

SURFSET Fitness in Manchester

Show: Shark Tank

Network: ABC

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Episode Description: Sarah Ponn (now Hartwick) and Michael Hartwick seek an investment in their fitness company, SURFSET Fitness. They created the world's first total body surf trainer that's designed to mimic the instability of a surfboard on water. They partner with Mark Cuban, who gave them \$300,000 in exchange for 30 percent equity.

Two years after appearing on Shark Tank, SURFSET Fitness co-owners Sarah and Michael Hartwick are still riding the waves of success. More than 250 studios in 15 countries offer classes on the RipSurferX, a surfboard that sits on rubber air bladders and is used to mimic the feel of real surfing. The company had \$500,000 in revenue in 2012, the year the couple appeared on Shark Tank. In 2013, SURFSET hit \$5 million and has remained at that level.

On Shark Tank, the couple asked for \$150,000 for a 10 percent stake, but competition among the sharks resulted in a \$300,000 investment by Mark Cuban, a billionaire serial entrepreneur and owner of the Dallas Mavericks, in return for a 30 percent stake. The Hartwicks used half of that money to manufacture the boards, which they also sell to individuals, although most of their profit is generated from licensing the use of their fitness programs to gyms and fitness studios. The other half of the investment is sitting in a money market account untouched as sales took off after Shark Tank and other angel investments provided the needed cash flow.

The Hartwicks email with Cuban once a week with updates and say they see a spike in sales and visits to SURFSET gyms every time the episode or follow-up airs. Mike Hartwick says the show is as you see it. "I think the format is the manipulation," he says. "The way it's 100 percent live; they bring you in and they nerve you up. They want reality TV. Most companies look at deals for a few weeks. We had to look on the spot."

Sarah Hartwick says they have chosen slow, steady growth and learned to work only with gyms that are top notch. She says the slow growth is one of the pieces of advice Cuban gave them, along with the importance of mastering what they do currently before taking on new projects and having both service and product revenue. They receive many calls from potential gyms and studios just because of Shark Tank. But they are selective about their partnerships. "We don't want boards in places where people have a bad experience," she says.



Sarah and Michael Hartwick, co-owners of SURFSET Fitness

They learned from their experience of two gyms with SURFSET boards closing, which Mike Hartwick says "makes us look bad."

Besides Cuban, they also speak with people about to be on Shark Tank—sometimes as many as 50 calls in a two-month period from people who find their number online and want advice. "Mike was on the phone every day with them [in June and July]. He's really nice about it," Sarah Hartwick says. ■