

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

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.

I feel like I can rule the world.

I know I could be what I want to put my all in it like no days off on a road.

Let's travel never looking back.

Yeah, I'm recording on my side.

Let's do it.

Let's do it for me.

Do you know Sean?

Yeah.

Funny story.

Sean was one of my role models back in college.

What?

Look at me now.

Wait, why?

So I went to college in the small school called Babson in Boston.

Most of the people there eventually end up in finance, but the main stick of the college is it's supposed to be number one for entrepreneurship.

A lot of kids were really into that.

Around Boston, we organized a trip to San Francisco, visited a bunch of tech companies.

It was back in I think winter of 2013 or 2014 and Monkey Inferno and Bevo.

Sean was this really impressive guy who we visited and the office was spectacular.

It's mostly just the office.

Also Sean, but I think we've mentioned that office a little bit, but this is how I actually met Sean as well.

I don't care if Sean shouldn't describe this because it was kind of his, but he had this office Jeremy that was, it was called Monkey Inferno.

It could have housed or probably 50 people could have worked there if they wanted to.

Oh, I think more.

Maybe more.

It was really impressive.

If I like they had an espresso machine, they had I think a cook that would come every day

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

like a professional kitchen.

It had tables that looked, it had a table that was maybe 15 feet wide and it looked as if you cut down a Yosemite tree and turned it into a table.

It looked like a \$200,000 table.

The worst part was I thought that was every startup.

So I was like, oh man, these guys are living the dream like working in this dope office and you know, and then reality hits when you actually move here and it's like, oh, that is, that is like one of a million.

So Sean, do you think that that place costs more than \$2 million to decorate?

No, no, that's a little bit much, but we got lucky because, you know, my main investor and the guy who actually started the lab, he owned the building.

So first, so he was the landlord.

It's not like we were paying some crazy rent, you know, to some landlord.

So he had bought this building in 2008, 2009, right after the real estate crash.

So he scooped it up for super cheap, something like, I don't know, like a couple million bucks.

I think he got this on this building that was at the time, seven different like lofts, like apartment lofts.

And he just smashed down the walls and combined them into a giant live workspace and he left one loft.

So there's actually an apartment at the top.

So it's three stories of office, like office floors, but we only use the top floor for desks.

So the second floor, we turned into like ping pong, like the classic, you know, stereotypical stupid startup blowing money thing.

It's like ping pong table, snack room, we turned it, we created a weight room in there like to exercise in.

The third floor was wherever his desk is.

And the fourth floor was just this loft, this apartment where you could just crash in if you stayed late.

And so my first year there, I slept in that apartment 200 days out of the 365 of the year.

It was basically my house.

Jeremy.

Yeah.

Like this office is made, it also had like, oh, it had like a Mac one computer, like the first Mac.

Right.

I remember I picked up a coaster once.

So the story is, so, so Michael and Zochi Birch owned the building.

They started the lab.

They had had a ton of success.

So they wanted to work in like their dream environment.

So they built their dream environment, which most entrepreneurs can't afford to do.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

They owned the building, they did the renovation.

They have this one designer, this guy, Ken Folk, who is like this, like kind of designer to the stars type of guy.

And he's like, wow, like, um, like you have art behind you, Sam.

This guy would come in every two months and just rotate the art.

So we would come into the office one day and like all the art had changed, but you wouldn't notice because they're the same position, but it's just a different picture in there.

And he was just like an elf that would like turn over the office with new shit all the time.

And I was like, are we paying for this?

What's going on?

And I remember picking up a coaster and it said \$700 on a sticker under the coaster.

No way.

For, do you think it was 700 for one coaster?

No.

It was probably the rack, the stack of six or whatever.

But I was like \$700 and, uh, you know, that was crazy to me.

Like it had mirrors that were one-way mirrors.

So you would go to the restroom and when you would look out the window, they say the mirror, the wall of the restroom, it looked like everybody could see you peeing, uh, but it was actually a one-way mirror.

And when they looked at you, they just saw a mirror.

They couldn't see you peeing.

Um, so we got, I want to, we have to ask Jeremy who he is and what he does, but before we get there, I do want to say one thing to you, Sean, yesterday I foster, I began fostering a dog and I just want to make the announcement that if time magazine decides to honor me with person of the year, because I'm doing this,

You accept.

I'll accept.

