

Peer Insights

R E P O R T

Q&A with George Colwell

Chief Executive Officer of Zootly

Principle Series:

Family Office Insights sits down with George Colwell, CEO of Zootly, a technology company that has revolutionized the logistics and process of how people move. Colwell discusses the impetus for launching the firm and how the firm's business model helps them collaborate with industry players, instead of compete.



Family Office Insights is a voluntary, “opt-in” collaborative peer-to-peer community of single family offices, qualified investors and institutional investors.

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Q: What is Zootly?

A: Zootly, a technology company transforming the moving and logistics industry, has built the largest community of movers in the New York metro area by building a network of only the best, most customer-service oriented moving and delivery partners. These partners only enter the Zootly network when they are certified through a rigorous vetting process by Zootly.

Our mission is quite simple, and that is to replace the common frustrations associated with the moving industry with a more efficient, cost effective and simplified moving experience. We work with the movers to bring them jobs filling their underutilized capacity. For customers, they simply go to www.zootly.com or the Zootly app on both [Google Play](#) and [Apple App Store](#), answer a few simple questions and Zootly does the rest of the work. Customers can track their move and pay all through the Zootly app.

Q: You have an extensive background in financial sector. What led you to your more entrepreneurial role?

A: My entire career has been spent running transformation projects across people, process and technology. In essence, even though banks and insurance companies are not considered startups, what I was doing was extremely entrepreneurial in nature. Selling a concept, gathering resources, developing the roadmap and plan and ultimately executing. I got involved with Zootly as a board member at first. As I learned more about the blue-sky opportunities in the industry and got to know the team, it was an easy decision to make the leap to a true startup and turn my skill set developed over the last 26 years to an entrepreneurial endeavor.

Q: How did Zootly get started?

A: Our founder, Rudy Callegari, wanted to move a couch from his home to his brother's office. He tried to get a moving company to do it at a time that was convenient for him. After extensive calls and research, he found that all moving companies dictated the time that was convenient for them only and required four hour minimums when all he needed was one hour. He realized there was a problem in the industry, that customers deserved to have control over their moves and that the industry was ripe for improvement. He set out to change this by working with moving companies to improve the customer experience and make moving simple.

Q: What industry factors contributed to the interest in Zootly?

A: The moving industry (and related moving services) account for a \$57 billion spend in the U.S. each year– and the

industry hasn't changed much. It's not seen a wide ranging adoption of technology and it suffers from negative industry perception. The moving industry is fragmented, capital intensive and subject to external drivers that erode margins over time. No easy way exists to help the moving industry improve their margins by increasing utilization while reducing the cost of customer acquisition and sales. Typical utilization at any given time is 50%. Consumers consistently obtain multiple quotes and perform extensive research to select a moving company in hopes of avoiding the all-too-common pitfalls. There is no third party that vets, on-boards and certifies moving companies into a network that adheres to a code of conduct and defined service level agreements.

On-demand moving services are not readily available and powered by modern mobile technology. In a digital world, the sourcing of a move is still very much analog. Consumers do not have the ability to order a move as easily as they can order a car, a house keeper or a meal via their mobile devices 24/7. The moving industry is a crowded sector with undifferentiated competition and an opportunity for technology to simplify and improve its processes to find efficiencies and cost savings.

Q: What has the reaction to Zootly's model been by moving companies?

A: Typically, moving companies report a 50% underutilization at any given time and have been slow to adopt technology into their back offices. They find it challenging to stand out among a crowded industry landscape and spend a great deal of money on marketing and advertising. Customers have become complacent with frustrating moving experiences riddled with bad stories of bait and switch practices, time consuming estimate processes and bad actors in the industry. Because Zootly works with the Department of Transportation and with the movers to bring them qualified movers and fills their capacity, they have been embracing the Zootly platform and pleased overall with the ability for us to team up with them to push the bad actors out of the system.

Q: Where are the primary areas of operations?

A: Zootly operates within the New York metro area (and a 100-mile radius of New York City). It is the intent for Zootly to expand across the U.S. and Canada this calendar year.

Q: Given today's sometimes negative perception of the disruptive economy model, how does Zootly handle negative reaction to its business model?

A: Zootly's business model incorporates shared economy thinking, but it's really about a collaborative model of doing business. While some are quick to say that we're the "Uber for Moving," that's not exactly right. We're not disrupting an economy and looking to put moving companies out of business. Instead, Zootly is working *with* moving companies, through rigorous on-boarding and monitoring, Zootly rewards the best industry actors and brings qualified jobs to those companies.

Q: Why does Zootly choose to partner instead of compete?

A: New York has more than 500 moving companies in motion at any given moment, so there's no shortage of competitors. However, what was missing from the equation among those companies was a structure and a system that considered the customer's needs first—their time, their resources, their lifestyles, and their schedules. We saw an immediate opportunity to jump in and help. Zootly put into place the technology to book, manage, and track moves and the processes to decrease mover underutilization, and complete moves more efficiently. We have a standard of only on-boarding licensed, insurance, and highly reputable moving partners, so only the best movers are funneled jobs through the Zootly platform.

Q: What other unique differentiators does Zootly offer the moving industry?

A: Zootly's mission is quite simple, and that is to replace the common frustrations associated with the moving industry with a more efficient, cost effective and simplified moving experience. To do this, we have a number of technology oriented solutions that include:

The Zootly Certification Program – A rigorous certification process conducted by Zootly to source only the best, licensed, registered and customer-service oriented moving partners. The one-of-a-kind certification program uses proprietary technology to assess all levels of risk associated with a moving partner at the on-boarding stage and then 24/7 thereafter to ensure compliance with Zootly's high standards at all times.

