



Lawrence Lenihan

# the right FREQUENCY

*Lawrence Lenihan and partners, Joe Ferrara & Christian Gheorghe, combine forces to build a game-changing idea for creators.*

**How long has Resonance been in business?**

It's funny you should ask that! Three years ago today.

**Congratulations! How did you decide to create Resonance?**

Resonance was a journey that started years ago. My partner, Joe Ferrara, and I were introduced by Mayor Bloomberg's office in 2009. At the time, we had both been looking at many investments in the fashion industry but, independently, we both felt something was missing. Joe saw an incredible design talent without the vision for how fashion business should be built in this ever-changing world. For me, I saw plenty of innovative businesses with incredible vision, all of which lacked design talent and had built businesses without a soul. We started investing and saw how we could put our two complementary perspectives together to build fashion brands that had businesses structured as beautifully as their creative visions, and in 2015 we created Resonance.

**What's in the name? Why "Resonance"?**

We took months thinking about it. We wanted the name to represent "connection", which is the essence of our brand - the connection between a creator and a customer. It's energy. It's engagement. It's devotion. We wanted to build the platform that enabled this connection. The definition of "resonance" is so powerful: a small input at a specific frequency that creates an output far larger than would have been predicted. It's that old Ella Fitzgerald commercial where she breaks a wine glass with her voice - but it's not the volume of her voice, it's that she sings a tone at the resonant frequency of the wine glass and it shatters. We are that *right* frequency that enables a creator to connect with energy far beyond what anyone would have expected.

**What does this platform offer?**

Resonance is a platform where any fashion brand can compete as effectively and efficiently as say, Zara. The biggest problems a creator has are minimums of material, production minimums and the working capital needed to float a collection. Our platform eliminates that. We can make one product as efficiently as 1000, and we can do it in days, not months. So imagine: a creator has an idea that she believes in, but nobody else does. This piece gets "edited out" of the collection because the risk of making it, all the minimums, the capital to make the product and the unsold inventory if it's a flop, are too onerous and could sink a business. But if she could make only one, and then see if anyone buys it, and then makes more if they do? That changes everything. One of our brands, Tucker, had

a print nobody felt all that great about other than the designer; it sold 450 units in 2 months. No data analysis would have told us that because we had never made anything like it before. But because the cost of failure was so low, we could take a chance.

**Three years ago, did you know then what you know now?**

If only I knew then what I know now! I always thought we were doing something big, but I could not imagine then that we would do something *this* transformational. We are changing *every* aspect of the fashion industry, from the raw materials that make the fabric, to fashion, to the destination, to the customer. Our scope and our capabilities have widened immensely. I always say to our team that the good news is that we are doing something that no one on the planet is doing, the bad news is that we are doing something that no one on the planet is doing. Piecing our way through this journey is hard, but we would not have it any other way.

**How many designers are part of Resonance?**

Six designers now; we hope to have another five or six more brands before the end of the year. We also plan joint ventures with two larger brands. Currently, everything is made in the Dominican Republic, so our direct customers are limited to the Western hemisphere, maybe Europe, but the plan is to roll out our platform globally - sometime at the end of 2019 - by licencing out the technology we have developed.

**How do you find the designers? What is the criteria you are looking for?**

We find brands that have an elevated product and a passionate customer base. They need to understand how we are changing the way a fashion brand operates. You know, sometimes we bring someone in and give them a tour of our office and we tell them how they can dream of something tonight and be selling it tomorrow, and the first thing they say is "this is fantastic, let's make our spring collection that we will deliver in six months." And we would be like, wait a second, you missed the whole point, there is no spring collection, what are you making *tomorrow*? That idea of a periodic collection is an old mentality.

We are proposing to run your business differently. Many people are saying now that the problem with fashion is that it is too fast, but honestly that's bullshit. If you want to make one thing a year, that's fine, but as human beings we experience things daily and interact constantly, and as an artist, you do not create once a year in one big pronouncement. It's what are you saying *today* to the people who care about you and

what you are making. We enable this.

**Technology has changed many industries, and turned them on their heads, from music, to publishing, to retail. Should traditional companies be afraid of your model, or should they embrace it and do the same?**

Well honestly, they should buy our technology; we want to be able to bring it to everyone in the industry.

**What does the technology you created really offer?**

What the industry needs to realize is that it can't look at every part of its business as independent, standalone pieces. The fashion industry is an integrated network, tying together every aspect of a brand's business, from the raw materials to production to commerce. We have built that integrated platform. You are right, music, entertainment and media have completely changed, because in the end, the product is digital and digital is easy for someone in technology to understand. If you go on Spotify, you stream a digital file.