So if anyone needs a dog, follow me on Twitter, I gotta like find this dog a hole.

Is this stray?

Like you just took it in?

No, I like signed up.

I'm just being a saint that, whatever.

I'm just, I'm an angel.

So I just want everyone to know that.

What are you covering up for?

What would you do that made you want to go out and do a good deed?

Just I'm just a, I'm just a saint.

So follow me on Twitter and someone to come adopt this dog Jeremy, uh, who are you?

Uh, yeah, I, um, I, uh, am the founder and CEO of a company called italic and, um, and uh, and also, um, a co-founder with my girlfriend of a company called not pot, um, both of which are companies in Ecom, so happy to dive into you there and share more.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

And that's not pot.com, not pot like weed.

It is, it is literally not pot.

It is a, it's a, it's a America.

I, I usually say it's an American wellness brand, but yes, it's a CBD brand.

Um, it's been around for, no, but I just mean, how do you spell it?

POT, right?

An OT POT.

So not pot.

Um, great name by the way.

Was that the first name that came to you or, uh, I mean, I can't take credit for any of the creative.

That's all, that's all Katie.

Uh, the genius there, but, um, yeah, yeah, that's, uh, that's my day to day.

And then italic, we've talked about before, uh, amazing company, I believe, I don't know if we've signed the papers yet.

I believe I'm an investor officially in the company at some point.

Uh, I think it's an amazing concept.

You guys basically, and tell me if I get this wrong, I might butcher it.

You guys basically have, um, high end kind of premium goods.

So it could be bags, jackets, scarves, a whole bunch of different skews, um, that are the same manufacturers that do, you know, production for Gucci and Prada and like all the big brands.

And basically you offer those same quality products without the brand name label.

And therefore almost like at factory pricing.

So you become an italic member as a member, you get access to this like sort of factory pricing of premium goods.

If you want quality, but you don't want to, you don't want to overpay 10 X for the label essentially.

Yep.

That's exactly right.

Um, so yeah, and, and, uh, to anyone who, uh, we've, okay, for what it's worth, we've never done this before.

So this is the first time we're ever doing it, like for anyone who wants to try it out, I did make a code.

Uh, it's M F M pod, I think, and you get a free, uh, year, which is normally 120 bucks for a membership.

I don't, I actually don't even know like how big this podcast is.

So I hope I didn't just shoot myself break your business, M F pod, M F pod, M F M pod.

Uh, yeah.

So, so it's italic.com slash M F M pod.

Jeremy, I'm a customer of yours.

I'm a paying member.

I wish I would have been able to use this.

I, I own your knives and a coat.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

Oh, thank you.

Well, thanks.

Thanks for supporting us.

I, uh, you know, promise to keep supporting you there.

Um, but yeah, I mean, the, the, the idea is basically, you know, um, I think when most people start brands or, or companies in Ecom, like you normally start, you could, you could be if you're a venture type of founder, you're like, okay, you're two MBAs and you're like, okay, I'm going to sell X Y Z online because it's a big market or you're like a lifestyle brand.

You want to kind of bootstrap this up.

But I think for, for italic, really the, the goal is to, um, kind of build the suite of tools and technology to empower manufacturers to become merchants of their own.

Um, and italic obviously, you know, does well by kind of building the, the pipes and the rails to kind of provide access to a global market, but, um, to a customer, it's like a killer value prop, right?

You're getting high quality products from the same factories as the, these really premium, you know, legacy heritage brands, um, and it's well designed, you know, it's, it's, um, you know, that they're quality goods, but we're offering them at prices that are like 60, 70, 80%, you know, lower than what brands do.

Um, and, uh, and then we, we monetize through, you know, to your point, the membership. So it's like the Costco model.

Exactly.

Right.

And how big is the business?

It's pretty, I mean, we started about two years ago and we just launched the membership. So we're, we just crossed like the 10,000 member mark.

Um, and, uh, and things are, are pretty good, like most members, um, you know, I think in Ecom also nowadays, you typically see like one of two things.

If you want to hopefully make it and, and it's like, you either have to be profitable on first purchase or, you know, hopefully you have enough replenishment or frequency of use to come back.

And, uh, really the goal with italic and also, I think most of the times like you had, there was this narrative of like, Hey, we're going to start in this one category, like raise a whole bunch of money to capture it and then hopefully like raise more money to enter into new verticals and that like almost never works.

