade prior.

As a two-time founder, I know not to get caught up in the hype of it all. The way society moves today, they will crown you and then dethrone you in a New York minute. As the CEO and founder of a company, I start my day by literally just trying to get my mind right. On Sunday, I begin to prepare for my week ahead. I've found that going into Monday even a little more prepared than if I didn't do anything decreases anxiety. I know a lot of entrepreneurs and even individuals who have jobs and careers feel this on Sunday night, setting in right around 5 p.m. or so. A lot of entrepreneurs in general are like that when they're just coming up: they have anxiety on Sunday night because they know they're about to start the new week. For me it's definitely been one of those things where I'm very intentional in my thinking.

I started doing meditation and my friend Summer, and then another one of my friends, Jason introduced me to a guided meditation using Muse (a wearable brain-sensing headband). It helps me be very conscious of the energy I take in and give out. Most importantly it helps me focus and limit the normal distractions of the day—and how I move. It's about practicing mindfulness and trying yourself to let go negativity and calm your mind and body.

It's important for me to focus on what's in front of me and what's ahead of me. Entrepreneurship can be a lonely journey. You're going to be tested in many ways, especially if you are a minority. You really have to have the confidence to not be shaken, but even if your confidence *is* shaken, you can't let it break you.

If you're not confident, things will start chipping away at you little by little, and you start to realize that some of the issues you may be having really stem from the fact that you just lost your confidence somewhere along the way.

This can also potentially put you in a position of resentment or jade you in a way that you become a detriment not only to your own success but potentially to other people as well. That's why I believe that when women founders meet women investors or other women along the way who are harder on them than men, or treat them negatively, it's because of what they faced along their journey. No one should have to endure anything that makes them feel lesser than. So on the journey, be sure to treat others the way you would have wanted to be treated when you were in their position. Lift as you climb.

Because of experiences like this, I've been super mindful about ensuring that I connect with women, especially Black women, and being really intentional about how I can help within reason.

I felt that I was missing a lot of support. My father passed away when I was about 9, and then my mother passed away when I was 21, four days before Christmas. She had an aggressive form of cancer and within 3 months time she was no longer here. I was in grad school at the time and during her initial chemotherapy I drove the 50-minute trip every day to be with her at night. There is something about watching the person you love most wither away like she did that changes you forever.

The next year, after my mother passed, I went on to start Solid Ground Innovations. I was definitely in this space like okay, you know, can I do this? I've always been a person who believed in execution. I'd always been the person my friends could depend on and call on for anything. But could I start a business? From scratch?

Even though I had been “that person” in general, for me it really became about, what the next part of my life would look like. I had always been a pretty good student, an even better networker and student of people. And I'd always had

plans for a better life, but many of those plans were aligned with wanting to create a better life for my mother, the life I felt she deserved.

When my mother passed away, I felt like that was taken from me. I wanted to give her the opportunity to really live, as she had worked so hard so much of her life as a single mother, as a loving sister and daughter, and I wanted her to be able to reap the rewards of what she had invested in me. With that opportunity gone, I had to really think about what I was doing all of this for. You'll have to ask yourself at some point the same question: What are you doing all of this for?

Not too soon after that, I felt I had refound my “why.” I wanted to build a company to help other people solve their problems. I wanted to build a legacy. I wanted to create opportunities via economic mobility offered to people in the form of a well-paying career that they loved and a company they could grow in.

I wanted my community to understand that just when they thought they couldn't make it another year, another day that things could still work out for them—that they could still lead a life they had imagined and a life they could be the architect of. I was also talking to myself, and I'm also saying this to you.

I wanted to help people, and not just those who were in my household. I wanted to go beyond that, and have a bigger impact on people's lives.

I wanted to create generational wealth.

That was the impact that my parents' deaths had on me.

Yet, I know that losing someone close to you, whether that is in death or through some other form of separation, can be devastating. It can have a different effect, and many find

it hard to recover. For me, my parents dying at a young age in my life made me work harder.

Also, in my subconscious, I realized I didn't really have anyone to turn to. I didn't have the normal home to retreat to, especially when you hear these stories of successful founders working out of their parents, basements or homes to get their businesses off the ground.

When I think about founders from communities of color and otherwise, supporting our families rises to the top of our reasons of why we do what we do.

I never was able to realize buying my mother the home of her dreams, or retiring her so she didn't have to work until she couldn't physically do so anymore. Now I'd pour my days and time into building—building a company that seeks to enrich communities so that those with less have more.

Because of this new vision, my first company was heavily geared toward helping community figures, nonprofits, and those aligned with social good, to get their programs and ideas off the ground. We wanted to ensure that they were effectively operating and able to serve the communities that needed them the most.

It took some time, but you have to think of yourself as an entrepreneur, a business owner, a builder; otherwise you'll spend a lot of time downplaying what you do and what you are seeking to accomplish. Yes, you could fail and the odds are you'll fail at a lot of things along the way, perhaps even that thing you created and wanted most. I know I did and still do. Yet, I've learned my strengths and my weaknesses and seek out the strengths in others to create balance. I don't desire to be a jack of all trades. I desire to do what I do, best.

A lot of times we are waiting for the perfect moment or the perfect feeling. Lisa Nichols, an author and motivational