

Jeff Grass

Focus on the Positives

When Jeff Grass entered Wharton Business School, he was a promising young professional with a few years' experience at Aetna. He hoped to parlay a top-tier business degree into a gig with prominent consulting firm McKinsey & Company upon graduation, and right away, the firm saw his potential. After his first year at Wharton, he was off to intern with McKinsey for the summer, and after impressing his bosses in the role, he was offered a full-time position upon graduation.

A good friend of Jeff's was offered a similar deal at McKinsey, and the two finished out the summer on a six-week long trip to Guatemala, practicing Spanish. Back at Wharton, their situation was ideal. Unlike many of their classmates, they had job offers and could've spent the next year taking it easy. Instead, the two began talking about starting a business of their own.

During their trip to Guatemala, the two young men had noticed how difficult it was to keep up with bill payments. It was 1998, and it wasn't simple to get in touch with your various creditors from abroad. Instead, their bills were being sent to their homes, where they had no way to pay them. From this inconvenience a start-up idea was born: PayMyBills.com. "We thought, what if you could receive, review and pay all your bills online in one single place," explains Jeff. "The concept was that you could consolidate it, eliminate the inefficiency, and make it so you didn't have to worry about it anymore."

Jeff and his partner entered their business plan into the Wharton Business Plan Competition; they didn't win, but they were introduced to Howard Morgan, the Vice Chairman of IdeaLab, then a high-flying internet incubator. Howard told them that Bill Gross, the founder of IdeaLab, was interested in learning more, and invited them to fly to Los Angeles to pitch their concept.

Bill loved PayMyBills.com and right away

asked that they build the project in his incubator. It was, in fact, the first outside idea they'd invited into the incubator, as opposed to ideas that had germinated there. "He told us, 'I'm going to give you a quarter million dollars for half your company, and I'll help you build it. Quit school, come now,'" remembers Jeff. "We were uncertain and told him we needed to think about it!"

They decided to push back on the requirement of dropping out of Wharton; they were, after all, a mere two months from graduation. But there was still a nagging doubt: should they give up the safe, well-paying positions they had waiting for them at McKinsey? Or should they take a gamble on themselves? McKinsey, after all, is the dream job of many students.

"In the end, we concluded that we may never get another opportunity like this again. I called McKinsey and said, 'Sorry but I've changed my mind.' And they told me I had to repay the signing bonus," laughs Jeff. "The day after we graduated, we were on a flight to California."

Their adventure was just beginning. The next day they met with Bill Gross who informed them that they would be launching their website in a mere 60 days. Jeff and his business partner had envisioned that it would take six months to build it. Still, Bill was true to his word and provided ample resources and talent to help get the project off the ground. PayMyBills.com launched right on schedule.

Within six weeks, PayMyBills had raised over \$4 million in Venture Capital funding. The following year, they raised a \$30 million round. The business scaled incredibly quickly, and within less than 2 years, they'd hired over 220 employees. Ultimately, the dotcom bust tanked an expected \$50 million round of funding, and Jeff and his partner chose to sell the business to a competitor in 2001. "Both companies were subscale so the



acquisition was a way for the combined company to get there more quickly,” explains Jeff. “All in all, it was a decent outcome for everybody.” The sale was announced on Jeff’s 30th birthday, and soon after, he left on a year-long trip around the world.

Jeff’s decision to bet on himself was a life-changing adventure and a valuable learning experience. Once he had a taste of entrepreneurship, he knew he wouldn’t be going back to a traditional corporate job. Two decades and three successful businesses later, and he’s Chairman and CEO of another company he co-founded, HUNGRY Marketplace.

HUNGRY aims to disrupt the catering market much the same way Uber disrupted the cab industry. With the service, customers—typically businesses looking to provide lunch to large groups of employees or clients—are able to connect with individual chefs directly. “These are great local chefs working out of wholesale locations. We now have over 150 chefs on our platform,” says Jeff. “What’s cool about it is they all specialize in a small number of their very best dishes. So our customer gets authentic food that is high quality, but it’s produced at a very affordable price point because it’s not being made in a retail location with high rent and lots of infrastructure expenses. Our model is, essentially, that we’re partners with the chefs. Their role is to cook great food, on time, and we take care of everything else!”

Jeff co-founded the business in early 2017 along with brothers Shy and Eman Pahlevani, who had also co-founded his previous business, LiveSafe. The two brothers came up with the formative idea and convinced Jeff into coming onboard and transition out of his role at buySAFE, another company Jeff started in the early 2000s. “I could see a path to creating a really big business,” reflects Jeff. “The catering market that we’re disrupting is a \$60 billion a year industry; compare that to the \$11 billion taxi industry that was disrupted by Uber.”

