



NOAH KALINA

Ricky Van Veen (right) and Zach Klein

Turning Funny Into Money

By Jane Bianchi ('05)

Using business savvy and a sense of humor, Ricky Van Veen ('03) and Zachary Klein ('04) transformed a Web site into a multimillion dollar company.

When Zachary Klein ('04) was a little boy, grown-ups sometimes asked him what he'd do if he had a million dollars. His answer: He'd build a sophisticated tree house. And he and his business partner, Ricky Van Veen ('03), have done just that.

It all started in 2000 when Van Veen created a Web site called CollegeHumor.com with a buddy of his from the University of Richmond. They posted funny photos, videos, and articles online, and then convinced friends at their respective schools to add content, promoting the site via Instant Messenger and by placing ads above urinals in bathrooms ("viral marketing in its truest sense," says Van Veen). Soon word spread to other colleges, advertisers took interest, and a business was born.

Van Veen handled the editing, and his partner took care of the business negotiations. "But to run a Web site, you also need a designer and a pro-

grammer," says Van Veen, who majored in business with a concentration in information systems.

Enter Klein, a studio art major and photographer for the *Old Gold and Black*, whom Van Veen met through a friend. At the time, Klein was busy running his own Web site called ReptileShack.com, through which he sold exotic animals. But he did some side projects for Van Veen and impressed him with his artistic abilities.

"Zach can make anything look good," says Van Veen, who asked him to join the team as the graphic designer, along with another student from the Rochester Institute of Technology to be in charge of site development. Hiring fellow students and developing ideas at Wake Forest, says Van Veen, was one of the keys to their success.

"College is the perfect place to start a business," says Van Veen. "If you fail miserably, you go back to being a kid with a meal plan." Having no overhead allowed the boys to survive when the

bubble burst in the dotcom market. But another thing that helped: avoiding temptations that seemed too good to be true.

Six months after launching the site, they were offered \$9 million to sell the business to a company called eFront (which has since been plagued with scandal), but turned it down because it sounded fishy. Van Veen still carries around that offer as a reminder to keep things in perspective.

After graduating, the foursome had to decide where to base their business. "The beauty of running a Web site is that you can do it anywhere," says Van Veen. So they settled on San Diego. But after living next door to a house full of San Diego State sorority sisters on a street just a few blocks away from the beach, the guys found it difficult to concentrate. So in 2004 they moved to New York, "a city that matched, if not exceeded, our ambition," says Klein.

When they landed in the center of the media world, that's when things took off. "In California, we had to explain ourselves a lot," says Klein. "But in New York, when you say you work for a dotcom that has an audience of six million unique users a month, people understand—and they pay attention." Soon they were written about in such well-respected publications as *The New York Times* and the *New Yorker* magazine, and deals with major companies, such as Penguin and Paramount, followed.

Before they knew it, the Web site spawned multiple offshoots. CollegeHumor.com was no longer just a Web site—it was a brand. They published two books: *The CollegeHumor Guide to College and Faking It*. Plus, they scored a movie deal. A screenplay is currently being developed by two of the writers from the NBC sitcom "The Office," which will be about what a college kid experiences when he comes home for winter break.

And that's not all. The business, which has grown from the original four partners to over fifty staffers, now also includes a clothing line called Busted Tees (shirts that display jokes developed by staffers), a live comedy tour that travels to college campuses across the country, and a video-sharing Web site called Vimeo.com.

The company, which has evolved into so much more than just CollegeHumor.com, is called Connected Ventures (CV for short) and in 2006, the partners

sold a majority stake to media mogul Barry Diller's InterActiveCorp, which allowed them to move to a brand new 17,000-square-foot office in the coveted Union Square area of Manhattan. When faced with multiple investment offers, choosing IAC was a no-brainer. "Editorially, they let us do our own thing," says Klein. "But they help us make transactions because they have so much clout and access."

But don't think for a minute that these quick accomplishments have eclipsed what triggered all of this in the first place: the guys' sense of humor. "Ricky is twenty-six going on twelve," says Sarah Schneider ('05), a former member of the Lilting Banshees comedy troupe and a media planner for CV. "One minute, he's on the phone with an executive, and the next, he's sending a mass e-mail in which three quarters of the words are abbreviated." Goofing around is nothing new for Van Veen, the class clown of his Timonium, Maryland, high school who was once sent to the principal's office for dressing up like Where's Waldo in a senior photo (administrators alleged that his cane could have been used as a weapon).

So it's important to the guys that the company culture remains playful. Since there is no dress code at the office, instead of a "casual Friday," the guys enforce an occasional "formal Friday" for fun. They also created the "Thursday Night Hang," where the staff gets together after work for an in-house happy hour to play ping-pong, listen to music, and chat.

"CV is more than just a company; it's a lifestyle," says Klein. "Most of our employees are friends with each other, and a good number of them live together." And some weekends, they even throw CV parties, which often have themes. For instance, there is a Rubik's Cube party in the works. The gist: each guest must arrive wearing six different colors—a red shirt, blue pants, a yellow hat, etc.—and each must leave wearing a single color.

But what these twenty-somethings have achieved is no joke—and their experience at Wake Forest, to which they both applied "early decision," helped foster their talents. "It was the perfect incubator, because if you showed even a hint of passion in a particular area, like entrepreneurship, professors, such as Page West, would go out of their way to form personal relationships with you," says Klein.

Wake Forest also taught them how to protect their pennies. "Professor Thomas Goho's 'million-dollar lecture' on how to invest was the most useful thing I ever learned," says Van Veen.

Money management is yet another reason they're living large—they only spent what they could afford. "When we started, every expense was a group decision," says Klein, who was once chided at dinner with his partners for ordering spring rolls with his meal, breaking the team's entrée-only rule.

Now that they have some breathing room, the guys do order appetizers now and then. They also spend money on others. Klein recently purchased a painting by author Dave Eggers as a fundraiser for his publishing house, McSweeney's, and is considering buying apartment space for burgeoning artists in his hometown of Fort Wayne, Indiana, so they can work on projects without worrying about rent.

Klein is never short on ideas. He has so many, in fact, that he's decided to leave the company as a partner, but remain tethered to it as a consultant. "I'm content with my achievement at CV," says Klein, "I just want that 'startup' feel again."

But it won't be a tearless goodbye. "One of the unanticipated and stinging side-effects to building a stable business is that when you leave, it goes on without you," says Klein.

Luckily, Van Veen will still be there to steer the ever-growing CV ship, and he hasn't lost sight of what initially attracted their audience. "When kids used to come home from school, they'd turn on the TV, but now they go straight to the computer," says Van Veen. "So our goal is to base their entertainment experience around CollegeHumor.com. If we keep it up, I don't see why we can't become the next Comedy Central."

The only thing stopping them might be getting evicted from their offices, which they share with more established tenants who don't wear denim quite as often. Van Veen and Klein recently got an angry letter from their landlord, who asked them to "cease certain behaviors," such as spinning too many times in the lobby's revolving door. But when you've built a sophisticated tree house, you can't forget to play in it once in a while.

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