Anna Taylor: Hi is this Anna Taylor, Executive Director of The Greater Sum. I am here today with Morgan Berman, the founder of MilkCrate. MilkCrate is a platform that takes offline nonprofit programs online, and they do that through gamified apps. Morgan, thank you so much for joining us today.

Morgan Berman: Thank you so much for having me.

Anna Taylor: So Morgan and I have known each other for a long time, and it's been so interesting to learn about this process of creating apps for nonprofits, but doing so in a very practical, thoughtful and effective way. So I'm excited to share a little bit about her work with you guys today. And we should probably start from close to the beginning. What drew you to start working with nonprofits?

Morgan Berman: Well, it was actually back when I worked at nonprofits. I used to be in the nonprofit world. I worked at organizations that helped people access reproductive health care. I worked as a case manager for an organization that was helping low income women with children. And I've just been involved in one way or another in the nonprofit world for a long time.

Anna Taylor: And MilkCrate didn't start out as a platform for nonprofits. It was initially made for individuals, right?

Morgan Berman: Yes, it had its origin story there, and then evolved into a platform to build apps for engaging employees in doing social and environmental impact work. So we were trying to make ways to help companies to have their own app for their employees where they could input events and material and make it fun and easy.

Morgan Berman: And along the way, I got connected to a board member who was on a nonprofit that had received a grant from the Knight Foundation to create a program where every teenager in Philadelphia could go to museums for free. And this was a very exciting opportunity, but after a little bit of running the program, they realized that they didn't actually know if the kids were going, because the staff was spending all this time mailing paper ID cards to each student, and then every student then had to check in at the museum, and every museum had a different way of checking them in. Some were using Salesforce, some are using a spreadsheet, some didn't even bother checking them in. And there was no aggregated data at the end of the year showing how many kids went, and how much money was well spent versus not. And it was a really big problem on both sides.

Morgan Berman: And so this board member said, "I know that your platform can make these apps to engage employees, but what about could we build an app to engage these teenagers in going to these museums?" And so we took our templated app system, and instead of having businesses listed in a directory in the app, we uploaded the museums, and the kids downloaded an app that was branded the same brand as the program, the same program that they were used to, and

that's how they now check in at the museum. And every time they check in on their phone, the GPS confirms it, and then it shows up on a dashboard of live data that can then be screenshotted and put into a report to the funders.

Anna Taylor: Fascinating. So you said something that I want to key in on because this is not my area of expertise at all. What you're using is a templated app. So if I understand right, a lot of the build is done, and most of your nonprofit clients are able to, with relatively few changes, use that work on the backend, put their design on the front end, and save a lot of money, right?

Morgan Berman: Yes, you're absolutely right. It's 100% templatized. So pretty much every nonprofit wants to be able to send push notifications to their volunteers, or their program participants. Pretty much every program that's trying to engage people has an events calendar. A lot of them all want to be able to have a chat feature where different users can talk to each other. So there's no reason to build this stuff over and over again. Unfortunately, most nonprofit people, when they even have the time and resources to think about trying to use technology to solve these problems, their thought goes to, I guess I should call a development company and hire them to build this big monolithic thing. And then there's tons of problems with that. Price is obviously a huge one, but there are other really big problems too. Even if you magically somehow have the money to do it, you might only have the money to launch it. What about supporting it and changing it and adapting it over time? Every time Apple does an update, you need to be able to submit changes, that takes developer time.

Morgan Berman: And then there's an even bigger conceptual challenge of, are you building the right thing? You as a nonprofit program manager might think, well, here's how I want to solve this problem, but you're not as used to solving problems with technology as technologists are, and so you might ask the company to build the wrong thing. And it's their job just to give you whatever you ask for, because they're getting their money up front, they're not really concerned with what happens after the fact. As long as you tell them what you want and they give it to you, then they consider their job done.

Morgan Berman: Whereas at MilkCrate, we're building longterm relationships. Our business model and our mission is around building longterm relationships that serve longterm goals. And you can't do that if you just ship an app that then falls apart and doesn't meet the needs of the intended goal. So we're all about not building things from scratch, because most of the time you really don't need something from scratch, and it'll be much more effective and affordable to do it this way.

Anna Taylor: Can you give me a couple of examples of how diverse the programs can be?

Morgan Berman: They really can be. And it's been a little bit of a challenge because sometimes the team is like, "How do we define who our customer is?" And we actually have a page on our website called Who Are Our Ideal Customers? Because it's not just volunteer initiatives, it's not just programs for youth, it's not just engaging

parents in an afterschool program, we have all of those. We also have... We have an initiative that's training teens to understand consent and prevent sexual assault. We have two programs that are entrepreneurship training programs, where someone with a business idea enrolls in this program to advance their company. It's just a really wide range. But what they all have in common is they have a large group of people that need to both receive information and content on a regular basis, and share and report back on a regular basis.

