

All right.

Quick break to tell you about another podcast that we're interested in right now, HubSpot just launched a Shark Tank rewatch podcast called Another Bite.

Every week, the hosts relive the latest and greatest pitches from Shark Tank, from Squatty Potty to the Mench on a Bench to Ring Doorbell, and they break down why these pitches were winners or losers, and each company's go-to-market strategy, branding, pricing, valuation, everything.

Basically all the things you want to know about how to survive the tank and scale your company on your own.

If you want to give it a listen, you can find Another Bite on whatever podcast app you listen to, like Apple or Spotify or whatever you're using right now.

All right.

Back to the show.

Okay.

We're live.

Before we get into this, do me a favor, everyone.

Google My First Million iTunes, leave a review, and then me and Sean will read the reviews tomorrow and tell us what you want us to talk about, so you guys can give us some ideas.

I've been reading the reviews a lot.

Yeah.

You just tweeted out a great review.

You want to talk about that?

Yeah.

So someone tried to insult Sean and I, and they said, I don't have it up.

I got it right here.

Two-star review from Gliding Over.

It says, these two hosts are an amazing example.

That's the bold part, because it bolds like the headline, and I was like, this is great.

What can go wrong?

So it says, these two hosts are an amazing example of how someone could be totally mediocre, below average in everything, and still achieve unreasonable success if they are free of self-doubt and shameless enough.

Yeah.

So this review person clearly tried to insult us as being confident when we shouldn't be confident.

I got to say, pretty well done insult too, right?

A little, you know, a little no-look insult, a little no-look pass.

I thought it was great.

And I tweeted it out as like a smug way to be like, you know, FU, we don't care.

And it's been re-tweeted and clicked on like five or, I don't know, how many, 500 times maybe.

And people thought I was like serious and it was like an inspirational, like just do it.

Which that's not what I was going for.

## [Transcript] My First Million / #121 - So You Made \$100m...Now What?

You tweeted out, you go, yeah, 100% this guy's review of my podcast just summarized a lot of what I believe.

You can suck at so many things and still crush it if you're confident.

I don't get why this is a two-star review.

That's okay though.

Thank you, listener.

I think people were like, you know, like kind of like defending slash like sort of like taking it as an inspirational moment, although you were just trying to be a smart ass, which is great.

Yes.

It was a smart ass comment.

That's okay.

I read our reviews constantly and that's like been the easiest way to understand what we should make each week.

Right.

By the way, do you want to recap anything that we did in the last 10 days?

I feel like we've had a pretty strong or interesting 10 days.

Yeah.

Fucking guest game strong, man.

We had the president of Shopify.

We had CEO of a Lambda school.

We had Josh Elman, who's like kind of like a growth God in Silicon Valley.

Do we have anyone else?

Trump tax lady.

We had the Trump tax.

We had tax girl.

Come on.

Who else do we have?

We had one more, I think.

I'm forgetting somebody, but yeah, we went hard on guests, which is always like, you know, fun, but bad at the same time.

Like I love having different people on than at the same time.

I feel like it doesn't have that same tempo that we usually get with the idea of kind of riffing because we're we're self-sufficient, which is important when we have these guests.

We're definitely reliant on their goal, but a few head highlights were what's the Lambda school guy's name?

Austin.

Yeah.

Oh, great dude.

Really like him.

He's a smart ass online, but he's a great guy in person.

Yeah.

What was like one of the things you remember from that?

I know one where you were like, what are the odds that this fails?

And like, you know, they've raised their series C. They've raised like hundreds of million, 150 million bucks or more.

And he was like probably like 50%, which I think was honest and probably surprising answer for a lot of people of like, look, there's still a 50% chance this just flops.

This this this fizzles are more likely not fizzle like crash and burn.

But you know, I asked him in this podcast, I said, you know, with this business, like if it doesn't do well, it's just going to make like pretty good revenue and pretty good profit forever.

Right.

If it does well, it's going to maybe going to be huge.

What about you?

You mean?

Yeah.

Yeah.

I was like, what about you?

What?

What's like the low end, high end, mid end outcome?

And he goes, well, it's probably like it's maybe going to be massive or it's going to just completely bankrupt.

And I was like, oh, okay.

Awesome.

That's the name you're in.

Yeah.

I like that.

I also liked how he told me about the ACT and SAT business.

I actually did research on this.

There's a business, there's a company launched by this young woman who used to work at GLG that consulting thing.

And I forget the name of it, but they've raised a lot of money and they're trying to build a new standardized test.

So I think that's bold and I love that.

So that was my highlight.

Let me look it up.

Okay.

So the other thing I liked from his was the Mormon mission.

Like I don't know if we spent way too much time talking about that, but that was the most interesting part to me where, you know, I'm just like, that's not my world.

You know, he's, you know, I've never, I've never considered doing a mission like that.

I didn't know what actually it entails.

I knew people go on it, but I didn't know like, so how does this shit work?

And he was like, he made it sound like it's fucking like Harry Potter where it's like, you know, an owl comes in with a piece of paper and now you get, you read the piece of paper.

You read the Ukraine and then you go to Ukraine and you need to first learn to speak Russian

and then convince, you know, some number of people, you know, that Jesus is it.  
And I was like, whoa, that's, that's an insane thing that like is just normal in your culture, in your life.  
And also what an insane amount of like discipline and resilience and like, what a formative thing to do where you're like, okay, I have to sell one of the hardest things.  
I have to live alone, I have to learn a new language, I have to do this 12 hours a day.  
That's not easy.  
And I thought that was like really interesting as a bootcamp for, you know, future business.  
Yeah, I liked how he was talking about that.  
I just found him to be a very, almost like a common man, like an everyday man, but at the same time, very stoic, pretty brave.  
He was definitely an inspirational character.  
And that company's called Embellis.  
And without doing too much research, it almost is like they're using video games to like come up with like a test to see how smart you are, something like that.  
I oversimplified it, but raised a lot of money.  
Probably don't make your standardized test service sound like the word embellish, but okay.  
Yeah.  
And then we had Josh.  
The application fees thing.  
Yeah.  
House, you know, some colleges bring in 10 million bucks a year just on application fees.  
Yeah.  
And he was like, there is no solution or something like that.  
I also liked Josh Elman.  
Josh Elman has done a bunch of interesting things, but he's worked with a lot of Titans and I found that to be incredibly fascinating of him working with those types of people.  
And I felt like a douchebag because I was like, all right, Josh, enough about you.  
Tell me about all the people you worked with.  
Hey, thanks for coming on.  
We'd love to talk to you about the great man you've been surrounded by and hear what they are like.  
Yeah.  
Everybody loves that, right?  
It was so interesting.  
Yeah.  
And he's a good sport about it.  
He didn't mind that the attention wasn't on him, which I think is like kind of what you need to be to be like, all right, I'm going to have a big impact, but not be the CEO and founder is like, you kind of have to be low ego in order to do that role and have that career.  
And then, you know, he didn't take it personally when we were like, hey, tell us about the

hero founder.

Like we want to know what they're like, too.

I thought that was great.

He was insightful.

We have a few topics, one that you just put on, but I want to talk about.