Um, so it was important for us to also start like, uh, pretty horizontal from day one.

So we didn't get pigeonholed into like one category of use.

Um, so yeah, people are, are, are, are spending quite a bit.

It's, um, typically, uh, right now we're about one order a month per member and, uh, members are getting to like six, \$700 of spend in the first, uh, six months.

So it's been, it's been a good start.

Dude, I, I know, I know successful Ecom brands that are have half those economics.

So I think that's a very solid place to be.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

Yeah.

I mean, the other thing I will say though, you know, for what it's worth and, and, uh, I don't know if this is a good thing to share or not, but I, I do think most venture backed Ecom businesses play themselves out to be bigger businesses than the actual business like is.

Um, there's many more, but there's like, you know, for every italic out there, there's like a thousand plus, um, you know, bootstrapped, uh, Ecom brands that are doing like multiples of what we're doing.

So I want to ask you about that.

That's what I want to ask you, which is like, uh, to name names, but I just had a quick question, which is how old are you?

I'm 25.

Wow.

Yeah.

Prepare to feel bad, Sam.

I don't know.

I don't know.

I've been, no, you, you look young and you, I mean, you speak maturely, but you, you definitely look young.

It's very impressive.

So, so Jeremy, we brought you in and we, I believe, uh, I believe a brain, you gave you the context of the pod.

I don't know if you're listening to the pod, but, um, the context of the pod is we basically shoot the shit and brainstorm, uh, you know, business ideas as well as just cool stuff we're seeing or businesses that most people haven't heard about that we can kind of break down and, uh, walk through like why that business is really interesting.

And so, uh, I don't know, did a brain, you give you that context or are you surprised to hear me say that?

I have a whole list of ideas to go through with.

I had to clear them with, with Katie, who wants to do, like Katie's, who's my girlfriend before.

So a couple of these, I'm like, all right, you can't say that cause I want to do that.

But, uh, I have a big, you know, are you actually afraid of that?

Because I feel like, you know, we, Sean and I have had a handful of people execute on our ideas.

We had one guy create a newsletter that we had really kind of went deep on and he sold it for maybe hundreds of thousands of dollars.

Yeah.

A hundred months.

Yeah.

We've done it a few times, but in general, I would say the ratio of ideas to execution is quite low.

No, I, I mean, I totally, I grew with you there for sure.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

In fact, I think, um, I think Trong had mentioned, uh, Italic, like as a, as a feature, which I'm super appreciative of and it trends, um, I think newsletter a while ago, but, or I think it was a hustle newsletter, but, um, uh, and, and then in there at the bottom, I think he asked like, okay, put two ideas and like, I got, I got, I, I, I counted. I had at least 40 people reach out about one of them and I didn't expect that like never happened.

So I, I do think people do execute.

I think the percentage to your point is like very low, um, but also I think, um, you know, in college, like, uh, or at least like the older you get and, and, and, and tech at least I feel like the more you do value good ideas, um, I think in the beginning it's like ideas are a dime a dozen and all that matters is execution, blah, blah, blah, but, um, I don't know, I, I do think like, Hey, you could be setting down a path for five, 10 years of your life.

And, you know, if it's not a good idea, you kind of just wasted it.

You didn't waste it.

You learned a lot, but like, you know, it could have been better if you, um, did spend a little bit more time on, on the idea side.

So I do think ideas are valuable.

So let's, let's pop in one idea.

So let's take one idea off your list and let's see what we're working with.

Give me like a B plus idea.

Don't give me an A idea yet.

I'm not ready for the A. Warm me up with a B to B plus.

Um, okay, so I'm going to pull up my list right now.

Okay.

Uh, I've got, so, oh, by the way, before I got in, like, I think, um, the, the one thing I was curious about to hear is like, is most of your audience kind of interested in like building venture-backed businesses, like, we talk about it, you know, we talk, we talk about everything.

We have a lot of people like the venture-backed guys, they'll hear a story of a YouTuber making three million bucks a year and they're like, that is awesome.

They're like, well, I got to start a YouTube channel.

And then the bootstrap guys who have a business that makes 800 grand and they pay themselves a hundred, a hundred thousand dollars, they love it because Sean and I will talk about someone who did the X, Y, and Z and now it's like a hundred million a year.

You know why they love it?