The Zootly Moving Application – This application further simplifies the customer experience with a smooth and efficient process of creating orders and booking moves, multiple account options, social integration, custom email and app notifications, and new gestures.

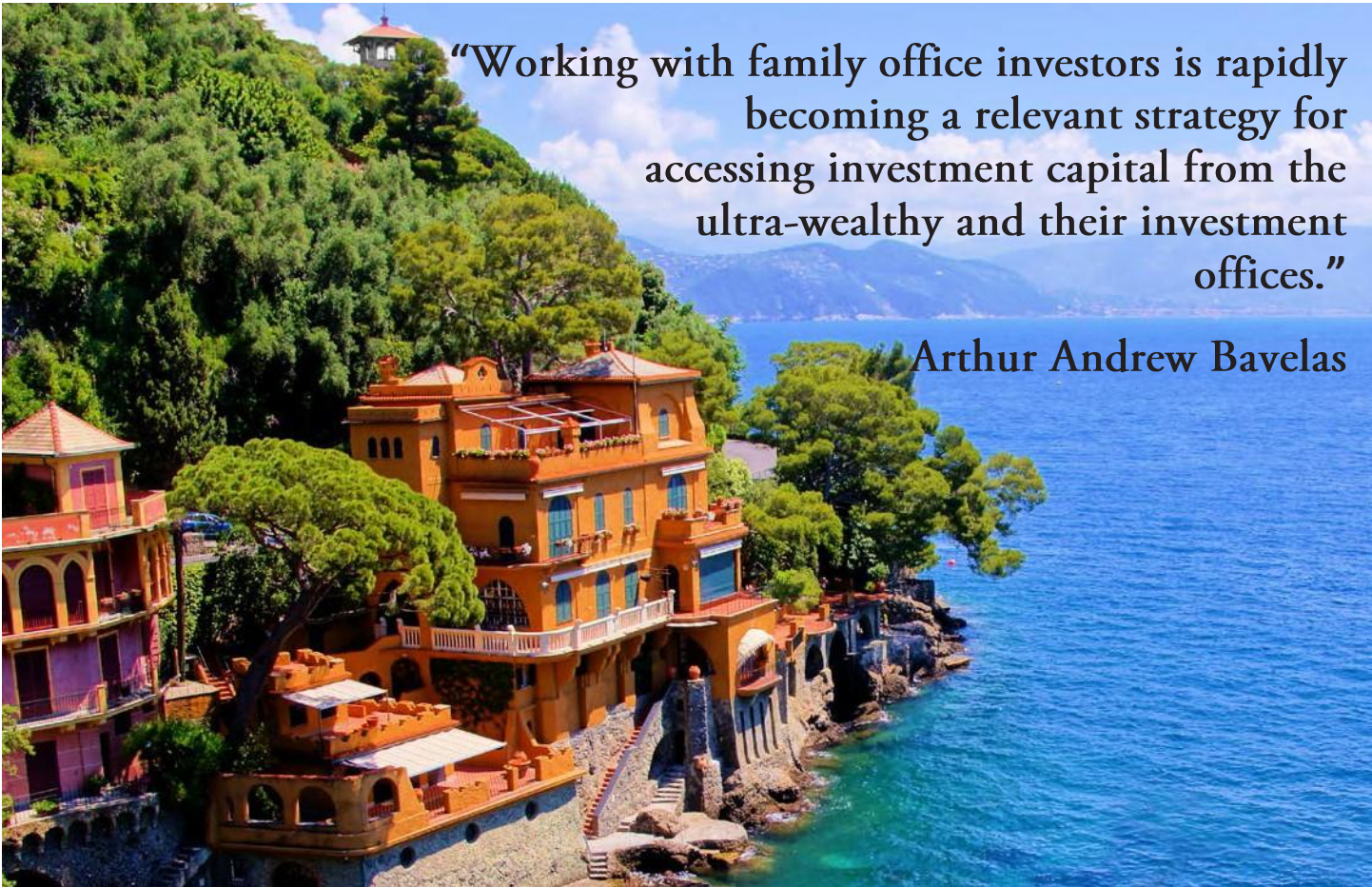
The Zootly Estimator Application – This is a key cost saving tool for Zootly moving partners because it allows for a reduction in sales expenses and improved customer service based on its more accurate moving estimates. On the end user side, customers answer a few questions within the app, and based on their responses, receive fixed pricing instantaneously.

The Zoot Case - A patented moving and storage unit which allows a customer or moving company to pack the unit or multiple units lined up, lock them and transport them via standard moving trucks to another location or a storage facility. At a storage facility, the Zoot Cases can be stacked and moved quickly and easily in the proprietary racking system, allowing for greater warehouse efficiency and significantly reduced damage claims.



George Colwell

George Colwell has worked for most of his career enabling business transformation across people, processes, and technology for leading global financial services companies. Covering mergers and acquisitions, development of new lines of business, product innovation, channels innovation, and the digitalization of the entire enterprise, George has been focused on large scale change initiatives. Most recently, he was a part of SAP's Financial Services Practice, leading the digital innovation partnership strategy for North American financial services. George has worked in advisory and mentorship roles with various technology startups, including visual search recognition leader Slyce (TSXV: SLC), and mobilization accelerator Capriza. For more information on Zootly, please visit www.zootly.com or email George at InvestorRelations@zootly.com.



“Working with family office investors is rapidly becoming a relevant strategy for accessing investment capital from the ultra-wealthy and their investment offices.”

Arthur Andrew Bavelas