

In conversation with Eastnine co-founder Jason Goodman



My personal trainer is an Olympian, my nutritionist looks after Tour de France cyclists, who is helping you get fit? How Eastnine is democratising access to the ultimate personal training team through your mobile.

Democratising access to the ultimate personal training team

The world of personal training can seem out of reach for most people due to the high costs, access to the right talent, lack of time or motivation to keep to good habits. Jason Goodman, co-founder of Eastnine, is on a mission along with his team of professional trainers including international athletes and Olympians to democratise the world of personalised training and make it accessible and affordable to all through Personal Training as a service.

Jason set up Eastnine after meeting one of his co-founders up a mountain whilst doing a charity triathlon challenge through Italy. The idea of Eastnine was born over bowls of pasta with Eastnine's co-founder and former international Team GB athlete, Cat Forrest, who was one of the front runners in the challenge.

Jason explains that, "Cat was always in the front of the group leading the way and I was found somewhere at the back, so we only ever got to chat when we were refuelling. I was curious to learn how she got to be where she is in terms of her professional athleticism. Cat explained that a lot was down to having good habits, a routine and a team of expert trainers supporting her."



Above image: Dreamstime

"This idea of personal trainers guiding your progress really resonated with me and it got us thinking that we should extract that professional expertise and share that directly with people on their terms over their phone."

Setting up base and building the founding team

Jason and Cat co-founded Eastnine with CTO David McCreary (ex Next VR & BoilerRoom) and Matt Harrison (ex Seymour Powell) and the team set up base in Homerton, Hackney, E9, in a house they painted black and green (early brand colours) where they recorded the training programs in the spare bedroom. The name Eastnine was born of the postcode of their new clubhouse, and the ►

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- ▶ team quickly set about building their community and inviting beta testers to the Eastnine house to meet up and join them for group runs and exercise to encourage good habits and help inform product development.

The Eastnine difference

“Our mission hasn’t changed since the early days as we want to change people’s relationship with exercise, closing the gap on misconceptions about personal training to make it work for the individual. We’re democratising personal training, demystifying the bullshit around fitness trends and making it accessible to the 99%.”

“Where Eastnine is unique is in our collection of exceptional expert training talent, curating a team of professional athletes and coaches that really know what they are talking about. The quality of the training talent is the key, to be able to say your trainer is an Olympian boxer or a past or present Team GB athlete is short hand for I’ve found an insane trainer to learn from. Our business model is subscription based and works by offering personalised training programs utilising collection of videos and audio meaning you can have your personal trainer in your ear as you train, stretch, run or work out, teaching you the correct moves and motivating you along.”



Jason’s previous experience as a founder CEO of digital marketing agency Tribal DDB (Omnicom) and product design agency Albion (sold to MDC), then entrepreneur in residence at Atomico and Venture Partner at LocalGlobe has helped him set up Eastnine with experience of how to successfully run and build a strong team as well as how to navigate the world of venture.

“We were in a fortunate position to self-fund the business as well as source angel investment bringing a number of added value early investors from the start. Eastnine’s angel investors include Ilkka Paanenen founder of Supercell, Niklas Zennstrom founder of Skype and Sophia Bendz from Spotify. We have incredible access to shareholders with extensive business building experience and it has hugely benefited us as a young business.”

“The startup world is uncomfortable at all times. You have to enjoy the knock backs and daily pain points of things not going to plan. Success always takes longer than imagined but it is deeply satisfying for us as a team when we reach those important milestones.”

Jason highlights that of the many challenges, the funding process is not clear-cut

“Finding the right investors can take much longer than you anticipate. You must be thick-skinned and be prepared to take a lot of rejection along the way. It’s important to create momentum in the process and choose your early stage investors carefully because they play such a crucial role in helping you deal with the serial start up challenges.”



► **So, what key lessons should founders take into consideration when engaging with VCs?**

“From my time at Atomico and LocalGlobe the key lesson I learnt is to keep your business story simple and pitch decks succinct. Never forget at this early stage investors are buying into the team. And don't forget you are building crucial relationships that will last the duration of your business. Your early shareholders are akin to being in a long marriage. With hindsight I should probably have kept our angel round tighter and limited to a smaller group. You can't always include everyone you want or predict what value some investors will bring or not bring and be careful about signalling for later rounds. Certain investors are just right for early stage and others for later stage. The best early stage investors have relevant operational expertise and the time to focus on you.”

With some consumer businesses being more impacted by Coronavirus, Eastnine was in the right category and already up and running as a predominantly remote business, having built out its engineering team remotely in Lisbon and Porto. This enabled Jason and his team to accelerate product development and increase user numbers and revenues.

“We've been fortunate to be a benefactor of COVID with strong growth in active membership. It was hard for many of our members to get to the gym before COVID and now so many members are working from home, they squeeze their Eastnine routines into packed days of work and often also looking after their family.”



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COVID has focused Eastnine's attention to the future and how the business grows and fuels its next phase. “In spite of growth these are uncertain times and like many others we've relooked at all our costs and been ultra-disciplined with expenditure, burn rate and extending our runway.” With revenues and membership numbers being front of mind, Jason is confident about how the business is progressing and expanding to reach an international customer base.

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So, what about the gym, does it still have a place in our lives?

According to Jason, “The gym as we know it. Its days are numbered, especially at the mid-market level. People understandably resent being locked into inflexible gym memberships that they don't have time for and tend not to renew. The real



- ▶ strength of the gym are the brilliant trainers who teach at them. The location per se plays much less value in people's fitness. It's amazing what you can do in your home and unlocking access to the expert trainers is the real opportunity."

The difference in having the right banking partner

Having the right relationship with its members and partnerships with their providers is a key value to Eastnine's business. For Jason, this is why working with Silicon Valley Bank (SVB) is a very different type of relationship compared to the more traditional banks he's worked with in other businesses.

"I'd known about SVB for a while from friends in the ecosystem and my time in VC, but historically banked with a high street bank with my past businesses. I found it refreshing to go from a traditional business bank to SVB, as my mentors in venture always spoke very highly of the SVB team. It was the personal touches that counted as SVB came to talk to us on a more peer to peer level and

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really understood the proposition, the challenges we were facing, our needs and how different funding routes would help or hinder our growth. It felt more like a VC conversation rather than a customer – high street bank conversation, which really resonated with me and the team."

With Eastnine already at the venture stage having raised some equity finance, at the time of becoming an SVB client the focus was very much on growth and extending runway as well as gaining a true partner to advise on their next steps.

"We set up a venture debt facility early on after we had the banking services in place. This was crucial as it enabled us to have capital we could access depending on how much we wanted to scale. Having SVB in our camp has enabled us to utilise capital to build out our product team and product development."

"It's been a true dialogue in partnership, as I treat SVB the same as investors and angels, with monthly updates. Instead of seeing SVB as a bank in the background our SVB team is very much an active member of our team and I view SVB in the same regard as our shareholder and not a banking partner. SVB has skin in the game which keeps us at Eastnine accountable, and I know both parties go above and beyond in terms of transparency and access to business information..."

Eastnine has been surprised and encouraged in how SVB operates with venture businesses from not only providing debt services that add value but being professionally invested in the business relationship.

"When COVID broke, SVB was straight on the phone and on the ball with solutions to think ahead, where other banks haven't. I've been impressed with their flexibility, understanding the extremely unusual situation we find ourselves in and they came to us with viable solutions that we needed. Flexibility and speed have been the standout SVB quality."



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