However, with apparel manufacturing, you have to understand how an analog product that exists in the real world is designed and produced. You have to appreciate that making clothing, making art, and manifesting someone's vision is really hard, so you can't just send it off to some random factory and hope for the best. We have never seen anyone create a platform that integrates the analog and digital together more than we have. But, to build this, we needed to know how to make clothing better than others, and we needed to have the technology that enables the creation of a meaningful product.

**So you are the logistics behind the fashion brands?**

What's so breakthrough about our technology is that you can't separate the analog and digital aspects of what we do. You know, I can't think of a better metaphor than this, and it's kind of clunky and nerdy, but do you know the story of Iron Man? You have Tony Stark, this brilliant inventor who makes this Iron Man suit, and this suit makes him a superhero, but in truth, without the suit he is a regular guy, and without Tony Stark, the suit is just an inert heap of metal. It's when they are together, they become the superhero Iron Man.

**Are all of your brands online only?**

All of our brands are online-first because online is the most direct, most efficient way you touch your customer. But by being online-first, we really begin to learn about our customer and the brand we are building with all of the data we capture and learn from. Our entire infrastructure is based on a series of dozens of connected neural networks that learn how

*photography by Mark Mann interview by Christopher Austopchuk & Yelena Deyneko with Lawrence Lenihan, co-founder, Resonance*

our brands operate and begin to automate many of the overhead functions in a brand's business. For instance, one of our AIs that focuses on automatic replenishment orders based on website interactions, even before an order is placed, integrating the process flow all the way back to ordering and queuing the material that is needed to be able to create these products. The reason we have this artificial intelligence architecture is that all of this is too complex to be tracked and managed by a human. This technology didn't exist three years ago. It wasn't there before we started, and we couldn't have imagine this capability, and we couldn't have done this without Christian, one of our partners, who is truly one of the most brilliant technologists on this planet.

**Tell us about your team.**

Joe and I knew each other six years before we started this, and we had the same vision from two different sides: I am coming from technology and business construction. He is coming from manufacturing and how this business is going to change. In him, I found my long-lost brother. We were the seed investors in Tommy John, and it's probably the most successful online-first fashion brand that exists in the market today. Christian Gheorghie joined us a little more than a year after we started Resonance; he brought in a deep understanding of technology. He was the CTO of a company that I was a chairman of, and he built and sold it for \$400 million. I've known Christian for 15 years. When he joined us, he brought that kind of start-up culture back. We are building a team in the Dominican Republic: factory workers, engineers, analysts, programmers, and seamstresses. Our hope is that we're not just a bunch of gringos who are just talking and taking, but instead we are creating opportunities.

**What was the biggest cost up to now?**

We have invested \$5 million in our factory in the Dominican Republic. We have machines the size of buses and subway cars, which enable us to make the material for our clothing in real time.

**And your current six designers and customer orders are able to constantly keep those machines running?**

Yes. Soon we'll be running 7x24x365.

**What does AI do for Resonance?**

When the industry talks about AI, it really talks about designing and sewing robots. Our approach is the opposite. Our AI will never be designing clothing. What we are doing is creating an architecture where designers can create whatever and whenever they want, and AI enables all of the overhead processes that stifle design to be automated. We sold hundreds of units of different styles, and there were some styles that sold only one unit. That ability changes this industry and changes the dynamic, because we are getting rid of the management layers that are stifling the creativity within this industry and giving creators freedom to create.

**Why do you think AI cannot create garments? Don't you think it can calculate what people like and buy, and design based on that collected knowledge?**

Artists create, AI calculates. AI is only able to look at past behavior and predict what you'll like in the future, and artists don't think this way. Something comes into an artist's heart and head, inspired by their walk in a park or down the street, and it's something new, something that hasn't occurred before. And you might see this new design, an innovation and be surprised, be delighted by seeing something you like but have never seen before.

**You mentioned that Christian joined later. Was there no plan to have AI as part of your company?**

The magic of life is this path of learning, as you uncover one card, two more cards become apparent that you need to uncover and so on, and it just grows and grows. With that, problems grow, so it's about how sweeping a solution you find. Originally, Joe and I felt very negatively about the idea of AI because we always thought of it as designing clothes and running robots. And Christian just said, "No, that's not what I'm talking about; how about everything in the middle?" He opened our eyes and brought in a new voice, and a solution to many challenges.

