

Braden Barr & Charles Reinert of PostItPlayIt

[00:00:04] This is the Investor Connect podcast program. I'm Hall Martin and the host of the show in which we interview Angel Investors, venture capital, family offices, private equity, many other investors for early stage and growth companies. I hope you enjoy this episode.

[00:00:24] Hello, this is Hall Martin with Invest Connect today I'm here with Braiden bar scene investor and board member at Post have played in Charles Rhiner, co-founder, opposed to play it posted play this unique community built for individuals to wager against their friends and other like minded sports enthusiasts. Those who play it allows users to create their own lines, manage their own wagers and connect directly with their friends in a fun, transparent environment. Charles, thank you guys for joining us.

[00:00:48] Thank you. Appreciate you taking the time to read.

[00:00:52] Maybe you can tell us what was your background before joining posted to play?

[00:00:55] What did you do before this? Sure. So my background is in private equity. I've been involved in capital raising for a group of different companies, primarily in real estate, and got involved with Charles and the other two co-founders opposed to play it back in twenty eighteen. So my background is primarily. Private equity and capital raising a great and Charles, how about yours yourself?

[00:01:21] We own a company called Drona. I have a company called Ding Monkey Dotcom, and we are an ancillary insurance product. So we were in the and industry. We developed our own software through the years that runs our company. When we created this idea, just I was the architect behind the processes. That's what I'm very good at. And and we just saw an opportunity. So we we started focusing on the build here alongside our insurance company.

[00:01:49] Ok, so I always ask people for this space. What's your advice for people investing in companies like this? What do you tell those investors to do before they write that first check rate? And how about you?

[00:02:01] I think what's important, given that this is a completely new industry that's growing almost at an exponential rate. Morgan Stanley recently projected the growth rate of close to a billion dollars in Europe in 2020 and revenue to go upwards of eight point five billion dollars and companies that are engaged in US sports betting. So almost an eight and a half times in the next five years, it's the legal

challenges are going to be there. So I think it's really important to know that the group that you're going with, the group that you're investing with, has done their homework. And it has an understanding of potentially some of the legal roadblocks ahead and has a capable team brain.

[00:02:45] And so how many companies are engaged in this space right now?

[00:02:51] You're seeing primarily, you know, you've seen Draft Kings and Bandel and some of the larger players looking at the casino model of sports wagering where you're wagering against the house or the casino. The peer to peer concept is relatively new. You're seeing a lot of startups, a lot of them are focusing more in the crypto side of things, but in the dollar wagering peer to peer space, we are actually the only company that has a patent outside of fantasy sports. Fantasy was kind of the gateway drug, so to speak, into this sector where you saw Bantul and draft kings start in the fantasy side and they're slowly moving into sports wagering and other areas of skill based wagering. But we are the only company today that has a patent on our process outside of fantasy.

[00:03:48] And so how do you see the industry evolving from here?

[00:03:51] Well, from here, I think it's going to continue to grow and it's going to continue to consolidate. I think right now it's still a very young, burgeoning industry where the players are still being defined. There's a lot of startups in the space. When you look at Airbnb and you look at Barbeau and how Uber took over taxi cabs back in those days, there were 50 or so different programs for renting a room in someone's house by the night until Airbnb basically bought up all the smaller players and consolidated the entire industry. I think this industry will go through something similar where you have a lot of innovation. You have a number of players come out with different platforms, different companies developing different ideas, and then you may end up with three, four or five larger companies by twenty, twenty five or beyond that dominate the industry. Right.

[00:04:54] And so what are the challenges in this space in launching a startup?

[00:04:58] Well, I think the biggest challenge is getting the exposure and the having name recognition in an industry that's so young, where the majority of Americans since the pass legislation was struck down in twenty eighteen. And just to give some background for individuals listening, what that meant was in our industry, skill based wagering is no longer since twenty eighteen since the federal legislation enacted passed, which pushed down any sort of regulation to the state level, meaning that peer to peer skill based wagering is now a state concern rather than a federal concern. So in forty one states out of 50 currently, Skill-based wagering is one hundred percent legal and monitored by the state, and that's

quickly changing. Washington actually may be moving in that direction, too, which is one of the nine states that's currently not allowing it. So there's the legislation is constantly evolving. The challenges are constantly evolving. But it's now, as I said, a state concern rather than a federal.

[00:06:08] And when we applied for our US patent, we had to really focus on what if scenario. So because the past but had not been revealed or had not been repealed yet. So we were we were still subject to being on the courthouse square, not the federal courthouse. And so we had to take the chance or not the bullet, I guess you would have to say, and see what happened. And and since there was no one else in this space, we actually were the first to apply for a non fantasy patent. And that gave us the opportunity to kind of set the grounds, set the groundwork for or set the pace on this industry.

[00:06:49] Great. Well, let's talk more about post-paid itself. How does it fit into this overall landscape? How far along are you with regulatory? And tell us more about the product itself. How does it work?

[00:07:00] Supposed to play it is a platform that enables like minded individuals, sports enthusiasts to find each other through posting either a wager against an everyday sport, which is where we currently are with the development today. Whether you want to wager NFL, NBA and football, NHL, you're able to go to that match up through our platform and then you will have a suggested line where that's the biggest line, so to speak, of where Bagus sees that spread through their platform. And then we're able to move that line in a new direction and then close that play to either the public or to your friends, individuals that you'd like to wager with privately. So once that is posted on our platform, then another individual can come up, say where to post one hundred dollars onto our platform. The Dallas Cowboys were playing the Green Bay Packers and then I could come take the other side of that wager. And I don't have to take the entire hundred dollars of that wage or I can take 20 dollars or 50 dollars and someone else could grab the rest of it. So the idea is creating a marketplace for individuals to post and play and then also a community where people can eventually where we would like to take the software from here is people can be able to create smaller chat areas where they can post and play individually through their community of friends.