Yeah.

Okay.

So it's a go ahead.

You're talking about Hoppin.

Hoppin.

Okay.

Yeah.

I put on this sheet.

This is what you guys missed before we started recording.

I wrote Hoppin, two billion and Sam's like, Hoppin the events thing.

No.

What?

And so what?

Why was that your reaction first?

It's we're saying it well, it's hop hoppin H O P I N.

Yeah.

What am I saying?

I said something else.

I said it wrong.

I think I said it wrong.

So what?

Why did you write two billion?

What's going on?

They're rumored or reported to be raising at a two billion dollar valuation.

And this is within 18 months of launch.

What?

Okay.

So David, Dave, the guy who helped start it, I think he's a co, he's a co-founder.

I don't know if he's like that guy or second, he's the, let's say as co-founder.

He wrote for me for trends when we first launched.

Wow.

Okay.

So the, the CEO is this guy, Johnny Borofarat.

I don't know how you say that.

So who's Dave?

Tell me about Dave.

What was his last name?

Let me, I forget his last name.

He was just a, he wrote, he was a freelancer.

He's in the trends group and I met him online because he had this medium.

Dave's schools.

Dave's schools.

Dave's schools.

Is he the founder?

He's a head of marketing.

And I thought it said co-founder on his LinkedIn.

Let me see.

Head of marketing.

Let's see.

Sorry.

Oh, it says head of marketing.

Before it said co-founder.

In fact, like that's, like, I love you and you're great and you're definitely part of like the early team, but like, let's come up with a word that like, like, don't, don't do, I've done that before where I oversold what I did before in the past.

And I'm like, trust me, it's a slippery slope.

You don't want to do it because the place where you're trying, no, okay.

So what's interesting about Hoppin is, uh, obviously COVID shut down the kind of conference industry, uh, globally.

So there had to be something, right, zoom and zoom or something better than zoom.

That's for conferences.

And I saw this because there's this guy, do you know Semmel Shaw?

Yes, I do.

Well, I don't know him, but I know who he is.

I don't know him personally either, but, uh, you know, fellow brown guy in tech.

And he does this thing every year where he tries to call one breakout company.

So I'll just take you through.

So like, you know, to be clear, these are companies that are always already doing well, right?

So he's not like calling them before they're doing well.

But he's basically saying like, of all the companies doing well this year, this is the like the golden goose company, uh, that's, that's really breaking out.

So 2012 he picked Stripe, 2013 he picked Snapchat, 2014 he picked Slack, um, didn't do 2015, didn't do 2016, 2017 he did Coinbase, um, 2018 air table, 2019 was superhuman.

And for 2020 he picked Hoppin.

Yeah.

Good hit rate.

100%.

He's right.

Every single time.

And even if you had invested in all of those at that time at whatever high valuation they were, you still would have been, you still would have done great because they've, they just continued to grow like monsters, maybe not superhuman, but.

So it's interesting because the, uh, conference industry basically got slammed with COVID. Something had to come about, come out as a solution.

Whole bunch of people tried.

It looks like this is where the momentum is going is to, is to Hoppin.

I didn't know about this.

I didn't realize this was getting that big, um, like a \$2 billion valuation in such a short, short amount of time is pretty incredible.

And I haven't used it yet.

Have you?

Yes.

Uh, I tried signing up.

I tried making an event for us when you and I were on that kick.

We looked at run the world and we looked at Hoppin and, um, frankly, I couldn't figure it out.

Run the world.

Sorry folks.

It was not good.

Um, but they were early.

So it might be a lot better.

Hop, Hoppin looked a lot cooler, but it was, when did we do this?

It was like, uh, right at the beginning of COVID and Hoppin really wasn't that good either yet.

Right.

And so, uh, so they, they seemed to have 10, they said they had tens of millions a year in annual recurring revenue, uh, already.

And, uh, I think they had like hired 150 people this year or something, something insane going from like 10 people to 180 people.

Um, so, so.

Where's this data coming from, from their deck?

This, uh, no, this was in like the news when people were talking about, um, how much revenue do they have?

It said tens of millions in ARR.

That's what I saw.

I don't know.

Um, what that means.

So this is, what's interesting to me is that, um, this is like a lesson that I hate.

It was hard for me to learn and I bet, I don't know, for sure it was hard for you to learn.

It was expensive for you to learn, which was that the market is far more important than your product.

And it doesn't matter how cute or how cool you want your shit to be.

Yes.

The market will pull it out or it won't.

Another way of putting that is as a founder, you like to think that you are the, the controller, you're making shit happen.

You are a, you are a surfer and you're catching waves and, uh, you're trying to surf that wave and like, yes, you don't want to get eaten up.

You got to be good at surfing and you got to know how to time the waves and whatnot.

And, um, the, the size of the wave matters a hell of a lot more than, uh, you know, how good you are as a surfer.

And it doesn't mean that you can't make other stuff work.

Like for example, like the market for like sushi is not like crushing it or growing like crazy, but it's like big enough that you could, you could brute force your way and make something badass.

Um, same with Bebo.

You could, you could have figured out some way to brute force your way and make something mildly successful, but, um, with the market wants the market wants.

And I remember using Coinbase or no, Binance, you know, Binance, it's the, I don't know what it is.

What do you call it?

It's a crypto exchange.

Um, that's, uh, based in Asia.

It's one of the biggest ones.

I think it is the biggest one.

And at the time, when I used it in 2014, when crypto was all the rage, it was really bad.

We were all using it though.

And I, and, uh, same thing, but this happened.

By the way, I got this wrong.

I said 18 months.

It says in less than 11 months and to end, they, uh, raised their seed round a very expensive A round.

And now another round valued at \$2 billion pre-bunny and, uh, they went from zero dollars in revenue to tens of millions of dollars in revenue, um, already this year.

That's, that's just so crazy.

And so this is just proof that like, even if your product is kind of shitty, if people truly need it and there's no other option, they're going to, they're going to come to you.

Yeah.

So here's the, here's like the idea.

We're going to use this.

Um, there's a whole bunch of other kind of like COVID affected, um, businesses that are out there.

And the one that we've talked a little bit about that I've actually been trying to pitch this one team that I advise to like go after is trade shows.

And so trade shows are similar to conferences, but they're different in some key ways.

What's happened to everyone?

Today's sponsor is kind of strange and I'm going to tell you why, but first let me tell you what it is.

Uh, today's sponsor is azeris A Z O R A S.

It's one word, uh, it's a YouTube channel.

So YouTube.com slash azeris again, A Z O R A S.

Uh, it's a YouTube channel that teaches you how to master your personal finances and take actions.

So if you just check it out, what you'll see is stories from inspirational people and how they got there and the lessons they've learned along the way, Hamilton, the founder, he's going to give a lot of practical advice on building big businesses, uh, creating wealth for yourself.

And as a bonus, you're going to see how Hamilton's doing it himself.

He has a large mortgage company and it's pretty interesting.

So go ahead, check it out.

Azeris A Z O R A S.

Just Google azeris YouTube and you'll find it.

It's a badass, um, channel.