During the first two years of the business, Jeff and the Pahlevani brothers focused on building the tech platform. Last year, they started with about a \$1 million revenue run rate, and this year they’ll be over \$20 million. They’ve attracted the support of renowned and celebrity chefs like *Top Chef*’s Tom Colicchio, entertainment industry moguls like Jay-Z, and entrepreneurs like Seth Goldman, the founder of Honest Tea. Growth has

been rapid, and already, HUNGRY is in six cities—Atlanta, Austin, Boston, New York, Philadelphia, and Washington DC. Next year, they plan to expand into additional cities in Texas. Corporate clients include Amazon, Microsoft, Deloitte and more.

Jeff emphasizes that in business, he’s mission-driven. “With HUNGRY, our core purpose is to improve the lives of everyone we touch, from the chefs on the platform, to the clients that order food, to the communities in which we operate,” affirms Jeff. “We have a big focus on environmental sustainability and providing materials that are either fully compostable or recyclable. We also have a give back program to help fight hunger; for every two meals we sell, we provide a meal for free. So we’ve now provided over 400,000 meals in the process of building this business. We’re trying to create something more than just catering.”

Caring for the community comes naturally to Jeff; he asserts that his parents instilled the values that guide his decisions today. “Both of them will go out of their way to help other people, almost to a fault,” nods Jeff. “From an early age, I remember them being very firm about anything to do with racism or injustice; they took a very strong line on progressive issues. So I think being socially conscious and caring about other people, is something that comes naturally to me thanks to my parents. Plus, they operate on a high level of integrity. They were always naturally drawn to volunteer for things, and that clearly was formative for me. They’re amazing people, and I am super fortunate to have them as my parents.”

For the most part, Jeff grew up in the Washington DC area. He was born in Fairfax Hospital, and his father spent his career working in the Intelligence world. His mother stayed at home with Jeff and his younger brother when they were kids but worked periodically as a social worker and even took on odd jobs as a secret shopper. She later worked in HR.

Jeff’s childhood in Virginia was happy and typical. He played sports, started a lawn mowing business with his friend, and in 4th grade started selling lost tennis balls back to the tennis court next door at 10 cents per ball. It might have been a totally average childhood for a suburban kid, except for his father’s assignment to Australia.

Jeff was in 8th grade, when the whole family relocated to Alice Springs, a small town in

the Australian outback. The town had a population of 22,000, and the next nearest town was even smaller and over 400 miles away. Jeff remembers this time as one of the most formative of his life. Suddenly, he was exposed to a whole new culture and environment and was surrounded by strangers.

"My brother and I were skeptical when we left, but my parents did a good job of selling it," smiles Jeff. "I didn't really know what to expect, but I loved it right out of the gate. I actually had my very first girlfriend on my third day there—because I was the new American boy with the cute accent. Suddenly, I was like, 'Wow, this place is amazing!'" Over the next two years, Jeff and his brother grew to love their new home in Australia. They spent most of their time outdoors, played sports, and rode their motorbikes out into the bush. The freedom of the wide-open wilderness around them was astonishing compared to the suburbs back home.

One of Jeff's favorite memories of that time is of a baseball game in which he was the starting pitcher. "Everyone was there," he recalls. "My parents and girlfriend were there, and I pitched an amazing game. I remember being so excited at the end of that game because we had won. Life was perfect back then and was probably very simple, too. It harkens back to childhood for me, when everything is easy and fun."

He also had his first job in Australia working at a Kentucky Fried Chicken. He left that job with an unshakable respect for workers in the food service industry. "I worked there for six months, and it was the worst job in the world," laughs Jeff. "It was the hardest job I've ever had, but I also think it helped me develop a strong work ethic. And even though I'm the CEO of HUNGRY, I'm never going to work in another kitchen!"

Two years later, moving back to the U.S. was actually somewhat of a harder adjustment than learning to love Australia. For one thing, Jeff's status as a star baseball player faded in the much more competitive environment of his DC-area high school. For another, Jeff's grades in Australia had been, in his words, "atrocious." Between having a great time with friends and running around outdoors, he hadn't focused much on academics while he was there. Jeff hadn't thought much about college just like all of the other kids in Alice Springs.

Back in the pressure cooker of Fairfax

County, VA, Jeff's counselors made it known that he would have to kick it up several notches. He finished his high school career strong and managed to increase his GPA significantly while scoring well on his SATs. He applied to several colleges but admits that his criteria for selecting schools wasn't always stellar. "My rule was, if the college required an essay on the application, I refused to apply," laughs Jeff.