[00:08:35] Or if you imagine a fraternity house, maybe having a group of guys hosting and playing against each other or a corporate challenge where you may have a corporation that creates a private group where they're able to create challenges internally for for their corporation. So that's where we would like to take the software. But as it stands today, we have an angular platform where people can come wager on traditional sports against each other versus or against their friends. They can also track other individuals and their win loss rate so they can see which of their friends are performing better than others. And so we feel confident that we've created a scalable, angular platform scalable to millions

of users. We also have a merchant account enabling people to deposit and withdraw funds using Visa, MasterCard, PayPal. And we've created a virtual wallet within the platform. So this what this does is it enables really an entire exchange of capital through our platform where people deposit a hundred dollars, they can transact and then withdraw that cash and everything automatically settles out. So it's a start to finish. We believe that this is a strong MBP product.

[00:09:57] And what stage are you currently operating? How far have you rolled it out so far?

[00:10:01] So we're currently operating in forty one states, which are all the states where we are legal to operate right now. Skill-based wagering, according to a legal opinion that we received not too long ago from a large law firm in Washington, D.C., that specializes in this area, specifically gave us their 50 page legal opinion, stating that this does count as still based wagering in 40 well, in all 50 states, but forty one states, we are now one hundred percent legal. And we have full integration with our software, which allows us to locate each individual when they're posting and playing on our site within a five foot radius of where they're posting. So it's similar technology to what Bantul and Tracking's are using for their users as well.

[00:10:53] Right. And where do you see it going from here? What plans do you have for expanding and growing it?

[00:11:00] Charles, why don't you answer that question?

[00:11:02] I mean, we focused on the B2B and the B2C. Which one would be the best for our company? And we really want to kind of run in a parallel with both because we feel like we can be we can enhance the users for other companies, casino operators and different companies that are in our industry and just offer an extended engagement with their customers. So we're not leaving any opportunity. We're not closing the door on any opportunity. We're kind of being open minded about where we go from here.

[00:11:31] I'll fill in there, too. So there's really two opportunities is what Charles is saying here. We have a B2C opportunity of creating a community direct to consumer of individuals that would like to sports wager second opportunity as we're creating an SDK widget where we could be able to revenue share with casinos or racetracks or other places where people enjoy wagering and use our technology and white label add on top of their existing platform. And that would enable they already have the client base, the millions of individual foot traffic people walking through their establishment and maybe they want more online engagement. And so we can we have the technology to be able to integrate with their

software so that we can tag all of these individuals that walk into their casino or into their racetrack as their clients and create more engagement for those users than they're already getting. Maybe once there, once they leave the track, or maybe they'd like to create some kind of social engagement while they're at the track. So that's another avenue that we're we're exploring currently. So we shall see where the business goes. But we're we're excited about both paths. And if we strike the right partnerships, the B2B path could be a very interesting one.

[00:12:54] I wanted to add to that because it's funny how when we engage with with other users and most of them are just on a friendly basis, whether you're at a bar or restaurant or at a casino or or just the.

[00:13:04] Party, you can people show interest in our in this product, but they usually are are afraid to engage with it because they think of of wagering as a thousand two thousand dollars, like a very large ticket item. But we're attractive to the people that just want to put five dollars against a game just because they're a fan of the sport. And when they start when they see that it's a completely different style of wagering, that's when we start getting the eyebrows raised and showing some interest.

[00:13:35] So you create a new category of wagering then at a more price friendly level? Exactly.

[00:13:41] Yeah. And I would agree with that. I think there's wagering as had sort of a negative connotation with it across the country for a very long time. And it's typically men between the ages of 18 and and one hundred really that likes a wager and it's usually frowned upon by the rest of society. Our goal is really to make it fun, engaging and try to relieve some of that stereotype and that stigma to the wagering to create some kind of engagement for the end user, where you're betting five or ten dollars and you're playing a game with your friends. It doesn't have to be like Charles said, it doesn't have to be a thousand dollar Michael Jordan on the golf course type of wager. It doesn't have to carry a negative connotation.

[00:14:32] Ok, well, in the last few minutes that we have here, what else should we cover that we haven't?

[00:14:36] Well, I think we covered the marketplace. I think what I just like people to hear is we're a young company. We've developed something that we're very proud of. We're rolling out a small marketing campaign currently as we've rebuilt the software now in an angular format. So we are post revenue and trying to grow quickly. Now with user engagement, user acquisition, we are looking for capital, but we are also looking for people in advisory roles that are interested in the space. They're

interested in growing with with our company and being part of the story. So if you're listening to this and you're you're in the wagering space or you're interested in being a part of the wagering space, we'd love to hear from you.

[00:15:22] Right. Well, so how best for listeners to get back in touch with you?

[00:15:26] Well, you can find myself Braiden at posted play it dot com. Charles, is Charles supposed to play dotcom? Our website is just post it play it's dot com. If you'd like to learn more and write those to the show notes.

[00:15:42] Want to thank you guys for joining us today and hope to have you back for a follow up soon.

[00:15:47] Thank you. Thanks.

[00:15:49] Investor Connect helps investors interested in startup funding. In this podcast series, experienced investors share their experience and advice. You can learn more at Investor Connect, Doug.

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