And the reason this is weird is, uh, Hamilton Keats, the guy in the video who you're going to see the founder of this mortgage company, he's a listener and, uh, he actually emailed me wanting to just do whatever I asked him to do.

And I turns out I didn't reply to the email.

So he somehow got in contact with us as the sponsors channel channel.

I love the hustle.

So check it out.

Azeris A Z O R A S, uh, YouTube channel.

So just Azeris YouTube.

You'll find it.

There's a lot of people I know who've never been to a trade show and they don't know what the hell it is.

They just think it's kind of the same thing as an event or a conference and it's not, uh, right?

It's this place where business happens.

So you get vendors and then you get like sort of, you get wholesalers and retailers, right?

You get vendors and you get buyers and people are looking for, okay, you make this product.

Cool.

I want to sell a product like that in my stores, my distribution.

And, um, and so, you know, I've been to a whole bunch of different trade shows and, uh, it just as a simple example, there was a, about, I think I've told this on the podcast about a year ago, I wanted to run a quick e-commerce experiment, uh, a drop shipping experiment because I never done drop shipping and I wanted to actually try it, uh, because like part of the drop shipping sucks because of like many reasons.

One of the good things about it is really easy to start.

And so I spun up a drop shipping experiment around, uh, I think I told you this crystals that I tell you about this.

No.

Yeah.

Yeah.

Yeah.

Yeah.

You did.

It sounds horrible.

So basically there's a whole bunch of people, especially Hollywood celebrities and females like Adele and Gwyneth Paltrow and stuff that like really promote the shit out of crystals.

I just watched the UFC like, uh, you know, first episode for the bike and Jared Cantoneer, the guy fight and Robert Whitaker fights with crystals.

If one of you fights with him, he keeps them on him.

Like when he trains, he like sets them down at the mat and like, I don't know, like you use energy.

I don't know what you do when he like worships them or whatever the sort of crystal energy, crystal healing, all the stuff.

Frankly, I totally didn't believe in it, uh, but I was like, okay, you know, let me try this experiment.

Anyway, so the long story short, uh, I'm like, okay, where do I get crystals from?

I need a supplier of these, who am I going to buy from to drop ship?

And, uh, and, and I found that the only way to do this, the best way to do this, like you can go through like kind of Alibaba or stuff like that.

But the best way to find a good supplier is to go to the gem, gemstone trade show in Tucson, Arizona that happens twice a year and has like 65,000 attendees who each pay, you know, for their ticket, they pay for their travel, they pay for their hotels.

Then they go, then they get there and they're basically looking to buy.

And so there's just huge amount of like transaction and commerce that happens at trade shows.

And I think somebody could build hop in for trade shows.

And I think I've told you once about the, the experience I saw in the Alibaba app.

Did I tell you about this?

I had this magical experience.

So the biggest trade show is called the Canton fair.

It happens in China.

Yes.

It's like millions of millions of people go, it lasts like two months or some crazy shit.

It's like hundreds of football fields long.

So you like start on one end and you're walking, it's like, oh, we make socks.

And there's like 2000 sock manufacturers and then like you get, you get out of the sock part and it's like, now we do pants and then you like find a hundred pants suppliers and then it keeps going.

And you know, by the end, you're at electronics and like dildos and crazy shit.

And so the Canton fair got shut down this year, obviously, because of, you know, the quote unquote China virus.

And so they were like, okay, how are we going to do, like, how are we going to do, how are our Chinese manufacturers going to still do business?

And so Alibaba in their app, and you know, I'm probably one of the only people that has

Alibaba on their like homepage of their, their phone, I opened it up one day and it was like trade show happening now and I clicked the button and it took me on this virtual escalator. And it's like, what floor do you want to get off at electronics, fashion, babies, like food?

And so I hop off at electronics and it loads basically like a Tik Tok screen.

So it's like a live video full screen of this woman and she's at her booth at the actual fair, but there's no guests.

So they lined up all the vendors and booths, the booths are like 10 feet apart.

So they're all socially distant.

Each person had a webcam in front of them, like a set up webcam by the, by the, the trade show and they were doing a live stream with their products.

And then I could be their catalog was at the bottom and I could touch an item on the catalog and like inquire and then she would, she would be like, she'd see it on her screen and she'd pick it up and be like, Oh yeah, you want this foot massager?

Yeah.

Look, it's pretty great.

It was a real lady.

It was a real person live.

Yes.

Exactly.

And so I'm touching her catalog and she's showing me what items that they have and like pointing out the specs.

She's gonna ask a question, be like, Oh, like, you know, what's the qual, what's the price per unit on this?

And she's like, well, I'd love to talk to you like hit the exchange business card button and then we'll be able to DM each other.

But for now, you know, roughly we have three models, the premium and this and that.

And I'm like, what the fuck is going on?

I didn't need to fly to China.

I didn't need to go to the Canton Fair.

I didn't need to like, you know, get an upset stomach from eating food, you know, in China in the next three weeks.

This is amazing.

And so I was like, this is what like, okay, Alibaba did that for their own suppliers, but like, who's going to give that to the Tucson gemstone trade show?

So I think that's a great idea that I've given away on board.

You want a history lesson here?

I asked everybody to look this up.

This is what I do.

You know what Comdex is?

Never heard of it.

Okay.

So you know who Sheldon Adelson is?

Yeah.

He's like a Vegas casino guy, right?

Yeah.

So Sheldon Adelson pretty controversial because he's a very, very, very pro Israel to the point of like, I think he's one of the biggest funders and he like buys newspapers in order to promote Israel stuff.

So a little controversial for that reason.

But beyond that, he, what did he start?

Was it the, does it say on here?

Was it the Bellagio?

Whatever the biggest hotel group in Vegas, he started it.

He's probably worth 30 or \$50 billion.

He started the Las Vegas Sands Corporation, which I think owns like, you know, a bunch of, it owns Venetian, it owns a bunch.

So Sands, which is like one of the largest hotel groups in the world.

It's basically casinos and hotels.

They have the Sands, China, they have like everything, whatever.

He's just a big boss.

The way that he started that was he started this thing called Comdex, which was a trade show.

It stood for, it was like personal computers.

He started it in the 80s, eventually he sold it for a billion dollars to SoftBank and it was renamed CES.

And I learned about him because I was very curious about him.

And he, so he started this trade show business and it got to be so big that in the 90s or in the 80s, before Vegas was, I mean, it was right when Vegas was kind of taken off.

He was like, man, we got to build our own hotel to house all these people.

And so he built like, I think it was the Las Vegas convention center, and then he built like a hotel and that is how he got into hotels that all started with trade shows.

And what he said, he goes, people never understood this jump from trade show business to hotel business, but he goes to the same thing in the trade show business.

I'm in the real estate business and I'm selling real estate to vendors at X dollars per square foot.

Look at this picture, doesn't this guy just look like a 33 billionaire?

Yeah, I mean, he's he and he's known for being like super cutthroat.

I mean, he's just like a poor, hardworking immigrant who like takes no shit.

So good with the bad.

Anyway, he also made the largest single donation to Trump, five million dollars.

Yeah.

He also bought a Las Vegas newspaper like, and they say that he did it just to promote Israel, Israel stuff, which no judgment there.