Cause we'll be like, yeah, this business, they just got valued at a hundred and fifty million dollars.

They're doing seven million in revenue and then there's some guy with like an elevator, you know, repair business who's like, we do 14 million.

Does that mean we're valued at 300 million dollars and it's like, they're like part angry, part curious about like what the fuck's going on with these venture-backed companies.

So there's definitely interest on both sides.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

You see the transition once in a while though, I think, you know, between the two, you know, with like, anyways, I'll get.

So one of the, one of the ideas I dried it down, like at the start of COVID when people started staying home a lot was this idea for a subscription box.

And I think, you know, subscription boxes, I think nowadays have like a bad rep, you know, you after companies like Blue Apron and whatnot, but, but I think for this one, it could be a niche.

There's a huge rise in interest in kind of home cooking.

So the idea was a subscription bread of the month club.

So make your own bread.

We send you the ingredients.

You can call it doughy, dough girl, dough daddy, yeast club, you know, whatever.

I love that you came with the names.

I like dough daddy.

That was a winner.

Hold on.

Let me go, let me go to go daddy real quick and see if I can snatch that dough daddy.

I like what my product is that the next domain is going to be dough daddy.

Do you know anyone who runs a box?

Yeah, there are some that like have really flown under the radar and have like exploded like what?

Uh, I mean, I, I think the, the best example I would just share is like, you know, Beppet Fawn is like this company that I think venture investors have overlooked for a long time now.

And, uh, and I think it's just like, you know, it's very consistent compounding growth.

They've, um, this year specifically, they really exploded.

I think with COVID.

So.

All right.

A quick message from our sponsor.

You know, I was thinking about the shortest day of the year earlier.

And while we technically have the same amount of time as every other day of the year, the lack of daylight makes it feel so much shorter, which is exactly the same kind of feeling as working with disconnected tools.

Our work days, the same length as always.

But before you know it, we spent three hours just fixing something that was supposed to be automated.

Thankfully, HubSpot's all in one CRM platform can serve as a single source of truth for managing your customer relationships across marketing, sales, service operations with multiple hubs and over a thousand integrations and easy to use interface HubSpot lets you spend less time managing your software and more time connecting with your customers. Learn how HubSpot can help you grow your business at [HubSpot.com](https://www.hubspot.com).

Can I give you the background or what I know about FabFitFun and you can kind of fill in the blank.



## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

So FabFitFun, I researched them a bit because so my business is the hustle where an email business or it starts, it started that way.

I think FabFitFun also started that way.

So I think it was they gave fitness and beauty related tips to young women via an email.

Right.

So they built that up to like tens of thousands, maybe hundreds of thousands of people and they go, all right, well, let's make money in a different way than advertising.

And they launched this box.

And I think they've been around for around 10 years, right?

And they're based out of LA.

I think they raised a little bit of money to start, but not a significant amount.

And they have since grown it to something like, is it they have 200,000 subscribers or more?

I don't remember the exact number of subscribers, but like top line wise, they're in hundreds of millions.

Yes.

And they send a quarterly box, right?

That's right.

And the interesting thing that they've done, and I think, you know, we've thought about a lot as well as they've created lock in, you know, post purchase.

So right now, I think that the nuance with subscription businesses is oftentimes there's a number of types of subscriptions, but like oftentimes the product is the subscription.

So like for Spotify, for example, when you pay the subscription, like you are getting Spotify, you're getting access to Spotify and that's the product.

You don't have to pay additional same with FabFitFun, although they do upsell you.

I think what we've seen with FabFitFun and even Stitch Fix as well, it's like they want to move towards one time purchases that go outside of subscription frequency, which is always like, you know, the grass is always greener.

And then the flip side is like for, you know, companies that are more transactional or like one time purchase, it's how do we layer on more frequency of use, whether that's a subscription box or not.

So how has FabFitFun done that?

Do you think like, what can, what can I learn from them?

Well, what they've done, you know, I think that the common trope is like, you know, if you're a media business, you should be doing Ecom and if you're an Ecom business, you should be doing media.

And like, frankly, that like nine times at a time that like never works, it's right.

And I would actually go as far as saying it's much harder to do the second where you're Ecom and you're trying to build media.

