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Kobe Bryant Invests Millions In Sports Drink BodyArmor

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Kobe Bryant is sidelined for the season, but is getting his post-playing career off the ground with Kobe Inc. (Photo credit: Kevin C. Cox/Getty Images)

Kobe Bryant has awed fans for nearly two decades while racking up 16 All-Star nods and five championship titles since he entered the NBA out of high school in 1996. His relentless drive and pursuit of perfection helped him score 31,700 career points—fourth highest all-time. But as Bryant ends the end of his playing days, he wants to take that passion into the business world.

With that in mind, Bryant set up Kobe Inc. last year and Sunday he talked to Forbes about his ambitions. “Kobe Inc.’s mission statement is to own and grow brands and ideas that challenge and redefine the sports industry while inspiring the world,” says the Los Angeles Lakers’ guard.

The first investment for Kobe Inc. is in emerging sports drink BodyArmor. Bryant categorized his investment as “substantial” and says, “I put my skin in the game.” Bryant will sit on the board of directors and own more than 10% of the company, according to one source familiar with the negotiations.

His investment makes him the third biggest shareholder behind co-founders Mike Repole and Lance Collins. Bryant's investment is expected to be in the \$4-6 million range. "The model has always been for entertainers to get sweat equity, but I wanted to progress beyond that," says Bryant.

BodyArmor launched in 2011 and generated \$10 million in revenue over the past 12 months. Sales more than doubled each of the past two years. Each of the six flavors contain coconut water, two and a half times the electrolytes of traditional sports drinks and are low in sodium.

The company has more than 100 investors, including high-profile athletes like Buster Posey and Andrew Luck, who both wrote checks for their stakes in BodyArmor in addition to endorsing the company. BodyArmor has made an effort to ink young superstar pitchman, like Kevin Love and James Harden from the NBA, as well as baseball's Mike Trout (Repole says Bryant will not be used in marketing campaigns). The young stars are a strategy to contrast BodyArmor with mainstay sports brands like Gatorade, whose endorsement roster is heavy on veterans like [Peyton Manning](#) and [Derek Jeter](#).

Bryant discovered BodyArmor last year while rehabbing from his torn Achilles tendon. "This product can be very disruptive," says Bryant, who thinks the current sports drink market dominated by Gatorade and Powerade has become "bland with no innovation."

Bryant will be involved in all aspects of the business, according to Repole. Bryant says he wants to focus on the marketing and branding of the product. "I really enjoy framing the story of a brand which is what I have done with Nike for years with my product," Bryant says.

BodyArmor founders Repole and Collins have already hit it big separately in the beverage industry. Repole co-founded Vitaminwater, which was sold to Coca-Cola for \$4.1 billion in 2007. Collins sold Fuze Beverage and NOS Energy Drink to Coca-Cola for \$250 million the same year. BodyArmor is available in 20 states now at convenience stores and colleges. Repole says he expects it to be in all 50 states within two years.

As for his business future, Bryant says he has been formulating plans over the last 13 years. "There is finality to my career and now is time to put those plans into motion," he says. Bryant says he learned valuable ownership lessons early in his career from his short co-ownership tenure of Italian basketball club Olimpia Milano. "I learned not to have ownership in something that you are not going to be able to oversee and manage," says Bryant. "You need to delegate, but ultimately it must be your vision that is driving things."

Bryant wants to target sports and media companies with his future investments. He credits his agent, Rob Pelinka, for teaching him about reading contracts and other nuances of the corporate world. “He has helped me learn the business every step of the way from day one,” says Bryant regarding Pelinka. Bryant says he has been cold-calling business leaders for years, from CEOs of big public companies to startups that hit it big, in order to pick their brains. He declined to name any of the “Buddhas” he’s talked to, but adds: “I’ve done nothing but sit around and call and learn and listen.”

Bryant has built up a sizable war chest to invest thanks to \$280 million in playing salary during his career and another \$300 million from endorsements. His current endorsement partners are Nike, Turkish Air, Smart Car, Lenovo, Hublot and Panini.

Bryant has missed all but six games this year as he rehabs from his Achilles and a left knee injury. He is under contract with the Lakers for two more years after signing a two-year, \$48.5 million extension in November. Bryant plans to at least fulfill that contract before moving on full-time to a second career in the business world with Kobe Inc.

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