I'm just kind of saying what what he did was he's being accused of what he's known for.

But pretty interesting guy.

And it all started with trade shows.

So I'm very bullish on trade shows.

I love trade shows.

I've written about it on trends actually a lot.

There's so many companies that are way bigger than you think there's this one guy who started this business called Money 2020.

Have you heard of that?

Yeah, that's the it's kind of like the fancy.

I thought it was like a conference.

Maybe I got that wrong.

It's a trade show.

Okay.

And it's for people like Stripe and anyone in finance tech.

And he sold it for two hundred and fifty million dollars two years after starting it.

And then he did it again with shop talk, you know, shop talk.

I've heard of it.

And it's a former tech guy.

This guy and his partner worked at Google and they were techies and they go, well, fuck this.

Let's try this trade show thing.

And they just like created this template.

Okay.

So what's the I know you've written about this.

So there's a blog post you wrote, I think for trends or maybe somewhere that.

Yeah.

If you go to plug it, go to trends, sign up, get the dollar thing and then type in trade shows.

So give us the how do they make their money?

Is it the attendee like kind of ticket?

Is it the vendors booth?

So you do it one of two ways.

What you do is you get either the tickets or the vendors to pay profit or to pay your cost and then you make the profit off the other half.

And so, and so what you'll do is it's all about unit economics.

So you say, you know, how many, what would the average sponsorship be?

Now, how do I get all of them here?

And then how do I get vendor or attendees to make it worth their while?

And so, for example, some events, this is not like a conference.

You don't always want to do a conference where it's like, you charge \$5,000 a Ted talk, you know, Ted doesn't make profit, you know, that, that doesn't do that well.

I mean, it makes good revenue, but it doesn't like make that much money.

The real money's in the trade shows and the goal is that you have to make it and so the speakers at your trade show, all those do, all those do is pull in like-minded people and then all the money is going to be made over the transaction.

So you need people to gather in order to transact.

If you don't have that, it doesn't make a lot of money.

Hustlecon was a good conference, but it's not massive because there's no transactions. You have to have that transaction because you have to justify it to the vendor that if you come, you're going to get more business, therefore, it's very easy for me to say it costs \$5,000 a day for you to do a 10.

Right.

Right.

And so the economics typically are that the, that the vendors that you pre-sell pay for the hard goods of the event and then all your profit comes on the back end with the tickets.

Right.

And now let's say you're, you're my friend, James, and James is a, James, here's this idea, he's like, oh, shit, I heard Sean and Sam talking about trade shows and the hop-hop in \$2 billion.

Oh, let's smash those together.

I'm going to build the trade show, you know, app that Alibaba think that sounded cool.

How would you go about actually, like, where would you go from there?

You get the idea.

Give me your next three moves.

I would have to remember one word, liquidity.

Liquidity is the word I would obsess with is how do I get liquidity?

And what liquidity is defined as is transaction.

So lots of vendors, lots of buyers.

What do I do to get liquidity?

Without that, it ain't shit.

It's worthless.

Well, that's, that's to run a trade show.

I'm saying, let's say you want to be the hop-in to trade show providers to say, hey, use this for your trade shows.

How would you go about that?

Well, you have to help me get liquidity.

And what liquidity means is eyeballs or attention of the right people on your computer screen.

And you have to make it really easy for them to transact.

So what would I do?

First of all, I wouldn't do this as like a zoom thing where you are just sitting there watching people talk.

That is not what I would do.

I wouldn't just, you know, make a, make a conference online.

You'd have to reimagine the experience sort of like Ali Baba did.

What would I do?

It's really hard.

I will say that I do think it's a multi-billion dollar problem.

I don't know.

What would you do?

Let me think.

## [Transcript] My First Million / #121 - So You Made \$100m...Now What?

I think the first thing I would do is I would be like, okay, who are those guys that did shop talk in 2020 sounds like they came from tech and they do trade shows and maybe, maybe I should talk to them.

And what I would talk to them about, I'd say, hey, what are you doing for your trade shows in 2020 and 2021?

Are you, are you guys still doing it or like, what do you, what is your current alternative due to like kind of the COVID situation and has your business been affected by the fact that people are afraid to travel or not willing to travel or your venues might get canceled if there's an outbreak or whatever.

So I would first try to understand that.

So I would try to talk to maybe five trade show organizers and I would ask them about how their business is doing and what's at risk due to the changes.

And by the way, to piggyback off that, I would not talk to the most popular.

What I would talk to is the apartment Southern California apartment landlords trade show.

I would talk to the crystals trade show.

I would talk to, right, not CES, not money 2020, not whoever, right?

And in order to find those, you look up the company Informa and you look up the company.

I forget, there's a couple of them.

If you Google Blackstone trade show acquired, there's a company that Blackstone for trade shows just bought.

I would look at all the boring ones.

And so you find these boring, maybe start with the small ones.

I would start first talking about the problem, see if this is even a real problem, see if they're interested in something like this, see if their business is being affected.

If it is, then I would try to figure out, how do I attend a trade show?

So I would be like, what's the next trade show I could attend to actually just go observe this?

And then the third thing I would do is I would scrape a list of as many trade shows as I can find and I would cold email them and I would say, hey, I heard about your trade show looks awesome, but with COVID, I know that things are quite uncertain.

Have you thought about taking your trade show online or doing a digital trade show?

You can actually get more people to attend, make more money, and have way less cost and risk.

Let me know if you'd be interested in doing that.

That's what we do as a company.

I'd love to talk to you about it or show you how we do it.

And I would try to see what the response is to some cold email to a list of 100 trade show organizers.

And then I think after I did all that, I would know a lot more.

I'd know that this is either a terrible idea for these reasons or it's a good idea, but it has this big risk or this big obstacle.

And that's what I need to focus my energy on overcoming.

One thing that all these event people are turning to, and I think it's a great idea, is they're turning their events into online communities.

And I think that's the way to go.

And I will say that there is an interesting opportunity there, but the downside is that you're competing with Facebook and they're doing a very good job at that.

So it's an interesting problem.

Yeah, I like it.

Okay, what else?

What else we got?

Yeah.

You want to talk about, okay, so here's, I first, you have this thing called Astro.

And I kind of, I got a story about that.

The founder of Astro was introduced to me via cold email, like in cold intro.

And the guy who introduced me, I don't know him.

And I was kind of rude to him.

I was like, do I know you?

Did I say this intro was okay?

I was in a bad mood.

So I hate when people do that, but so that's how I heard of Astro.

What's Astro?

Yeah, I actually, I wrote that a while back, so I don't really know too much about it, but it's basically, it's a debit card to support creators.

And so, you know, I don't know what they're, there's a few people that are trying to do this, basically trying to provide financial services to creators, whether it's like funding or it's like a Patreon type service, or it's this, which is a debit card for creators, or like, how does a YouTuber get a buy a house while the traditional banks don't know how to value their YouTube channel, they can't get a mortgage.

So like, maybe we could do mortgages for creators.

Like, I think that's a very interesting space, but it's one of those where my spidey sense starts tingling and it says, I think this sounds like a good idea and maybe a bad idea.