But, but I do think FabFitFun has done that, you know, in an interesting way, like post purchase, you get access to a community that actually like retains you if you try to turn the locks, like people will post like I'm thinking about canceling and people will actively say like, Hey, don't cancel like, here's why I'm still a member.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

But what's the, what's the like a good community is like a good cult, which means you have like a, what a belief system.

Yeah.

Like cults all have like an identifiable leader.

They have like an us versus them mentality.

They have a unified belief.

They have a series of rituals that you typically have to do and they're inclusive.

What is the, what is the belief system that all like we have the thing called trends.

It's all, it has like this entrepreneurial thing.

What's like the us versus them mentality?

Well, I think when it comes to like, well, I think in Ecom, you can either sell, you know, one of, I guess like one of three things and like one is, you know, you can sell the, the concept of value and it's like, Hey, you're getting a good, you know, bang for your buck or you're getting like a deal that you feel smart about or you're in the know or whatever it is.

And I think for Fepa fun, it is like the value sense and you know, value is not like an easy thing to build a community around, but like there are people who are like really passionate about like saving that extra dollar.

And even though they won't necessarily talk about it that way, I think that community like does bond around that.

I think there's others where I guess the other two I was going to say is like one is kind of around the, the, the, you know, the actual use case.

So I think like the best, you know, recent example is probably Peloton in which, you know, people just love being Peloton users and NPS is super high, turn is extremely low, you know, and so on and so forth.

But I think the third is actually interesting and there's like a cultural one.

I think, you know, for, for, and I'll speak directly with like our, our kind of counterparts, but companies like Glossier and, which is oftentimes touted as like the leading kind of skincare slash beauty brand in, in the venture ecosystem, even though they actually do oftentimes less run rates than like the, the bootstraps kind of lesser known, you know, lesser known brands.

I think, you know, they put out this feeling of like, Hey, we are this cool millennial girl in a big city and, you know, we put out this feeling that it's like a cool 25 year old, right?

The customer set is actually like high schoolers.

And I think I can name a bunch of other examples like this, like a way, for example, I think when they started, is this cool millennial like product, you know, got all these influencers but the actual customer in the beginning was probably business travelers.

So, so I think, you know, I think there's areas to build like an aspirational like, you know, community where it's like, Hey, I want to achieve that.

And there's these leaders in our space, like for example, with a way, maybe it was like Carly Clossier, maybe with Glossier, it was actually the CEO Emily who built that like aura of like celebrity, but, but I think that's actually the hardest to maintain because,

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

you know, customers are flipping and, and they'll kind of like churn out.  
Can I tell you or say something about something you just said and Sean, you might like this.  
So at the hustle, we do giveaways sometimes.  
So like sign up for the hustle and you win a MacBook Pro.  
One time we gave away a Tesla, like a \$30,000 Tesla.  
And when we do these giveaways, there's these websites, I'd have to go and remember what they're called, but it's like super savers or it's like, there is this and we get so much traffic from it.  
It's crazy.  
And if you Google like the hustle giveaway, there's these huge communities and we get so much traffic from it.  
And it's mostly middle America stayed home moms and they are doing giveaways like crazy.  
They are all about saving money.  
Like we have the socks that say hack now that's very coastal mail branding and they don't like, I'm like, normally if it were like, if it costs a little bit of money, they wouldn't want that.  
But because it's free, they're obsessed with it and like it, we have a teacher that says always be hustling and like Bailey from Missouri, who's got three kids doesn't want like an always be hustling shirt.  
Like that's not her mantra probably, but they love this crap.  
And this fab fit fun thing is sounds like it's tapping into that community of this like stay at home mom bargain hunter.  
I have been surprised.  
Another company that's similar to that is the pennyholder.com, which we talked about recently, which recently just sold for a hundred million bucks or 120 or something.  
It's a crazy community.  
Yeah, probably not the best customer set, right?  
Because I think, you know, even though the set like the area where most people chase are like, okay, I want to sell to people like me, right?  
So that's like typically for us, it's like bycoastals, big city, middle high income, leans left while educated, you know, so on and so forth.  
But I think the actual most consistent customer that's actually the cheapest to acquire is the middle American mom.  
And she's also that like a pretty big spender too.  
And if you get her loyal to one thing, like she's going to be with you for, you know, years and years and years.  
And I think that's what a lot of like venture, you know, brands kind of overlook sometimes is like, that's actually who you should be going for.  
But I mean, you can make the comparison to like DoorDash versus, you know, what postmates did like city versus suburbs, but, but I don't know, I think I would actually say they're a great customer.  
Yeah, I totally agree.  
Sean, did you ever see the analytics for Soap Hub?