Fortunately, James Madison University (JMU) didn't require an essay, and Jeff decided he loved the feel of the school once he made a visit. He'd been considering the field of engineering, but JMU was purely a liberal arts school so Jeff decided to start in the pre-engineering program and see where that took him. Once there, his plans changed rapidly. "I quickly realized I didn't like physics or chemistry, but I loved an economics course I took," nods Jeff. "I loved the business courses I was taking so I switched to a business focus. I ended up as a finance and economics double major."

Jeff had been shy and more introverted in high school, but in college, he blossomed and began taking on more leadership roles as he gained more confidence. He ended up co-founding a fraternity at JMU and became Vice President of the group. He also became President of the Financial Management Association. More importantly, he made lifelong friends with whom he keeps in touch with to this day.

Jeff's goal after college was to become a commercial loan officer in a bank. He'd even been accepted into a management trainee program at a bank before fate intervened. It was 1992, the economy turned south, and the management training program he was scheduled to start ended up getting cancelled. This left Jeff wondering what to do next. He ended up getting an interview at Aetna for a position as a surety bond underwriter and secured the job before he'd even graduated.

During his years at Aetna, later Travelers' Insurance, he remembers three mentors in particular, Lynn Cook, his first supervisor, Phil McGee, the office manager, and Paul Wood, who worked with Jeff developing a few different projects and product lines. Jeff quickly began to distinguish himself at the organization. By the time he was 24, he pitched, championed and successfully created a whole new division at the firm. He ended up being promoted to become the youngest regional manager in the history of the

bond department. But after five years at Aetna, Jeff knew he didn't want to spend his whole career in insurance and decided to move on. It was then that he applied to Wharton and fatefully met his future business partner.

After the whirlwind of PayMyBills and ten months of traveling abroad, Jeff was ready for something stable. He finally did accept a position at McKinsey in Los Angeles and stayed for about two years before taking a leave of absence to try his hand at teaching. He returned to JMU for a semester as a Visiting Professor and loved the experience. He then went back to McKinsey, but his itch for adventure was too strong. After only six months, he requested another leave but this time to help an old coworker from Aetna help get a new business off the ground.

Jeff helped his friend finalize a strategy and raise a round of funding for the business, buySAFE. His friend insisted he stay on as CEO. buySAFE is an e-commerce trust and safety company for which Jeff still serves as Chairman of the Board today. After ten years as CEO, however, he was again feeling too comfortable in his routine, and started work on a new project—LiveSafe.

LiveSafe is a mobile application designed to protect communities by enabling users to report crimes or dangerous situations to their neighbors. Founded in 2013, the business now has about 60 employees, and there too, Jeff serves as Chairman of the Board.

In the midst of launching so many businesses, it's a wonder that Jeff had time to settle down and start a family. Fate once again intervened and he met the love of his life while serving as CEO of buySAFE. He and Michelle have now been married ten years. "I met Michelle through friends at Lucky Bar downtown. I like to tell everyone she picked me up at Lucky Bar," Jeff laughs. "There was great chemistry and we hit it off right away. She's been amazingly supportive through everything and is an incredibly accomplished person, executive, and mother. She does it all. I respect her on so many different levels. She's the Head of Change Management at Hilton Headquarters nearby. She's my rock and safety net. She's a terrific mother, and we have two awesome kids—Grayson and Riley—that we are super lucky to have. They're a great source of inspiration as well." Jeff considers his wedding

ring to be his most prized possession. He and Michelle even recently got a small "X" tattoo underneath their wedding bands in honor of their 10th anniversary. It was the first tattoo for them both.

As a leader, Jeff reiterates that he's values-driven. "At HUNGRY we have nine core values we talk about a lot," Jeff says. "They represent what I want the organization to be like. Integrity is one of them, gratitude is another. I'd say my leadership style is one that tries to be very transparent, very fair, and very clear with people. I believe you always treat people with dignity and respect and do the right thing.

Positivity is also one of our core values; it's about trying to build that kind of culture. Building a business is hard, and we're not always going to do everything right. It's easy to be critical and focus on the negatives. But if you focus on the positives, it energizes people. People work ten times harder, and you accomplish way more than you ever thought you could when you focus on the positive."

To young people entering the working world today, Jeff's advice is simple: "Figure out what you're passionate about and go do that," he smiles. "Don't focus on what is going to make me the most money, or what do my parents want me to do, or what other people expect me to do. Figure out what really makes you happy; everything else will take care of itself."

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About Gordon J. Bernhardt
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