And so that's, that's where I'm at is not the very informed opinion.

I hear you on that and I would agree that that could be the case in some of these examples. But let's play the other side, which is why it is example.

It is interesting and I'm going to be a little ignorant here, but I think the way the business model works is that mastercard gets what 2% per right, there's some, some exchange for you or whatever they call it.

So then is the way this business works, is that Astro or another credit card partners with Mastercard and goes, Hey, Mastercard, you guys take 2% give us 1% and I'll get you more customers and we're going to layer.

You think that's how it works?

Okay.

So I think in general, that is a model that a lot of these guys use.

I just went to the website.

So I had it a little bit wrong.

This is actually more interesting than I thought.

So what it is is, okay, so we could do this, for example, we could issue an Astro card

to any of our fans.

And what it says is, Hey, fans, as you, if you want to support me, just get the Astro card as you go about your daily life, you can assign that some of your value, like of what you're transacting should get shared with me.

And so they're taking some of that margin that they get the sort of these fees and they're sharing it with creators.

And so as a fan, no extra costs to you and you get to support your favorite content creators.

That's, you know where that idea is stolen from?

No.

So Adam, a lot of people do this, but Adam Corolla was famous for doing this was he had this home, this website called adamcorolla.com slash Amazon.

And what he did was he put his referral link on his and he goes, now remember listeners, if you want to buy anything from Amazon, go to my website, click through because the way Amazon used to work, it might have been up to five days.

So if anyone clicked on it, your referral link and bought anything within five days, you got, it used to be 7%.

And so he always used to Adam Corolla for those who are younger.

He was like the Joe Rogan before Joe, he was like, it was like Howard Stern, maybe Adam Corolla, then Joe Rogan.

I mean, he was like the guy and he would always say, click through to adamcorolla.com slash Amazon.

You help support us.

You put a little bit of when in our sales, which I stole that line.

And that's what he used to do.

So I think this is a kind of an interesting idea because I used to click through and buy it by clicking through and buying on Amazon is a lot easier than applying for a debit card.

Right.

That's hilarious.

So I'm reading an interview about it right now says, how did the Amazon relationship come about?

Did they approach you?

He goes, I wish I knew.

I think we approached them.

I think our salespeople approached them and basically said, you know, like if we send people away, can we get a rev share?

And that's kind of that's Adam Corolla talking.

I want to see.

I wanted to see how much revenue I bet he made a shit ton like he has a huge audience.

He was like the number one podcaster and that's what he would do all the time.

And this was Adam Corolla is actually really innovative.

So he started doing paid podcast three or five years ago, maybe maybe 10 years ago actually.

And he has his own feed.

He had this thing called man Gria, which is the man version of sand Gria.

He would call it man Gria.

And he's cool, man.

I love Adam Corolla.

He's interesting.

I don't find him funny, but I like a lot of the stuff he did.

Like I don't like listening to him, but yeah, you know, what's okay, here's a, here's a, you know, on the spot idea.

Okay.

So what if there was a Chrome extension, right?

Like honey, you know, honey, big, big popular Chrome extension app saves you money.

What if there was a Chrome extension that basically was like once a month, your favorite creator can, can recommend a product.

And basically like, like for example, I just bought like this, let's say I bought this Joby tripod, or I just bought this, you know, writing thing called, I forgot what this thing's called.

So remarkable, the remarkable tablet.

And let's say I loved this thing.

I'm trying to remember the last product I really, really love, but let's just say I really love that product.

I can basically make that my product of the month and I refer it and I basically have a chance to kind of like put a little video and it's 30 seconds of me showing the product and saying why I love it.

And you know, I do get an affiliate kickback on it, but I'm only able to promote one product per month as an influencer there.

And so you know, I'm sort of selecting what I, what I think is the best product that's improved quality of my life recently.

And so anybody who installs an extension, basically they follow, like let's say I promote it, it installs it, it follows me, but then it would also see you and like 10 other people that are like also on the network that I could follow if I want to get their recommendations as well.

And we get a, we get a share of, of that.

It's, it's interesting.

The best example of this that I've seen is this website called, I forget what it's called, but basically they work with all the YouTubers.

And I guess a common question amongst the YouTubers is where, what shirt are you wearing or what camera is that?

Yeah.

And so they made this website and all the YouTubers put it in their profile where they like click to see my gear and they have like a Pinterest page that says like, here's what I use for everything.

Here's the clothes I was wearing and people click through and buy.

And it's really cool because like Casey Neistat had a pair of glasses and I was like, damn, are those special edition Ray Bands or did he like, how did he do that?

And so I like, we looked at it.

And then, you know, when we were doing this podcast, I was like, what mics are all these people doing?

But the problem is, is that with this affiliate model is Amazon just changed their, their structure and they just on a whim cut it in half.

Right.

Okay.

So here's a different, here's a different model of this.

Have you ever heard of the company G Fuel?

No.

But I like that.

So G Fuel is a, is a energy drink that's, that's marketed towards gamers.

And so it's big on Twitch.

And I think they were doing, I don't remember the exact number.

I met the founder.

It was like over 30 million a year in revenue, it might have been 80 million or something like that.

It was, it was pretty substantial.

I know for sure it was over 30 million.

I think it might have been more.

And, and he built the whole thing just straight up.

So what he did was you go to the top, he went to the tops Twitch streamers.

I don't know if this is the beginning of how he's got it started, but like he created an energy drink, which is not that hard to do.

He branded it as G Fuel as in gamer fuel, I think it stands for.

And then he went to the top streamers and he was like, look, you're going to have your own flavor and your own shaker that this thing comes in.

And so like, you're my influencer and you need to put this in your Twitch bio and whatever.

And at that time Twitch streamers were like underpriced arbitrage.

They had a lot of fandom, a lot of audience and traditional sponsors didn't know how to work with them or they were like just putting up their logo and not like a real product. And so they would send these guys tons of stuff.

So they'd be drinking it on stream that you'd see them drinking it.

And they basically made Gatorade, but for esports instead of sports.

And so I think you could do the G Fuel model for a bunch of other things.

And whether it's like any other product that fits that lifestyle or it's something like what you're talking about where it's your gear.

So I think somebody could make a, a DTC company that basically creates pre-made kits.

So I could get the Nike, the Casey Neistat, like the, it's just a box of all the stuff you need to have his setup.

And we pre-made, so partner with the influencers and say, Hey, you get asked about your gear all the time.

Just put this here that says buy my gear and you can buy my gear.

It's a pre-made box and it comes with a video like instruction about like how to set up the Casey Neistat like set up or how to set up the Dr. Disrespect setup or whatever it

is.

There was a, okay, so not a affiliate links like you got to go DTC, you got to own the relationship and you got to be selling a box that's like a hundred or more dollars worth of value because somebody wants to become a creator.

Look up quarterly box.

I'm familiar with this one.

I thought this was a good idea, but I don't think it took off with crash and burned.

I think it was called quarterly box.

And it was like smart people would send you a box and I remember being like, Oh, cool.

Tim Ferriss has a box.

It was, it was when the box trend was getting big.

