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## FITNESS MADE SIMPLER

GROWING SAN LUIS OBISPO BUSINESS: **MINDBODY ONLINE**

RICK STOLLMAYER'S BUSINESS TARGETS FITNESS AND YOGA PRACTITIONERS BY ALLOWING THEIR CUSTOMERS TO BOOK APPOINTMENTS **ONLINE**

*By: Melanie Cleveland  
The Tribune*

Rick Stollmeyer

Job: President and chief executive officer of **MINDBODY Online** Age: 40

Family: Wife, Lori, and three children

Background: Stollmeyer graduated as salutatorian from a high school in Glendora and received a full scholarship to attend the U.S. Naval Academy in Annapolis, Md. After earning a bachelor's degree in international relations and engineering, he served in the Navy for six years as a submarine officer. He then worked as project manager for a commercial power plant and marketed services for the space launch facility at Vandenberg Air Force Base. After moving to San Luis Obispo, Stollmeyer started **MINDBODY** Soft Inc., now known as **MINDBODY Online**, in 2001.

Rick Stollmeyer is banking on his belief that the Internet can make everyone's life easier. His San Luis Obispo-based company, **MINDBODY Online**, provides Web-based business software for yoga, wellness, fitness and healing arts practitioners to organize and manage their payroll, employees and customers. It also allows customers to schedule spa treatments, children's programs and fitness classes on the Web -- much in the same way people book vacations **online**.

"The most interesting development of our age is that everything we want can be shopped and purchased **online**," Stollmeyer said. "Personal services are no exception."

Stollmeyer, a U.S. Naval Academy graduate and former officer of a Navy nuclear-powered submarine, started **MINDBODY Online** four years ago in San Luis Obispo. After completing a comprehensive new software package six months ago, the company received \$900,000 from investors in Southern California to boost its ambitious expansion strategy. Stollmeyer plans to capture 50,000 business locations and revenues of \$100 million in the next five years.

In a recent interview, The Tribune learned more details about Stollmeyer's vision -- as he combines the powers of the Web with the New Age personal service industry.

Why have you chosen to go into this business?

We recognized the potential to break into a growing niche market that hasn't attracted a lot of corporate attention. It's got lots of prospects but it's not overbuilt, and the specialties of fitness and beauty are converging.

Also, what was an esoteric world is now becoming more mainstream. It's democratizing for everyone. How have you parlayed your six years in the Navy into becoming president of a Web-based business software company for the spa and fitness market?

Mostly by my experience in managing complex systems and leading people.

Are you saying you're running a spa software business like a nuclear submarine?

Maybe it sounds too extreme, but there are connections. From a technical point of view, we need to create a software system that's reliable and that can operate on a 24-7 basis, as we had to do in the Navy.

Leadership is even more important. It involves inspiring people to be in something larger than themselves. What's missing in the corporate world is a sense of purpose that you can make a difference.

As in the Navy, I want to take ordinary people who realize they can accomplish amazing things. How did you find angel investor groups to help fund your expansion?

Business contacts in New York. The two groups, Pasadena Angels and the Tech Coast Angels, give money and mentoring, not just advice. They have a softer approach than venture capitalists. We're lucky to have them. Less than one in 20 applicants ever see funding.

What advice would you give other start-up businesses looking for angel investors?

These investors are looking for a product that has a proven market and proof that you can generate capital; there's no better proof that a product is good than actual customers who are using it -- and paying for it.

They also put a lot of weight on the management team, which they call 'Betting on the Jockey.' The best business plan is only successful if you have the right people.

Are there advantages to being in San Luis Obispo?

Yes, our partnership with Cal Poly gives us a huge competitive advantage -- the college is highly regarded in Silicon Valley. We are using a number of paid interns and employees who are from its computer science and management information system programs. There are a lot of high-quality, underutilized, midcareer people who are also here that we can tap into.

And I know we hear a lot about San Luis Obispo's high cost of housing, but we also need to remember housing prices are going up in L.A. and San Francisco as well. Also, when compared to those cities, we have very inexpensive commercial space.

How have you used the Internet in developing your own business?

We can serve people around the world; I've got customers in every time zone -- and we can do it all here in San Luis Obispo. There's no reason to move.

The megatrend we see is that everything you want in your life can be found **online**. That's what we're here for. We're all connected now.

At a glance: **MINDBODY Online**

Address: South Higuera St., San Luis Obispo

Web site: [www.mindbodyonline.com](http://www.mindbodyonline.com)

Founded: 2001

Employees: 29, with plans to add at least six more by spring 2006

Annual revenues: \$1.2 million

Business description: **MINDBODY Online** is a Web-based business management software company for the fitness, beauty and spa business. It helps to sell and schedule services on the Internet as well as coordinate payroll, sales and clients. The company has more than 1,200 clients in 27 countries, including Alvin Ailey Studios in New York, Mare Winsor's Pilates studio in Beverly Hills and Sycamore Springs Mineral Resort in San Luis Obispo. Other clients include more than 250 Bikram's Yoga in the United States, Canada, Thailand and Australia, and fitness, spas and yoga centers in a host of cities across the globe.

-- Melanie Cleveland

TRIBUNE PHOTO BY DAVID MIDDLECAMP - Rick Stollmeyer creates scheduling software for fitness/spa companies including Infinite Dynamics in San Luis Obispo. From left are Pilates instructors Holly Messer, Elizabeth Clarke and Christine Wilson.