Morgan Berman: And email and newsletters are not good for that. A newsletter for hundreds or thousands of people, that's one way communication. That's an email blast. We send them out all the time just letting people know about stuff, but rarely do you get a response, let alone a thoughtful one. And even if you do, what are you supposed to do with that? Put it into a spreadsheet? That's not measurable data in any easy, manageable way. And so being able to track clicks, and people logging in, and people chatting and all of that turning into a data point on a chart instantly is incredibly important. And so those are two main things that we're looking for, you have a large group of people you need to receive content, and then communicate back and track them.

Morgan Berman: There's also smaller things. They need to be mostly smartphone users, and somewhat savvy with them. You as the organization needs to be looking for... You need to value data, you need to be attracted to the idea of tracking what you're doing. So those are some of the things that we're looking for, and what underlines all the different organizations we work with.

Anna Taylor: Very cool. Now you mentioned that this is a fantastic way for organizations to get a handle on data points and really increase their touch points with their clients, or their users. I notice you mentioned that the Knight Foundation was a founding thought partner in getting that first nonprofit engaged. Do you work with a lot of foundations? Because when I hear data, that's where my mind goes, in terms of, where is the data going, where is the reporting going?

Morgan Berman: Yeah, absolutely. Now that we've been doing this for a couple of years and have all these different success stories and case studies we can point to, we started out to some of the funders of our existing customers. And one of them actually reached out or replied back to one of my email blasts and said, "Yeah, we'd love to talk about how we could partner with this." And that that foundation, the Dowdy Foundation actually committed to starting to fund the apps for their grantees, because they're super invested in capacity building, and growth and tracking of their earlier stage nonprofits to help them get to the next level, so they can eventually go up and apply for a Pew or a Knight grant, and help them graduate to that next level. And MilkCrate's really a big way that a smaller nonprofit, in particular, can increase their capacity and prove it, and track the impact that they're having. And so we're really excited to be partnered with the Dowdy Foundation on that.

Morgan Berman: We're having conversations with tons of different foundations now about how we can build partnerships with them to teach their grantees about how they can use mobile technology to engage and track volunteers and program participants, how that can turn into data for their reporting, for their grant applications, and some of these foundations are even interested in offering additional funding to make it happen. Often covering the first year of both the launch fee and the monthly subscription, so that that nonprofit doesn't have to wait until their next fiscal year or their next budgeting cycle or whatever, which often gets in the way of us working with an organization. And so that's been our way of trying to tackle that funding gap that often happens, or that timing gap that can happen, is by having foundations work with us as a mega customer, in a way.

Anna Taylor: That's wonderful. And I bet corporations would also be interested in this work as well.

Morgan Berman: We've had a couple conversations like that. If you know of a corporation that is into doing that work, I'd love to talk to them. We don't have anyone that's committed to doing it yet, but corporations... I mean having been in the CSR space for as long as we were, I know they're all about being able to stake a claim and say, "Last year we contributed to X numerical outcome or output." So if you can be the fiscal sponsor that makes, or the financial sponsor, that makes a tool track those numbers, that's a pretty powerful claim.

Anna Taylor: Yeah, absolutely. Well I find your business model and the product so fascinating. I could talk about it for a long time, but I want to make sure that we also dig a little bit into your founder experience because we do this series on founders and how they got where they are today. If somebody is interested in connecting with MilkCrate, what's the best way to do that?

Morgan Berman: If someone wants to connect with us, they should absolutely just email me. My email is Morgan, M-O-R-G-A-N at MilkCrate dot tech, and they can also go to our website. There's a contact us page where you can request a demo as well, but feel free to reach out to me. I'd be happy to connect and direct you to the right person.

Anna Taylor: Awesome. Now, you've been running MilkCrate for how many years now?

Morgan Berman: Six.

Anna Taylor: Okay. And so you mentioned you wore a lot of hats in the nonprofit field before you started doing this. What led you to say, "I'm ready to do this, and I see it unfolding." What was that moment for you?

Morgan Berman: What was the moment where I realized it was happening?

Anna Taylor: Yeah.