And this was like, what if your influencers could pick five products and you'd get it every quarter in a box?

That was the concept.

It's a hard business.

It's a hard business.

It is a hard business, but I know so many box companies that do amazing read, right?

Like one of our listeners, uh, Leland who does bump boxes, uh, that business crushes.

He's great.

Bump boxes.

There's another one called cause box, but cause box fucking crushes means it gives you is bump box pregnant.

Yes.

Like baby bumps for the mom or the baby.

Both.

It's like products that you're going to need through your pregnancy and beyond.

And so like, okay.

So that serves a need though.

So does that serves a need and a little bit so does the pets one.

Look up cause box.

Go to, go to, go to cause like, like, like for a good cause cause box.com.

This business does like over 20 million a year in revenue.

The metrics are amazing and, uh, it's basically like we put well made products in this box and these are all like, I don't know, like either like ethically sourced cruelty free.

Uh, you're supporting the cause somehow we donate, you know, uh, uh, a fridge to somebody in Africa every time you buy whatever, you know, like there's some story like that.

This business crushes and, uh, there's nothing special about it in that, that sense.

There's no like, yes, there's failures in boxes, but like there's also those successes for sure.

It's that company that started as a newsletter and eventually became a monthly box and they make like \$500 million a year started as a new, it was, uh, not fab fit fun.

Yeah.

That's it.

That's the one dude.

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It started just like my company as a newsletter and now they do like, I don't know what it is.

I think it's 200 million.

I think it's 200, which is still insane, but it's insane.

I don't know.

We need a hustle box.

I, you know, I either need to launch a hustle box or a credit card.

That's what it sounds like.

I'd rather go with the credit card.

Yeah.

Exactly.

No, no, but you've been talking about the credit card.

Why don't you do the credit card?

We talked about that like three years ago.

I don't know.

I just haven't gotten around to it.

I should do this podcast instead.

Fuck it.

We should, I should launch a lot.

It's any listener who wants to build a credit card.

I think we should.

I think that credit card is actually kind of interesting.

I saw this other credit card, y'all could have been Brex if you had the vision, right?

No, I think the vision is simple.

I think it's more like the hoodspa.

Yeah.

That's the hard part.

If you had known that the market opportunity was really as that big to do the credit card for startups and that if you went balls to the wall, it'd be like a multi-billion dollar company.

You would have done it, right?

Of course, hindsight's fine.

Nobody knew that shit ahead of time, but...

There's another good one where, and this woman who we interviewed to work here, I was like, all right, impress me like with your ideas.

She showed me, she was like, there's this company that's doing a credit card and they work with MasterCard and what they do is they tell you the carbon footprint of each purchase, which...

Ah, yeah.

That's important.

That's not really important to me, but for a lot of companies, it's important because

I think you can get special status if you have a low carbon footprint, which is kind of interesting.

And for customers, I think some customers really care about it.

Yeah.

Oh, by the way, you should still do Brex.

You should still just do that exact same thing.

There's a lot of people that don't use them yet and there's other competitors, but whatever.

You should still do that business.

I think it's cool.

Is Brex doing well?

Do you want to buy the hustle and I want to do these businesses on top of the hustle?

Here's the problem.

It's not a problem, but the hustle, like any company, well, no, I mean, because we're an audience company, the thing is, is that anything that we launch will at least do mildly okay.

Right.

There will be 2,000 people who buy everything we do, no matter what, 10,000 people, more likely than that.

The problem is, is that you have to prioritize or spin out, do you know what I mean?

It's all about focus, which is, I mean, you have a lot on your plate.

Are you focusing on it?

Am I focusing on one thing?

No.

And what's better?

Not focusing or focusing?

Trick question.

Focusing.

Yeah, for sure.

For sure.

Focusing is better.

There's, to me, there's this, like, I don't know if you've ever seen, like, in design thinking, there's these, like, two phases and, you know, those guys from IDO and the people in the design thinking world, they have this, like, concept of diverge and converge.

And it's this little diagram of, like, first you diverge, you go broad, and then you converge and you, like, you settle on the solution.

And so in a brainstorm, they say, all right, we're diverging right now.

And that's the time where, like, any idea is a good idea.

Don't filter anything.

Don't say, well, no, that's bad because of XYZ, like, we're just trying to get all the ideas out there.

And then when we converge, we're trying to actually, like, filter down and get laser-focused on what we're actually going to do.

And so I think that in life, that happens too, sometimes, where sometimes you dabble and sometimes you diverge and sometimes you spin up a few experiments and you let things get a little bit messy and you don't focus.

And then you go through periods of laser focus after that once you realize what you want to do.

## [Transcript] My First Million / #121 - So You Made \$100m...Now What?

And, like, for me, I went from, I went six years of laser focus straight to a period of experimentation and dabbling where it's like, I'll start a podcast and, like, cool, I'll invest in companies and, like, I'll try these things.

And then I'm going to, like, trim and cut and focus once I, like, learn about them.

I agree with that.

I mean, I agree with that.

I think that, I think that acknowledging that you're unfocused because you're trying to figure out what to focus on is totally a great plan.

Are you learning that?

What are you going to focus on?

What's going to be the thing?

Okay.

So my rule is, like, an 80-20 rule.

80% of my time and energy and focus goes on my main business and 20% is going to go on my side hustle or my hobby.

So for me, my side hustle or hobby is content production, whether it's this podcast or my newsletter or whatever else.

And then 80% is on the main thing, which today is Twitch, right?

It's like my main day job.

And so even over, so I like that balance.

And so over time, you know, that's what I want to get to, like, I don't think in the long, long run, Twitch is going to be my 80%, but for now it is.

And when that switches, it'll be, like, my business, whatever my business is will be my 80% and my 20% will always be content and audience stuff.

In our last 10 minutes, I'm going to ask you a question that's somewhat related.

It's going to not seem related, but it is.

But do you think about what you can make that will last like a hundred years?

Like for example, when you were working with the lab, did you think like, let's, we just got to get traction and make it work, or was it, did you even at all think about longevity?

No, I did not longevity in the sense of like, I thought longevity meant like, is this going to be around next year?

Do I want to spend two years on this through it?

Could this be a five year arc?

Definitely not the like hundred year thing.

And I think when CEOs say that, like, I remember the CEO of Evernote said that, oh, we're trying to build Evernote.

We plan this out as a hundred year company.

And that shit sounds good.

And that's cool.

I don't think that's actually like that functional, like on a database is definitely not at the early stage.

Like it's not that, that great of a question.

There's many better questions to ask yourself.

And I think for the most part, it's self-serving when people think that way.

Let me change.

I agree with you to say like Evernote, but, but here's why he's working on some other shit now.

And like, you know, sure, the company might, might still be around.

It's been like outstripped and outflanked by Notion and others.

And here's why.

Here's why he's working on something else is because he raised all this money and that company's no longer his.

Okay.

Maybe that's why.

Like, for example, what I've been thinking about is how do you create something and it doesn't have to be the same thing.

I just learned about this HR software that was built in 1880.

Originally as like, you know, they did it just by paperwork.

It was a sewing machine.

Right.

