

OTC Markets Advisor Insights Podcast

SNN Inc.

Season 2 | Episode 4

OTC Markets Group: From OTC Markets Global headquarters in New York City. You're listening to Advisor Insights where we feature professionals that will address the issues that affect the small cap companies that trade on the OTC Markets. Joining us today is Robert Kraft, CEO of SNN Inc. Welcome Robert.

Robert Kraft: Thank you, Matt. Really appreciate you having me today.

OTC Markets Group: Absolutely. Thanks for joining. So Robert, what I want to talk to you about today is media, pretty generally. Why does it play such an integral part in a small cap company's growth? Before we get started on that, can you give us a bit of background about yourself SNN and how the company started?

Robert Kraft: Sure thing. Well, first my name's Robert Kraft, I'm CEO of SNN Inc. And host of SNN Network, a podcast network, just all sorts of shows that you probably have heard Planet MicroCap Podcast, the Investors Roundtable, and then also producing two podcast shows, and In the Market Trenches with Gary Ribe and Eric Furey. So SNN has been around since 1998. We're a family business. My parents started it back then I was being coached on it back then while in between homework and math, right? I was learning about micro cap stocks and I've been kind of following the space and knowing what's going on since then. But my introduction to SNN was in 2011, I was right out of college, been following the space. Didn't really know what I wanted to do.

Obviously been following stock market micro cap for a long time and was thinking about maybe going to be a stockbroker and that didn't totally work out. I'm kind of glad it didn't. And my dad and my mom both said, "Look, here's an opportunity to come into SNN, start sweeping the floors." And I did. So that was back in 2011. I can't believe it's 10 years ago, but I started off sweeping the floors, managing all of our social media, redoing completely our digital presence and helped relaunch our website, which we relaunched back in 2014. Yeah. Started getting on the mic and doing interviews with CEOs pretty much from the get go at conferences back when they were in at the time. We would go to over 50 a year globally. I mean, that was up until 2019 before the pandemic.

OTC Markets Group: So what'd you learn from all these CEOs as you were interviewing them over the years?

Robert Kraft: So much. For one thing, it's just how much work it takes to be a public company CEO. I mean you think about startup and private company CEOs, but when you think about micro cap or nano cap public company CEO, not only are you responsible with running the day to day operations wearing so many different hats, but now you're also responsible for communicating the company's story to shareholders, which in and of itself can be a full-time job. And actually when you talk to public company CEOs that kind of graduate, even outside of that micro cap range, it that's more or less their job, right. Is talking to shareholders and raising capital and doing all that kind of stuff.

So just how much time and effort it takes to be a public company CEO. It really is kind of the main thing I learned and actually lot of what inspires me with what I do just on a day to day basis at SNN is just how it truly is a full-time job. There's no vacations. Your phone's with you all the time. If you got to put out fires on you're on a beach, like that's just how it is. And it's

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just how much passion that goes into wanting to do that. So that's something that I've really learned a lot from CEOs and being able to manage all that.

OTC Markets Group: You said that being a CEO, obviously it's a full time job, but it takes a lot of time and effort. They got to focus on everything from investor relations to raising money, to grow their company. But why does media matter? Why should these companies be spending money on media? Why should especially these small micro nano cap companies that have such a tight budget. Why does media matter so much for them?

Robert Kraft: That was a great question because I remember back even just in 2011, there was nothing. I mean, it's still relatable I don't want to say it's scarce, but there was nothing then. Okay. I mean, other than us and maybe a few other smaller outfits out there. So if you wanted to get up to date information, or even hear a CEO speak, there wasn't virtual of the event back then. There wasn't Zoom interviews or Skype interviews. You had to go to in-person conferences. You had to make sure you were on every conference call and following every press release. And sometimes those are very polished pre-written things that in order to make sure that they're within compliance and they got to protect, make sure they're doing all the right stuff.

So for me, when it comes to media, it comes from that investor perspective where you just want to consume as much content as you possibly can because when you're dealing with small micro or nano caps, it's higher risk, higher reward investments. Obviously you want to... There's some investor is out there that margin of safety, they want to look for less risky stuff in this space, but if you're in this space inherently, it is risky. So as a result, what I'm passionate about and with that investor mindset on is that I want to consume as much content as I possibly can about those companies, and hearing everything that have to say every single virtual presentation, CEO interview, both written and video. Just anything that I consume helps me feel more confident in my decision making process. So that's really why media matters so much and why I'm very passionate about not just CEOs going out there and doing as much as they possibly can, but also speaking with them and getting their stories and learning more about their stories and how they got to where they are. We just did.

I have this series on Planet MicroCap Podcast called the Cap Graduation Series. And it's one of the most fun series that I've really kicked off here because you get to hear the full generation of what the initial problem was that they were trying to solve. And then taking that through all the way to graduating to that small cap land or getting required for a nice multiple. So for me, it's just, it makes me feel more confident in my investment decision, being able to consume as much as I possibly can about that company.

OTC Markets Group: That brings me to my next point, the Planet MicroCap Podcast, who are you interviewing there? Are you talking to CEOs of companies that trade on the OTC markets? Who's listening to that podcast?

Robert Kraft: Sure. So let me take a step back. So in 2015, I started Planet MicroCap Podcast because I was getting questions from my own friend group of like, "Oh, you're in stock market. Okay. Well, what do you do in stock market?" "Oh, I'm in micro cap stocks." "Huh? What the heck is that? I have no idea what a micro cap stock is." Because traditionally people know micro caps as

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penny stocks, which is a phrase that I hope that it goes the way of the dodo. But so I started the podcast because I really wanted to help, not just my own friend group tell them about what I'm doing, but also to really help the next generation of investors learn about how to invest in at cap stocks. And really I wanted to become a better investor.