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

So Soap Hub was our friend's soap opera news website.

Have you seen the analytics?

I've seen you guys posted something about it.

You did a blog post.

I've seen what you posted publicly because I met him after he sold it.

We had the founder of Bleacher Report look at so we have this friend who has his blog.

All they did was blog about soap operas and we had the founder of Bleacher Report look at his Google analytics and he goes, I've never seen engagement like this and it was all middle America moms.

I'm telling you, that market's good.

No, I totally agree.

The middle American mom is a great market.

The super say that like the what's the first not penny hoarders, but the one you just said before that the ones who basically like, I don't know if that's actually a thing.

Professional like contest enterers.

That's not the best right there.

The ones who are trying to leech your, your programs and be like, Oh, cool.

They have a referral bonus.

Let's create a giant referral chain and like milk this baby.

It's like, they work so hard and it's like, man, this is like, this is like eight dollars just buy it.

It'll be easier.

And sometimes it's okay.

Like for example, for italic, your value proposition is value, right?

You're getting amazing good at like a fraction of the price that you would normally pay.

So attracting the value shopper is the right, the right move probably.

Whereas if your thing is all about status, like for example, my wife has this e-commerce business and one of the kind of core things that people do is collect.

They, you know, like, I've only, I've only ever seen businesses where you chase customers.

You're trying to tell customers to buy from you.

Her business, they do new style drops of like, you know, a new product, uh, you know, every Friday and people are lining up.

So it's like an Apple, you know, like an iPhone launch.

So basically you have to, you have to implement these rules that you can't buy more than X of every product because it like it's selling out too quickly type of thing, right?

So I've never even seen somebody limit a cart.

It's like, aren't you always trying to build the cart to be bigger?

And it's like, no, no, no, we have it where you can max by two items because, you know, we have to, it's like, you know, when hand sanitizer was flying off the shelves and grocery stores had to, had to put a limit on it.

That's what happens there because that's a collector's mentality.

They want, they want to get every one of the new, the new like stuff that comes out because it's rare and they will wake up in the morning early to be at their computer trying to get

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

it within one minute of the drop.

Like all the revenue happens in a like 122nd period and then it's like over for the day.

I dig it.

I'm into it.

That's a good idea.

It's almost like, I mean, it's real scarcity, but it's also like by enforcing, I think the more often you like reinforce the scarcity of a product to a very active audience, like, but do so in a classy way, the better.

It's almost like Black Friday where it's like, hey, you can get this in this very short bounded period of time and then it's, it's gone and you're going to have to wait another year.

So I know it's a totally different comparison, but yeah, that makes sense.

Cool.

What else you got?

I have so many.

I don't know like how fast you want to meet me to go through.

I have, okay.

So I've like ventured tech businesses and I have like more standard, you know, like, that's fine.

Well, well, okay.

What did we just cover?

Just go, go ABAB.

Yeah.

I mean, subscription bread of the month, I think would be great for like someone who wants to just start something, you know, and, and you can, you know, start it small and I,

And why, why bread?

Why'd you pick bread versus margins?

You can, I mean, if you position it as like a premium product or you, you, um, position it as like a utility, hey, like we're skipping the grocery store.

You're going to do this anyways.

You want the best yeast.

You want whatever it is.

Like here's a starter kit.

Um, I think the margins on that and the, um, the, uh, the retention will be really strong if you can deliver on that.

And it's also like, you know, it doesn't have to be expensive.

So, um, and also bread's hot right now, Sean.

Don't you know this?

Well, that's what I'm saying.

Like give me the, give me the trends.

Uh, Mr. Trends.