**Do you ever have disagreements, and if so, how do you solve them?**

Probably one of the most important moments in the existence of our company occurred in a screaming match in the middle of the Santiago airport a year ago about our basic philosophy of what we are building. Christian calls this kind of dramatic disruption entropy. Entropy is disorder. We believe an organization must have entropy, a healthy one, because if you never disagree then someone is missing something, and for us it comes down to a really important cultural point: we want entropy in our organization, we want passionate people. But it isn't about who's right, it's about finding the truth. It's always good to be able to challenge and fight and learn. When an idea is attacked, it's not an attack on me or you; it's a challenge for us to fix something or create something.

The bigger the decision, the bigger the fight, because the consequences are of huge importance. It's our money, our reputations, our brands, our people on the line. These are big decisions about how we organize ourselves, about where we build, how we allocate our resources, how we attack the market—all monumental decisions for us. We want fearless people who will explore. And the answer is a moving target; it is not the same answer as it was yesterday because something new happened today. So in pursuit of truth we "fight" all the time, we push each other all the time.

**Let's talk about your partner, Norisol Ferrari. Did discussing her process of creating designs and her work influence your ideas or inform you in any way?**

Although I am biased, it happens to be true that Norisol is among the most talented designers on this planet. Look at the construction of her products and the chances she takes! She was the one who showed me that a truly creative person has an infinitely deep well of creativity and ideas, and the only thing stopping that is the bureaucratic overhead in this fucking industry. Norisol and the other designers I have met are so full of heart, but their focus is the art and design, and the more creative they are, the more they lack the ability to build a business. This was the driving force for Resonance: give incredibly talented designers and creators the tools to build a business that's as beautiful as their creative vision. Perhaps it's idealistic and romantic, but we really believe in this mission.

**Do you collaborate in any way? Is she one of the brands you work with currently?**

No. We've made some things for her, and we'd like to make more things for her, and there are other projects I'd like her to lead, but she has her own brand, and right now we need to bring our capabilities up so that we can satisfy her needs across everything and not just a sub-set of her products. But, she will always be an inspiration for us to be better.

**Can this model of helping designers help other creatives?**

Let's define the meaning of creator and designer. Creators create brands, they have a vision. Designers are employees. Not all designers are creators, and not all creators are designers. And it's a very important distinction. If you think about street wear, it wasn't created by some classically trained designer from Parsons; it was some kid from North Philly or the South Side of Chicago, and those are the people who will have the incredible vision that we want to grab and enable. We should eliminate the term "fashion designer" from our vocabulary and think of them as "fashion creators" or artists or artisans who are able to create these things that intimately touch us.

**It seems to me that the support you offer would be coveted by other creators, as you said they tend to be in need of business people. I wonder how this may translate for them.**

We can see every day how much what we are building is needed by creators. We look forward to working with more creators in fashion, but also creators who create in other media. Currently we are working with some artists who use fashion to enable people to interact with the art that they have created by also creating clothes people can wear. To them, art is not meant to be locked away by some wealthy collector; it's about connecting with people. Making fashion from your art brings it to life!

**What does your mantra "I know nothing" mean?**

I know nothing really means that there always is just so much more to learn because everything is changing every day, and we should not be stuck in our way of thinking or doing things. It means being curious, constantly exploring new possibilities, being open to new ideas, new connections. It really is the essence of our business, a philosophy that enables us to continuously evolve. It's this insatiable curiosity about everything that surrounds us, and we question, and we press, and we innovate, and we figure out how we can do things better, which is both, exciting and hard, especially in this industry, which in a lot of ways has not changed for a hundred years.

**Any other mantras, rituals, or beliefs?**

I think we live in a really special time, not special because it's happy and good, but because there will be huge amounts of change happening in all aspects of our life. Just think about automation! Many things will continuously become obsolete with robots or technological optimizations. Pretty soon, some jobs will no longer exist, like truck drivers and such. Instead, skills and creativity will be more highly valued, and people will have more time on our hands. Each of us will need to figure out who we really are as humans. How do we recreate community? How do we connect? How do we use this free time to make our life better? I think we will discover more about spirituality, more about nature. I think there will be a revolution in the materials we use, and I do not think it will be petroleum-based synthetics, but it will be about figuring out how to grow things that we haven't been able to grow before. I think there will be important businesses that will lead the way in all these changes. I really believe that with Resonance we are creating opportunities unmatched by anything before. You can do good and do well at the same time, so our goal with Resonance is help create jobs for people, opportunities for artists, enable the world to be connected through this medium of art: fashion. We believe that the art is just as important as the economics.

Clockwise:  
Joe Ferrara, Lawrence Lenihan  
& Christian Gheorghie



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