Morgan Berman:	It's definitely taken me by surprise, I think, that we've made it this long, and it something that I struggle with every day. I'm like, I should not be surprised. Shouldn't I be the one that's like, of course we've figured it out, of course I made this work for this long. But when you start something like this, there's just so many challenges, and so many losses and so much doubt. I would say I'm still having those moments today, but there's these moments, just like the losses, where there's these big wins. Last week I was in New York in this incredibly fancy office building with this foundation saying, "Yeah, we fund 200 nonprofits a year, hundreds of millions of dollars. We could absolutely underwrite an app for each one of them. That sounds great." And I'm like, "Really?" I'm having some big moments, and just trying to focus on those. But also really it's a day by day.
Anna Taylor:	I definitely feel that, the day by day. Well that's a huge win, not just for MilkCrate, but for the nonprofits that are going to benefit from it. Was your background in tech, or did you build those skills?
Morgan Berman:	Well, I was lucky enough to have a dad that would take me, every couple of months, to this guy Yukio's Mac Dealer store. And I would play with his computers, and I was given software and games to play with, and my dad eventually gave me a computer that was in my bedroom, and so it was my computer. And so I got to get really comfortable with technology at a young age. Fast forward to graduate school, and I took an advanced web development class, and some interactive media classes. And so I was able to get some kind of a bearing in what is software development. But I am not a software developer. I just know enough to know that I know nothing.
Morgan Berman:	And so the skills that really opened all this up was my background in design and art. And I used my design skills, and visual communication to create decks of what the product was going to look like, and how the business model was going to work and creating a brand that resonated with people doing the marketing materials that would get people to want to participate and get involved in one way or another. And then the actual product development has been run by other people.
Anna Taylor:	Very cool. So I guess the last question that I have for you is, what help or advice made a big difference to you when you were starting out, or what help or advice do you wish you'd gotten back then?
Morgan Berman:	One of the things that has always really stuck out for me was when this local investor said to me, she gave me a compliment really early on, I think maybe a year and a half or two into doing MilkCrate, and she said, "You're really coachable." And I'm really glad I took that as a compliment because I think I've often prided myself on being... I think we often pride ourselves on the features and qualities we see in ourselves as really formed, that I'm really good at blank, and that blank thing is, not that other people can influence you. That's not... I could have taken that not well.

Morgan Berman: But I think I really listened to what she was saying, which was that you don't know everything about building a successful tech company, because you've never done it before, and you can recognize all the mistakes you've already made, and so you can intelligently intuit that you're probably going to make a bunch more, and that you should listen to people who've been there before you and try and process their advice. And so she basically told me I was good at taking in advice and processing it. And that has been something that I've held onto and tried to remember, because there I didn't go and get a degree in how to build a business. This has been something that's been on the job training, and I've had to learn from a lot of people how to do this well, or try to do it well. So that that was something that was good. It was a compliment, but I took it as advice because I was like, ah, that's something I need to focus on and build and develop over time.

Morgan Berman: And then advice I wish I'd gotten. I mean there was the advice I got that I didn't listen to soon enough, which was self care, and particularly, my identity got really wrapped up in MilkCrate. I did not know where Morgan ended and MilkCrate began for a really long time. And every time MilkCrate was threatened, every time we had a loss, I really took it very, very personally. And I still do, to some degree, and it depends on the thing, but I now have a much richer life that involves a lot more than just my company. And I really fear for the founders that I see that get so consumed with their company, and it really stresses them out and pulls them apart. And something that I did for myself three and a half years ago was I started doing Brazilian jujitsu, and it has given me an outlet, both physically and mentally and socially, that it has absolutely nothing to do with technology and nonprofits and work.

Morgan Berman: And it also has given me a safe space to be bad at something. To learn as a brand new beginner, and to slowly build my way up the same way that I am with work. And to have a way to connect that learning process, in a very physical way, to the mental challenge of building a business, and helping me pay attention to those milestones. Last Friday night, I got a stripe on my belt from my coach, and that really... I've been able to see that journey in a very similar way to the journey that I am on right now with creating my business, that I'm here to learn and it's going to be a lot of ups and downs and I just have to learn how to breathe through it.

Anna Taylor: Oh, I love that. I think if there was advice that I would hope all founders would take away from this, it is that self care and separation. Tying yourself to the organization 100% gives you the fuel to get through that startup period, but if you don't recognize that you are burning your own reserves, you're doing both yourself and the organization a disservice in the end. Right?

Morgan Berman: Absolutely.

Anna Taylor: So Morgan, thank you so much for sharing your story. This is the first time we've had a business founder instead of a nonprofit founder, but I thought there's

	such a resonance between your career trajectory and also the work that MilkCrate does, that I just really wanted to share this story with the nonprofit founders in our network. And thank you so much for being with us today.
Morgan Berman:	Thank you so much. I am honored to be the first, and be the representative that business can be a force for good in the world just as much as nonprofits.
Anna Taylor:	Absolutely.