I do my best to read as much as I possibly can, but with full-time job and family and stuff, it's pretty hard. So with doing a podcast, it's a great medium to communicate some of those stories and messages and insights. So on that show, I interview mostly investors. That's fund managers, sophisticated private investors, traders, and trying to learn and communicate to our audience, their insights, their investing style, how they've been successful investors, some war stories and really that's the goal there. So on that podcast, I don't focus too much on doing CEO interviews. However, on our YouTube channel and SNN Network YouTube channel, that's where we publish our CEO video interviews with management teams. And those are kind of the quick hitters that five to 10 minute video interviews with management teams we're really want to get that as succinctly as possible ask the key questions that I know based on my experience from doing the podcast and speaking with investors, the real key questions that they want to know, just getting to the nitty gritty.

What do you do? What makes you unique and different? What's your background? Growth drivers value catalyst moving forward. And if we have time, I ask about total addressable market, tell us a little bit more about the product opportunity, your closest competitors, your peer groups, stuff like that. So that's kind of the breakdown of some of the media that we have at out there.

OTC Markets Group: And who's listening to all this.

Robert Kraft: Well, first things first, anybody that listens to even a minute of any content that I put out there, I'm very grateful and appreciative that they even take the time to do so. I'm in a constant state of learning. So I appreciate you going on that journey with me. So I'm going to start there. Yeah. I would say for the most part our audience is retail. These are investors that want to really learn more about the small micro nano account space.

As I said a little bit earlier, over the years, it's gotten a lot better. There's a lot of groups out there that are starting to do more interviews with these management teams and I'm just happy to see it. And so, but for the most part, I'd say it's retail because these are investors that traditionally, especially in small micro nano cap have been the last to know everything and definitely not the first to find out. That's not to say there aren't a good amount of family offices, smaller fund managers, asset managers buy a side that, and I'd even say a good amount of institutions that listen to my stuff and hear what we have to say and whatnot.

But for the most part, it's that retail that just wants to get an edge in any way they possibly can. Like me are obsessed with consuming as much content as they possibly can to make their investment decisions a bit easier and more comfortable.

OTC Markets Group: Now, when you talk about the content for these companies, I think a question that a lot of companies have is, what exactly do our either listeners or let's use the word investors. What exactly do our investors want to hear about our companies?

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Robert Kraft: It's a great question. So I say when I'm interviewing a CEO, the main things that I want to know, and I can only speak for me, but this is from talking with some of our investor audience as well is, they first things first want to be able to hear that you can tell them what your company does in a sentence or less. If it takes you a couple sentences to explain what you do, in a quick moment, when I say, "Give us a quick overview of the company." If it takes more than 30 seconds, you might want to reevaluate how you're describing the company because you might lose some people. And I know that it is an incredible difficult task that even is hard for me when explaining SNN.

OTC Markets Group: I think it's called the elevator pitch, right?

Robert Kraft: Yeah. It's so difficult to do, but I would say that if you can do that, investors are so appreciative of it and it will help them understand that story right off the bat. Because you're going to get into minutia and look, we're talking small micro nano caps. We're talking about the picks and shovels for the most part of certain things in niche industries. So you have to... You know it's going to take explanation, but if you can somehow distill it down to that 30 seconds or less elevator pitch, as you said, you're already halfway there.

OTC Markets Group: Is that why you asked the questions that you do to help guide these CEOs to give the right answer?

Robert Kraft: Absolutely. There's only so many questions you can ask in five to 10 minute interview. And I do my best to try more or less keep them the same because I know our audience, that's more or less what they want to hear. They want to hear that overview. They want to know really quickly why your company is unique and different compared to your peer group. Okay. They want to know your background and then they want to know why the company will grow in value obviously from what they can publicly tell you, of course. Those are the four main things that's really important at least specifically to our investor audience. And also to me. That right there, I think you're able to say so much saying so much at all. If that makes any sense.

OTC Markets Group: Yeah. I think it does. And Robert, just to finish up today. For one, thank you very much for joining us today. You can find SNN Inc on our premium provider directory, but you want to also everyone else in on where else they can find you?

Robert Kraft: Sure thing. So you can subscribe to the SNN Network YouTube channel at youtube.com/snnwire on our YouTube channel. You'll see all of our content that we publish all of our video content. So that's our CEO video interviews with management teams, all the plan and podcast episodes. Our other podcast called the Investors Roundtable, which is basically for micro cap investing. Pick a topic. You never know who's going to show up that day. That's going to also be on there as well as our two other shows In the Market Trenches with Gary Ribe and Eric Furey.

As well as our webcast for of our recent virtual events. All of that content is there and our panels and keynotes. So I would go to our YouTube channel there. And then if you want to listen to any one of our shows, you can access our podcast wherever you get podcasts. So Apple, Spotify, Podbean, Google. They're available everywhere. And then of course, sorry,

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our virtual event. I'm not sure if this will come out around that time, but just in case this comes out before our virtual event comes out. The Planet MicroCap showcase virtual is taking place April 20 through 22nd, 2021. It's three days of keynotes, educational panels, company presentations, and one on ones. Highly recommend everybody go and check that out at www.planandmicrocapshowcase.com.

OTC Markets Group: Well, I guess the good thing about virtual events nowadays is like you said, it's all recorded. So I'm sure that content from that event will be all over your YouTube and everything. Correct?

Robert Kraft: Yeah. It'll be everywhere.

OTC Markets Group: All right. Well, once again, thanks a lot for joining us and we look forward to speaking with you again. All right.

Robert Kraft: Thank you Matt.

**This is an autogenerated transcript and may contain typos.*