

[Transcript] My First Million / #140 - How Much Do VCs Make?, A Booming Startup Replacing Fridges, and A Board Game Making \$5m A Month

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.

We're live.

Sam.

It's almost Christmas.

Are you a big gifter?

I do everything last minute, as expected, and I overspend on my close family, so, kind of.

Are you?

I'm also a last minute, in fact, usually so last minute that they get a photo of something that's to come.

And I'm famous in my family for like, oh, remember that time I got a photo from Sean of a Stroller, but the Stroller never came, or like, I got this photo of a bag that I never got.

So I'm the famous kind of photo-only gifter.

It's just like, it's not, you know, your love language, you know what I'm talking about?

It's like touch, service, gift.

It's a vast formation.

Yeah.

Yeah, gifting.

And gifting is not mine.

So I just like forget that a lot of people really care about it.

I'm like, ugh.

When I actually get gifts, it's like, you know, I'm doing Christmas in Austin.

My mother sent me a book, and it was a lovely book, and I like it.

And then someone else, but someone else sent me something else, I'm like, ugh, more packages.

I don't want to get rid of all this cardboard.

It's like stressful, more than it is good.

That's good.

And one of my goals this year was to become a good person like Ramon, who's our good friend, who is the best guy now, I would say.

He's like the best gift giver, too.

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That's his thing.

I'm a gift giver and super thoughtful, so I was like, I'm going to outgift Ramon this year.

And so I have created a system where I'm giving gifts like at scale.

I'm gifting like to 30, 40 people who I think are amazing and I care about, even if we don't like talk all the time or whatever.

I made a list of the 30, 40 people who I think are awesome and I want to invest in.

Like, I want to give them gifts.

I just been too busy slash lazy slash not thoughtful to do it.

And then you gave me the great idea for the perfect gift for this month.

So I sent out a high quality pair of Christmas socks from Stance to everybody on that list.

And Stance was like, oh, this is great.

Cool.

We'll take care, you know, just upload a CSV of their addresses and we'll send it all out and we'll get you a bunch of credits and all this stuff.

And I was like, this is amazing.

This is how much it's supposed to be.

Wait, you, that's awesome.

You e-mailed them?

Yeah.

So Ben actually took care of this whole thing for me.

So I was like, I told Ben, here's what I'm trying to do.

He's like, I got you.

Just get the addresses for me.

I put all the address in the spreadsheet.

He's like, all right, I talked to Stance and they said they're going to do this.

And I was like, Ben, I love you.

I love Stance.

I love that this is actually happening now.

And so what I'm going to try to do is every month I'm going to try to send them a little something.

Maybe it's just socks that I thought were cool or a little, just something small that I think is cool.

And Ramon had this thing he said once, which was like, from now on, I buy two, buy anything I like, I buy two.

I buy one from Mia, but one for you.

And I was like, he wouldn't even say this to me, but I heard it.

And I was like, wow, that is like the ultimate Ramon friend philosophy because he means it.

He's not like a bullshitter and he's not schmoozing anybody.

He's just does it because he does it.

He's bought me.

So Ramon is our mutual friend when he was the first or top five or one of the first episodes Sean did.

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He sold the number two, I think soap hub, soap opera website for 10 million bucks almost.
He's given me a \$500 helicopter ride.
Me and Sarah went on a helicopter ride.
He's given me an Apple watch.
He's given me a sauna for my wedding.
He's amazing.
What else did he give me?
I was in Las Vegas and I just told him, hey, I'm in Las Vegas and he goes, oh, that's great.
Have a good time.
Blah, blah, blah.
The next day he's like, hey, at 6 p.m. today, you need to go to T-Mobile Arena, you and your friends.
And he cooked us up with like a VIP pass to the UFC event.
Like we got to meet some UFC, he arranged for UFC fighters to force grip and came and like met you.
He came to our seat and was like, hey, are you Sean?
And I was like, oh my God, Ramon, Ramon, he gifts you to the point where you feel uncomfortable.
You're like, how can I live up to this?
He does that to me all the time.
And to the point where I actually had to tell him, I go, dude, you're making me feel, you're making me feel bad.
Like, please, like, if you're going to give me something, keep it under 50 bucks.
You go too hard.
He's so generous.
It's like M&Ms.
Like there's a point where too much of good equals bad at some point.
So he is that much of a giver that you'll feel guilty and bad about yourself by the end of being his friend.
He's coming over to my house for Christmas tomorrow.
Dude, you better have a gift ready.
I bet you he's coming with the heat.
No, we do.
So this is the second Christmas we spent together.
We hooked him up last year and we're going to get off some good stuff this year.
He doesn't listen to this.
So I can tell you, we got him some clothes because Ramon is from, he's got this Eastern European vibe.
And so he sometimes, he hasn't fully acclimate acclimate and he's a single dad.
So he hasn't like fully acclimated to like American like hip fashion, even though he like wants to go out and date.
And so sometimes he'll wear like two religion jeans.
And so last year we bought him Luthe Lemon because he had never, he didn't know what Luthe Lemon was.

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I was like Ramon, this is like what like yuppie fancy people wear like instead of like affliction hoodies.

So we got him that.

And then this year we're getting him a fancy cashmere sweater so he could wear on dates.

So we're trying to step up his fashion a little bit.

I like it.

I like to wear the cashmere sweater with a affliction hoodie on top.

That's what he does.

He like wears like, he has like an affliction hoodie.

He wears like just stuff that like was cool like 10 years ago.

And we should say, so the next episode we're going to do is our big bang end of year, end of 2020 finale.

It's going to be fun.

We're going to prep for it.

It's got a bunch of kind of like year end type of thing.

So I think that was going to be good for today.

We have a bunch of little things.

Where do you want to start?

I have a cool idea.

I want to tell you about that's this company.

I saw that is in Brooklyn.

So it's a company called fridge.

No more.

Have you ever heard of this company?

No.

But I'm going to Google it.

Just go to fridge.

No more.com.

Okay.

And it's called fridge.

No more because their idea is like, if you use our service, you don't even need to have a fridge.

So what they do is they take grocery delivery.

That's like Instacart or whatever that are, you know, have gotten super popular during COVID and they actually just shrink it down into the most sort of simple delivery service that you can get.

It's like a 15 minute delivery.

It's like a corner store.

It's like a cloud corner store.

And so they have a one mile radius that they operate these out of.

They have these like electric bike messengers that as soon as you place the order, they're gone and 15 minutes you have your thing and you could just order like a pint of Ben and Jerry's and that's it.

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You can order like, you know, six bottles of water.

You can order fruits and vegetables.

You can order whatever the hell you want.

It's a really cool concept.

And the guys who started it.

So I get on this call because I'm thinking about investing, right?

I love the idea.

It's like Postmates, but even simpler and more lightweight because you get it even faster.

And the trick is they're not going to.

So unlike Postmates, unlike Nordash, unlike Instacart, it's not like a shopper goes to a normal shop and buys it at the retail price and then kind of upsells it to you and they charge a delivery fee and it gets really expensive.

Fridge no more themselves is the grocery store.

So they go buy wholesale snacks and all the shit.

They create a small, tiny cloud in a corner store and then they sell it to you at the normal retail price.

That's how they make their markup is just because they buy wholesale.

They sell retail.

So unlike Instacart, Instacart goes to a normal grocery store.

They buy a retail and sell a double retail, right?

So that's the kind of business model here is to be an actual grocery store.

And I don't know the answer to that.