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COLLECTIVE HUB

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CELL SERVICE

For many, a stay in PRISON can be a ROADBLOCK to success. For FREDERICK HUTSON, his time behind bars was the very CATALYST for FOUNDING a start-up that HELPS inmates and their LOVED ones stay CONNECTED.

WORDS SERENA RENNER

So many aspects of our daily lives can go completely unnoticed. Take pigeons; the drab and dismissed members of the bird kingdom that just about everyone has learned to ignore. For Frederick Hutson, US prisoners and their families are similarly invisible, despite 2.3 million people living behind bars and at least 20 million close friends and relatives left on the outside. They also represent an untapped market.

“What is familiar often goes unnoticed,” says Frederick. “Prisoners are just so common that people completely overlook them. No one’s focusing on what products they need to solve problems.”

But Frederick is. He founded Pigeonly in 2013, initially as a service to send print photos to correctional facilities straight from their loved ones’ mobile phones or computers. In 2014, the company added a lower-cost prison phone plan that relies on VoIP technology (which underpins businesses such as Skype and Google Voice). He chose the name Pigeonly to reference both carrier pigeons as well as the idea of prisoners being ubiquitous and forgotten. “The pigeon is one thing that no matter what continent you’re on, or what country you’re in, or what state you’re in, there are pigeons everywhere. They’re so common we don’t even notice them anymore,” he says.

“We’re building products for real people at the opposite end of the spectrum,” says Frederick, who knows what inmates need from experience – not long ago, he was one of them.

From running lawnmowing and car-washing ventures as a kid to starting a window-tinting shop at age 19 (it sold for US\$50,000) while he was also an Air Force technician, Frederick had always been entrepreneurial. So when hometown friends in Florida needed help shipping marijuana from Nogales, Mexico, to the US East Coast, Frederick saw it as another business opportunity.

“Before I know it, I look up three years later, four years later, and I’m now up to my neck in the drug business.”

I would just try to do things, ANYTHING, that would make me FEEL like I was making PROGRESS and moving FORWARD regardless of where I was.

Little did he know, the distribution network he’d created – which leveraged UPS, FedEx and DHL out of a mail shop in Las Vegas – became so efficient that one of his drivers got busted.

“I woke up and felt that something was weird,” remembers Frederick, “because I had just finished a shipment down to Florida and I didn’t hear anything back. Usually when I knew stuff was going to be delivered I would hear something from my buddy down there who would say they got it or didn’t get it. But that day was just very eerily quiet. Super, super quiet. So I kind of knew something was wrong.”

“I was outside in front of the store in Las Vegas and four or five unmarked cars rushed the parking lot. Guys jumped out with guns drawn, and I knew sh*t had hit the fan.”

Frederick landed in jail for 51 months. While he spent most of that time in a low-security prison in Safford, Arizona, he lost his most basic decision-making rights and was stripped

of everyday privileges like access to the Internet.

“You go from being in control of what you eat, sleep, do, whatever, to having zero control over anything,” says Frederick. “You’re in an environment where anything can happen to you, but you can’t do anything back.”

“One of the hardest things for me was trying to stay in touch with my family members and friends and the people who made up my support network, and it being too cost-prohibitive or a financial burden or whatnot. The last thing you want to be in that position is more of a burden, causing more problems than you’ve already caused.”

Without the Internet, the only way to communicate with relatives and friends was through written letters or phone calls, which cost about US\$70 per month, since most calls from prisons are considered long-distance. But in the digital age, people write less, rush conversations and put off the cumbersome process of printing and mailing physical photos.

“If you don’t have people who are able to bear that cost, you just fade away into this abyss,” he says. “Then once you’re released, it’s almost like you’re a stranger.” >

WHAT I LEARNED IN PRISON:

You have to learn to adjust and say, “Okay, what do I have control over?” In that environment you really only have control over yourself as far as the way you think and the type of information you consume and how you’re going to spend your time.