It just like changed from one thing to the other thing.

And I just, there's something I've been, I've been finding incredibly fascinating about just like compounding growth and how do you make something that like, for example, my father-in-law owns a moving company and he bought it from someone.

So this moving company has probably existed for 50 years and we'll see like, you know, with people getting laptops, like they, there's less commercial stuff for them to move.

Like, someone always needs to move.

And I think like, what can I make that there will be demand for the next 50 to 100 years or, or, you know, it's kind of interesting.

Yeah.

I think, you know, I think that's a good one, which is just like, is this a fad?

Is this, or is this like something that will, the demand for this will always be around?

Right.

Like Bezos has this thing where he's like, you know, instead of, because people always ask Jeff Bezos, like, you know, where do you see retail going?

Where do you see e-commerce going in the next 10 years?

He's like, look, we try not to like predict the future as much as we predict what's not going to change.

Like customers are not going to want slower, you know, they're never going to stop wanting faster shipping.

They're never going to stop wanting the best prices and they're never going to stop wanting ever, you know, ever increasing that variety of choice for what they can, you know, what they can buy.

They want, they want to have, they want to be able to get, get all this stuff.

And so those are the things that are not going to change.

So we're going to spend like the next decades making shipping faster and faster, getting prices lower and lower through economies of scale and making sure that we sell all the products that people want to buy.

And like, I think that's a, that's a, that's a really powerful way of focusing the company is like those three, those three levers we can pull to infinity and our customers will thank us and have ever, he's like, the best thing about customers is they have high standards and they, you know, they're never happy.

And so, you know, what two day shipping now, but like when we have two hour shipping, two days will feel like an eternity.

And then they'll want 20 minute shipping and then they'll want two minute shipping is like where we need to get to.

So I think that's like a cool way of thinking.

That's a good thing to ask because I'm noticing something to our company.

Our main thing turned four in May and I'm like, man, like, I wish I would have done it this way from the beginning.

And I'm like, well, what can I do now?

What can I do now?

That's the beginning that in four years, I'm going to be like, yeah, this was the right way to do it.

What about 10 years?

And then I'm also doing this other thing where I'm living in the Airbnb's and I'm like, man, I've bought so much furniture and thrown it away over the years.

What would happen if I either a just bought close to nothing and be only bought stuff that would last for 50 years?

Like would I be happier and richer?

And I think the answer is yes.

Right.

Yeah, I like that.

Okay.

So your question triggered a bunch of thoughts in my head.

One other way of looking at that question is like, I'll tell you the ways I ask questions like that.

One I ask right now is, is this a finite or an infinite game?

I don't know.

I've read that book, finite and infinite games, truth be told me neither, but read the first 20 pages and got the concept.

Basically, you know, like a finite game is one like basketball is a finite game.

There's a fixed set of rules.

There's the, you know, 94 feet court, four quarters, 12 minutes each, five players on each side, and you're trying to the game ends at a certain amount of time and you're trying to win.

That's the point of the game is to win and achieve the outcome and then you have like infinite games, like a relationship is more like an infinite game where it's like, or like monopoly risk, you know, it's a game that you intend to play forever.

The rules are ever changing.

You play for the sake of playing, not for winning.

There's no such thing as winning.

And like, I think it's a really powerful concept because you want to play more infinite games for two reasons.

One is when you play a finite game, you're playing for an outcome.

When you're playing an infinite game, you're playing for the sake of play.

Like that's how I think about you and me in the world of business, right?

Like we just, it's played to us.

We enjoy doing it.

We enjoy talking about it.

We enjoy investing in it.

We enjoy all factors of this.

It's an infinite game that we're just going to keep playing regardless of what outcomes we're getting.

And then you think, and then when you play infinite games, you have to be highly adaptable to rule changes and stuff like that.

So a similar way of thinking about that is when I do a project now, I think if money was no object, if I had a hundred million dollars, would I do this?

And that's a question I asked this guy who he got acquired by Twitch also, their company got acquired for, you know, over a hundred million dollars.

And he was still at Twitch four years later.

And I asked him, I said, why are you still here?

You've surely you've vested out by now.

You know, I know you didn't get that whole sum of money, but like, and he was like, oh, I love it here.

I love the job.

Blah, blah, blah.

And I was like, I know this guy's job was like very like stressful and like hard and like a lot of work and limited in power.

Like he wasn't in charge of the company.

Like he didn't have full autonomy.

He was working on like, you know, back in infrastructure stuff and like kind of compliance and security and you know, gnarly things, not like what most people think of as fun.

And so I go, I was like, so why are you here and just tell me, oh, I love it.

I'm growing.

I love my team.

I love the customers.

I love the industry, blah, blah, blah.

I asked a different question.

I go, let's say you had a hundred million dollars in your bank account tomorrow, would you show up to work here?

And he goes, well, you know, I was like, no, would you like, would you continue to do this job?

If you had a hundred million dollars, he goes, well, no, I would probably go build a video game.

I was like, okay, so like you're here for the money, right?

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Like all those things you said are true, but I just changed one variable, the money.  
I didn't change any of those other great things you said.  
And now you don't want to be here anymore, right?  
And so like, it's okay to be honest, like I do a lot of shit for the money.  
But as I started to think about it, I asked myself, what would I do if I had all the money?  
And then like, I should just do that thing now because the money will come anyways to  
regardless of which path I go down.  
And I think that's a good question to ask.  
It's hard to stick to that, but I do think that's the right advice for myself.  
I ask myself that question all the time and I always get depressed.  
I'm like, I don't know.  
I don't know what I would do.  
Like, I like, all right, let's see, like if you have a hundred million, like I think  
I would buy a really fancy car in a very small house.  
Big car, tiny house.  
Okay, what else?  
Well, like, cause like, yeah, if the bigger your house, the more work it is.  
Sure.  
I don't know.  
I don't know.  
I don't know.  
What would you do with your time?  
I don't know.  
I don't have any hobbies.  
What would you do?  
Like, what are some options?  
Okay.  
Well, let's break you a break.  
You have a hundred million dollars in the bank and you have your free time.  
How old are you?  
I'm 27.  
27.  
What do you, what do you do?  
What comes to mind?  
I don't know.  
Like, I was thinking about this the other day too, like I have no idea.  
I think most people don't know the answer to that.  
Don't you think we should know this, right?  
Because not that we should have a answer, right?  
Maybe there's no answer.  
But like, don't you think we should think about it because we're, we're working so fucking  
hard for financial freedom, right?  
And then we don't know what the hell we would do if we get it, right?  
It's like that Joker line, like, you know, I'm the, I'm the dog chasing the car.

If I caught it, you know, I wouldn't know what to do with it.

Isn't that crazy to me?

Like, that seems wild.

Yes, it is.

I think it's incredibly crazy, but I think it's the truth.

I think the fun is in the pursuit.

Like there's something in the journey.

Like I told Sam, like if you ever, you know, whatever sold a house or whatever, he would go and start another company.

Like he couldn't like not work at, like, at something.

For sure.

