

# PARTNERS IN WINE: BRIGHT CELLARS' FOUNDERS TAKE THE MYSTERY OUT OF BUYING WINE

 GETTY IMAGES/EYEEM

**GREAT BUSINESS IDEAS** aren't typically born in a supermarket. But that's exactly where Bright Cellars co-founders Richard Yau and Joe Laurendi came up with the concept for their startup: a virtual sommelier service that educates members about wine while matching them with vintages that suit their tastes.

And the right match is critical, whether it's food and beverage pairings or startup partnerships. The recommendations generated by Bright Cellars' algorithm, and Yau and Laurendi themselves, are proof that successful chemistry depends on striking the perfect balance between harmony and diversity.

Four years after graduating from MIT, the former roommates found themselves in the wine aisle of a large chain store, overwhelmed by a wealth of options. Not-so-savvy shoppers "might come out with a bottle based on whether you like the label or whether the price sounds reasonable or maybe you've heard of Pinot Noir or Cabernet," Yau says. "You don't really know anything."

There had to be a better way. Inspired by online giants who use recommendation engines to personalize the customer experience of everything from books to music, Yau and Laurendi saw an opportunity to take the mystery out of buying wine—to, in Yau's words, "turn something difficult and pretentious and nebulous into something that is illuminated."

Though they'd gone separate ways after graduating in 2010, Yau and Laurendi always knew they wanted to build something together. At MIT, Yau

focused on management, music and arts while Laurendi majored in mathematics, computer science and engineering. They saw those differences as a plus, rather than a disadvantage: “We complemented each other’s strengths and weaknesses,” Laurendi says. Having dissimilar skill sets meant they’d be able to avoid outsourcing in the early days of a startup—a major advantage when, says Laurendi, “you can’t afford any employees; you have no revenue and you’re just working on the product.”

So they left their jobs—Yau spearheaded business development at a health and wellness firm and Laurendi developed software at a financial trading solutions firm—to build a platform that could help users understand what wines they like and why.

“Creating a product that caters to every specific person’s tastes and adventurousness is actually quite difficult,” says Laurendi. The co-founders approached the problem by first asking subscribers a series of questions that reveal their taste preferences. That information is crossed against a range of wines, characterized by 18 dimensions, resulting in a shortlist of four bottles that are shipped to members’ homes every month. Members provide ratings and feedback that goes through Bright Cellars’ proprietary machine-learning algorithm to make the next month’s matches even closer.

Armed with the technology to support their idea, Yau and Laurendi committed to what Yau refers to as “startup bootcamp”: a three-month program run by gener8tor, a nationally ranked Wisconsin-based accelerator. After a Milwaukee-based VC, CSA Partners, became the lead investor in their seed round of financing and invited them to share space in a startup hub that also housed gener8tor, Yau and Laurendi—San Francisco and Boston natives, respectively—made the decision to build Bright Cellars right there in Milwaukee. “A number of things came together,” says Yau, including a rising enthusiasm for wine in a city known for its love of beer.

The Milwaukee community has played a key role in Bright Cellars’ development ever since. Yau and Laurendi hired their first engineer, wine

conciierge and director of operations while they were still in the accelerator program—proving that top-tier talent isn't limited to the coasts. Far from it, in Yau's opinion. "The talent is 100 percent here. There probably aren't enough venture-backed, high-growth startups for the talent the Midwest is generating." A location like Milwaukee can be a huge advantage for companies like Bright Cellar, not only because it's an affordable place to establish a business but because it offers the human resources necessary for growth.

As an indicator of that growth, just three years after its launch, Bright Cellars serves 16,000 members and has increased its staff from three to 25. As one of 42 companies supported by gener8tor, it's part of a thriving startup community. And Milwaukee continues to shape the company's culture, helping provide the kind of work/life balance that, as Yau says, "isn't necessarily highly valued when you think about Silicon Valley or New York."

When the co-founders pause to appreciate this balance, their outlook underscores the similarities and differences that make their partnership work so well. Yau, who describes himself as "always trying to take things taking a step further," looks to the future and sees unlimited room to build. But Laurendi, a "tech-minded workhorse," says, "There's still so much we have to do to succeed."

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