THE ROLE OF DAYDREAMING:

I would visualise what equipment I would put in there and then I would visualise who I would hire and what they would look like and how they would talk and where they would be from. I’d actually run through this whole movie in my head about what the business would do, how it would work. Once I went through that and I felt comfortable with the daydream I had going on, I would then commit it to paper.

FOCUSING OUTSIDE THE BUBBLE:

We’re actually building stuff for, you know, the average Joe that has a real problem and our products solve a real problem for them. They don’t have the stuff that only exists in a bubble in San Francisco and doesn’t really apply to the rest of the country.

PHOTOGRAPHY: ASHLEY WALKER AT SKYWALKER PHOTO

This surely plays a part – large or small – in the fact that three out of four former prisoners in the US are arrested again within five years, with studies showing those who keep in close contact with family members while they're in jail are less likely to re-offend.

But rather than dwell on things he couldn't control while inside, Frederick worked tirelessly to leave prison with options. He'd hunker down in the law library of the Safford jail for hours, poring over battered issues of *Inc.*, *The Wall Street Journal* and *Wired*. When business ideas inevitably sparked, Frederick would call his brother or sister to buy domain names and check information online.

"I would just try to do things, anything, that would make me feel like I was making progress and moving forward regardless of where I was," he says.

"My motivation was that I didn't want to have to rely on somebody else to give me an opportunity, and I didn't want to have to compete with the guy who wasn't a felon. And I also knew that the best way for me to get to who I wanted to be was for me to create my own money and try to find or solve a problem that I could solve, that people would be willing to pay for. My creative outlet was thinking about how I could solve a problem and build a business around it.

"So the first problem I wanted to solve, I just wanted to make it simple so someone could do a couple of clicks on their mobile, tablet or computer and then photos would be printed and mailed and delivered to the inmate. So, that's what my goal was."

Four years later, Frederick had a box full of business plans and six months in a halfway house to focus. The first product he pursued was the image-sharing service Fotopigeon, which he co-founded with Alfonzo Brooks, an old friend from the Air Force.

Over the next two years, they raised about US\$80,000 from friends and family, from small payments of \$200 and \$500, and picked up Pigeonly's first 2000 customers from a direct mail campaign (though these sorts of campaigns are maligned in the outside world, mail delivery can be a rare highlight in the banality of prison). Eager to be accepted into a start-up accelerator, Frederick jumped on every application he came across, but was continually denied until NewME, a San Francisco accelerator dedicated



to empowering underrepresented minorities, accepted Pigeonly in 2013.

"Prior to that [time], I didn't even know what an accelerator was," laughs Frederick. "I had no concept of Silicon Valley."

Erik Moore from Base Ventures was the first investor to sign on, followed by Mitch Kapor from Kapor Capital. At the end of their seed run, Frederick

and Alfonzo had six investors and US\$1 million. Pigeonly has since graduated from Y Combinator, the holy grail of tech accelerators, has raised more than US\$3 million in five seed rounds and supports 25 employees, a third of whom have felony records.

In addition to Fotopigeon, the company launched Telepigeon, which cuts the cost of prison phone calls from US\$70 to under \$30 a month by providing friends and relatives VoIP-enabled

local phone numbers. Every month, Frederick says his customers use about 2 million phone minutes and send around 250,000 photos, saving families US\$8 million since 2014.

But Pigeonly won't stop there. Prisoners and parolees in the US still face a host of institutionalised challenges, from banking to workforce barriers after release. Frederick says Pigeonly's next efforts will focus on financial services and expanding the company's federal inmate database to state institutions so people can continue to find and support their loved ones in jail.

"When I look back on my own life, opportunities came my way but I wasn't always in a place or position to take advantage of them," he says.

"Once I understood that it wasn't really a lack of opportunity, I knew that things would happen and doors would open. But it was up to me to prepare and make use of what I had."

Luckily for prisoners and their families, Frederick has bred a carrier pigeon for their cause. ■

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