I'm starting shit till I die, but it, it would be like what, like for example, there's this guy in Alabama and he has this thing called the barber race track in the barber museum and he, uh, he inherited his father's milk dairy business and then he sold it for like \$500 million and then he opened up a motorcycle museum and a motorcycle race track and it's a profitable venture.

But I'm like, I would do that probably.

That's what I would do.

That's cool.

Uh, I like that.

You know, the guy I worked with, Michael Birch, he basically had this, right?

He got all the money that you could ever spend in a lifetime.

And then I observed what did he do and he basically did, I would say three things.

One is he started an idea lab because he's like, dude, I'm not going to stop building new shit, but like, no, I'll do it on my terms, right?

I'll never go pitch for money again.

I'll just fund roll the bankroll this myself and own it.

Uh, I'll hire great people that I want to hang out with.

I'll build a dope office like you saw the office in San Francisco.

That office is amazing.

It's probably had \$5 million furniture in there.

Yeah, exactly.

And, uh, uh, you know, I'll have a personal chef who cooks us lunch every day and I'll work with great people who work on ideas, right?

So that was pillar one was idea lab.

Pillar two was he's like, hold on.

Yeah.

Did that make a profit?

Or no.

No.

Okay.

So that was a fun thing that whatever.

Yes.

Um, it probably, it probably is close to, no, I don't know.

## [Transcript] My First Million / #121 - So You Made \$100m...Now What?

It's close to break even not, not bad, but, uh, you know, could have, if you just put that money in the market, it would have done way better.

Yeah.

So, so that, that was true.

Um, but again, he's not trying to make money.

Like the idea lab would have rarely been able to move the needle for him financially.

Obviously he wanted it to be a financial success, but, um, so pillar two was he started the battery, which is basically he bought an old candy factory, a 60,000 square foot candy factory and turned it into a member's club, uh, basically designed a hotel.

Like, you know, he want, he always was fascinated with architecture and spaces and designing spaces and like designed to kind of a dream kind of like hang out spot and then invited a bunch of members.

And so then he was just hanging out with cool people all the time.

Like, you know, some of them are like celebrities and whatnot.

Like, you know, when Beyonce's in town, she stays there, you know, Justin Bieber stays there.

I remember when I was in the cap room, I bumped into him at the battery, right?

Like that's cool.

But there's also just like other, you know, like, I think a third of the memberships went to like artists and like other people who, you know, weren't kind of rich and famous.

Does that make a profit or break even that?

It will never break even because the huge capex, but on like every year it's, uh, it either covers its costs or it's profitable.

But he put a lot of money into like buying the building retrofitting it seismic retrofitting and you know, in California, because earthquakes and then, uh, went way over the top.

Like, you know, the elevator was a \$2 million elevator, like, you know, he went over the top with everything.

And so recovering that money, I think would take a lifetime, but he didn't care.

He basically said, I don't care if this ever makes my money back.

I'm not doing this for a profit.

I don't want it to constantly bleed a lot of money where I start to stress.

So if this just breaks even once we open the doors, I'm cool.

And it's done more than runs it.

He went through, I think six general managers before finally finding, you know, whoever runs it now.

And, uh, that was a hard part.

You know, that's a stressful part of the job.

Okay.

The third thing was philanthropy slash like, I even put his angel investing in that bucket, but philanthropy.

So he, he's probably given over \$10 million to charities like charity water and whatnot.

Just be given over 10, 10 million dollars, just a charity water, probably.

And I always ask him like, you know, what do you like doing nowadays?

He's like, well, I still like building stuff.

Like he, he relearned to code, you know, recently, cause he just likes to build things.

He liked working with us in the idea lab.

And he's like, but the best thing I've ever done is the work with charity water.

And he didn't mean that in a fluffy way.

Like there's no interview.

Like I was just hanging out with him and asking him a genuine question and, uh, he goes with them to Africa like multiple times per year, takes his family there and, uh, gets to see the impact of their work.

And he's like, by far that's the best thing I've done.

And he's friends with the founder.

Where's that guy live now?

Doesn't he move to the Caribbean?

I saw his house for sale for like \$25 million.

He moved to the British version islands.

Yeah.

He bought an island and then in the BVI and lives there.

What a weirdo.

What a cool.

Yeah.

And so that's cool.

Is he happy?

What's that?

Is he happy?

Uh, yeah.

He was a happy dude.

He was happy before he was happy after like the money was like, you know, you know, just allowed him to have cooler shirts.

He has like some pretty sick shirts and, uh, but, but, you know, for the most part, he was a happy guy before.

And, uh, you know, Paul Graham, the founder of Y Combinator, he kind of did something recently where a few years ago where he put somebody in charge of Y Combinator and he like retreated to the woods in, uh, in the UK and like just wanted to write.

And like, I think he's like either he was writing a new programming language or he's just writing essays and he was like, just living in the woods with his family.

And like that was his version of like, you know, I got it all.

What do I do to be happy?

And so I think for everybody, it's worth asking your question of like, what's your version of the retreating to the woods in the UK and just being happy?

Well, uh, we can end there.

I would love to hear other people's version of like the best example of someone living your best life doing whatever to make them happy after that.

Like it's like, there's a great, um, story where it's like an American visits, uh, uh, a resort town and this Mexican guy takes him out fishing and he brings back three fish and the guy goes, the American businessman who's on vacation goes, man, this is a great

thing.

You know, you should, you, how many of these do you do a day?

And he goes, I just do one every couple of days.

And the guy goes, why you should do five a day, then you can make this much money and then hire these people.

And then the Mexican guy goes, why?

And he goes, well, cause then you're going to grow to this much money and then this much money.

And then by year 15, you're going to sell for this much money.

And he goes, well, why would you do that?

So you could sit around and fish all day and the guy goes, but I do that.

Right.

I already do that.

It's like, did you relax just fish all day to hang out with your family at night?

He's like, that's, that's what I do.

Currently.

It's like, I just, all I do, I mean, I just fish and I get you one, I get me one and that's what we eat on.

And anyway, it's a great story.

I would love to hear what people's examples of that are real life examples of that.

Our friend, uh, Sully, who's, you know, 10 times more successful than either of us.

And uh, he texted me something the other day cause I showed him, I gave him a kind of like a life update.

I was like, Hey, I'm doing this, this and this and here's how it's going.

And he just goes, wow, like I'm so happy for you.

He goes, he goes, and I kind of was like downplaying it cause you know, I was like, well, you know, it's still a long way to go kind of comparatively to like what you've done and what you're doing.

And he was like, no dude, you're living your best life.

He goes, there's two people who are living their best life, you and Sam Parr.

And he goes, and so I don't know, even though what he meant by that, but he says that to me about you all the time too, like, it's like a great compliment and be, you kind of want to live up to it.

It's like, fuck man, what is my best life?

And like, yeah, what if I, instead of comparing myself to all these people, like, what if

I just, what is me living my best life?

You know, and that's what everybody's jealous of.

I never know if he's being patronizing or if he generally is like the happiest person

I've met, but he says that to me all the time, which is funny because his brother like wants to murder everyone.

Yeah.

So it's an interesting family.

Thank you everyone for listening.

Leave us a review.

Please.

We'll read them.

All right.

See you.

All right.

See you later.