

# ClientSpotlight

## Creation Crate Inc.

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By Lisa Hegedus

Creation Crate Inc. provides unique, innovative learning tools for all ages.

Houser Henry & Syron sat down with Chris Gatbonton, the Founder and CEO of Creation Crate, to talk about leading edge educational products and tools, and why Creation Crate is so successful in making hands-on-learning fun for all ages!

### **1. Please tell us about Creation Crate Inc.**

At Creation Crate, we believe people of all ages learn best by doing, not by sitting and listening to lectures. This is accomplished by combining online courses with hands-on projects.

Our primary curriculum revolves around electronics and programming. You can build projects such as a Bluetooth speaker or a weather station. As you progress through the curriculum, you will learn new concepts and continue to build on your skillset for each project.

We will be launching Chemistry and Mechatronics soon. Ultimately, the goal is to create a library of learning modules to select from. This format allows you to choose your own adventure in education and learn by doing - an effective way to learn anything.

### **2. Why/how did you start your business?**

I didn't enjoy going to school. Even then, we understood that most of what you learn in school would be outdated by the time you graduate. So, attending school felt pointless to me.

Everything useful I have learned as an entrepreneur, I learned on my own and not in a classroom. That's the first part of the equation.

The second part of the equation is knowing what you want. Since the age of 9, I always knew I was going to be an entrepreneur.

Creation Crate was my 7<sup>th</sup> business idea. At the time, I had no money, so I had to come up with an idea that had low start-up costs. This concept also had to be profitable from the start.

I had read about the successes of a subscription box business model. So, I created a subscription box that was different from anything else on the market.

The idea was to fill the gap between technology and education. Improvements in the technology arena are moving faster than tools used for classroom learning. So, Creation Crate designed the perfect solution for any age group wanting to learn about technology, electronics, and programming.

At the time, I was living in Edmonton and decided to take this story to every local journalist who wrote on the topics of technology, subscription boxes, or founders. Several local newspapers covered my story and that exposure brought in our first sales. Since I only had \$150 to my name, I didn't have enough money for inventory, so I took pre-orders. These initial orders turned into my start-up capital and Creation Crate finally had its start!

### **3. What made your business a success?**

I think the biggest factor to our success is our story of struggle and our bootstrap approach. We were always on the brink of bankruptcy, and for years we never had more than a couple thousand dollars in the bank. My personal bank account was always in overdraft and for most of my career at Creation Crate, I was living below the poverty line.

This was a very stressful time for me, but my calm demeanor allowed me to manage through the stress. My path is certainly not for everyone. However, if one can reasonably manage stress, there can be advantages. For instance, constraints breed creativity. Money restraints forced us to quickly invent solutions to hard problems.

Experiences like this are humbling. When you're in survival mode, pride is your least worry. There were times I had to swallow my pride and ask a friend to lend me money for inventory.

The first several years of Creation Crate were dark years. Survival has been exhilarating and we will remain focused on delivering excellent learning solutions.

### **4. How did you build your brand?**

That is still work in progress. We need to strategically increase our brand awareness through marketing initiatives and more online exposure.

The recognition we do have today however, is thanks to our influencers and our customers. We send free product to Youtubers and Bloggers, and they have written incredible reviews on Creation Crate.

Our customers are our biggest fans, and we track all reviews. When we ask customers why they bought our product, the most common response is because of the online reviews.

### **5. How do you keep abreast of change in products and consumer needs?**

There's a tricky balance between what we think is going to make the product better, and what our customers say they want.

When it comes to launching new curriculums, we talk to our customers and ask them what they would like to learn next. Then we determine the best solution, produce or adjust the programs, and then trial new curriculums with customers for feedback.

## **6. Have you encountered any lessons, i.e., failed products etc., and what would you have done differently?**

Yes, there were a couple of product lines we launched that failed. They were off-brand and made the purchasing experience confusing.

We had two types of subscriptions. The Creation Crate Electronics subscription and the Creation Crate Upgraded subscription. Customers didn't know which one to choose and the projects were more difficult in the upgraded subscription. It created a lot of confusion.

We also had a product line called Girls That Make. This program was about wearable technology and empowering women who are underrepresented in STEM. It's a great message, and I had fun working on those projects, but it wasn't Creation Crate's brand.

Today, I stay focused on horizontal diversification and avoid catering to new age groups. I continue to remind myself what Creation Crate is about and what makes the electronics subscription great. I apply these focuses to different subjects such as our new Chemistry and Mechatronics curriculums.

## **7. What do you look for in a business partner and an employee?**

Accountability is the biggest factor for me.

I want to ensure that my team can be trusted to work on their own and accomplish their work effectively and efficiently.

I am enthused when a new employee owns their role. We need our team to have a go-getter attitude because we are moving fast, and we need people who match our speed.

## **8. When it comes to customer service how are your employees trained? Do you have creative and innovative solutions in place?**

When it comes to customer service, I don't have creative solutions in place. Currently, our process is traditional, but we are working on adding software to make this experience better.

We have one customer support individual who has been with us for several years. She handles all the support requests through email or social media. Our electronics product developer helps with technical support, and we have answers to almost every question that arises.

## **9. What advice would you give an entrepreneur starting a new business?**

The initial question I would ask is, *"what is your end goal"?*

Secondly, *"do you want to work for yourself"?* *"Do you want to build a lifestyle business"?* and *"do you want to build something really big"?* Understanding the end goal before you even start is critical. The answer to this question should be a factor in every business decision made.

Entrepreneurs need to identify “*what problem they are solving*”? Great businesses don’t just sell any product or service. They build their product or service to solve a problem.

Next, “*who exactly are you solving it for*”? Everyone is the wrong answer. If you’re selling to everyone, you’re selling to no one. Pick a very specific niche that has the same problem and start there. You can always widen your customer base as you grow.

Customers will always ask themselves, “why should they choose you?” Chances are you’re not the only one trying to solve this problem. Identify what you can do better than your competitors and consider what your competitors are not doing.

Pro tip: Read customer reviews of potential competitors. If there’s a common complaint from customers, use that as your differentiator.

Lastly, what is the worst version of your product that people will pay money for? And, if you’re not embarrassed by the first version of your product, you launched too late.

Receiving money for your product or service is the best validation you are solving a real problem. Take pre-orders or ask for a reservation fee before you are even ready to launch.

If people aren’t willing to pay you, you are probably not solving a big enough problem.

## **10. What do you hope to accomplish over the next year?**

We want to launch at least two new curriculums and be in a good position to raise a round of capital this time next year.

## **11. What do you enjoy doing in your free time?**

I have a few different hobbies. I like working out and weightlifting. I also do martial arts, and I’m training for my first marathon.

I also enjoy cooking, especially smoking meats. I read and write a lot in my spare time. I started a blog recently on Instagram called [afoundersblog](#).

Most importantly, I like spending time with friends and family hiking, going to the beach, or just having dinner and drinks together.

## **12. What did you look for in an advisor for your business?**

I look for an advisor who has been there before. Someone who understands the challenges we face and has experience getting past them.

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### **About HHS**

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