I mean, everyone knows this bit, but banana bread in particular is going through the roof

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

right now.  
Everybody knows this.  
Everybody knows banana bread is through the roof.  
Anyone who has it.  
Fuck you.  
Nobody knows.  
Nobody knows.  
Banana bread is through the roof.  
I'll pray you.  
Do you know this?  
Anyone who has an Instagram or a TikTok knows that home baking and bread, particularly banana bread.  
You can't use a brain.  
He works for you.  
Jeremy.  
Am I right or wrong?  
Uh, is banana bread like searching right now?  
Yeah.  
I'm also said, pears are the fruit of the year.  
So yeah, I'm just jealous you're not talking about pears.  
Okay.  
So someone actually does.  
I forgot on, so I did see this in the wild somewhere and I thought they did a, did a good job with it.  
But okay.  
So that was one idea.  
Hold on.  
Let me tell you one thing I like about that.  
By the way, I think that you want to make brag worthy products, meaning can the product after the consumer has it, is it Instagram worthy?  
Will they share this on Instagram or TikTok?  
The thing that they're doing because that's going to drive a lot of your adoption.  
And this is such a good one where it's like, it's an interesting thing, making bread is something people don't usually do, but the skill cap is actually probably pretty low.  
You're actually going to be able to do it and have a good output.  
And then lastly, it's brag worthy.  
It doesn't look like a brag.  
Like if you bought something expensive and you share it, well, that's only a certain type of person would do that.  
But I think a lot of people would happily share that they're doing a fun thing today in quarantine, which is like baking bread at home and shit happy with how it turned out.  
So I love the brag worthiness of that idea.  
I think there's a lot of subscription things that you can do that are not like you won't



## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

like a variety of bleaches.

I mean, it was all pretty harsh stuff.

They have a market cap, I just looked it up, of \$5 billion.

It's just a chain of small stores.

You guys probably didn't experience this,

but if you have blonde hair,

these chemicals were so strong

that if I would swim too much, my hair,

and if you're like a white, blonde hair person,

your hair turns green.

Have you ever seen that?

No, but that's an amazing way to position an alternative.

So there was a guy who reached out from the podcast,

a listener who said, hey, I have a product,

and I can't remember the name, Sam,

you might know this guy also,

he might have reached out to you as well.

Ravi?

Oh, I don't know what his name is,

but his product was basically a modern day

pool maintenance subscription thing,

kind of like what you're talking about, Jeremy.

So what he was doing is,

you know in pools they have this floating little buoy

that's kind of like a monitor?

So normally the pool guy comes,

he sticks this little thing in there,

and he checks the chemical, the pH levels,

and figures out what's going on.

So this guy had basically created a smart sensor.

So it's just a floating thing in your pool.

Anytime on your phone,

you can go check the pH levels,

you could see what the temperature of the pool is, whatever,

and then they sell you the chemical packs,

the little essentially tied pods that you put into this thing,

and it treats your pool.

And I was like, that is a great business idea,

and he was doing pretty well.

I think it's kind of like low seven figures a year

in revenue at the time.

Yeah, his name is, it's called MySutro.



## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

So MySutro.com, S-U-T-R-O.com, MySutro.com.

His name's Ravi.

He actually was a founder's dojo guy, Sean.

So that's how I knew him.

Gotcha.

He's a good dude.

He's been at this for years.

It does, I don't know why this actually isn't significantly larger.

It feels like his ship is bigger, yeah.

Right.

Actually, I think a lot of like, this is so kind of, this is like, I think you guys had talked about like consolation and software and like, you know, there's so, and what was the company, like Service Titan or something?

There's so many like opportunities in these like niche neighborhood businesses that you think are like so, you know, most people would think are so small, but there's like literally tens, if not hundreds of thousands of these businesses, like across the U.S. alone, and providing like verticalized software.

This is not, I still don't think it's a venture business, but like building straight forward verticalized software for those use cases, such as pool maintenance, which I know exists like to a large degree, because I did my own research on it, but I think you could do this for a number of those.

That was actually not on my list,

but I can keep going if you want.

I could kind of run through a couple if you want or...

Yeah, keep going.

All right, I've got one.

So I think Stripe Atlas for those who don't know is basically company formation as a service.

And this is not new by any means, you know, and plenty of people have done this from clerky to, I think there's a new one called First Base and whatnot, generally costs like between, you know, maybe \$300 to \$1,000 depending on the state and service, but I think there are verticals for administration like that, that is more niche,

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

and you can actually charge more for.  
So for example, a trust fund administration,  
I think could be interesting as a service.  
There's a lot of like...  
Basically, I think...  
Jeremy, describe clerky,  
because I was a user of clerky,  
and I think they've gone out of...  
I don't know if they've gone out of business,  
but it's kind of like on autopilot, it seems.  
Yeah, I think so.  
I've used clerky for two companies in the past,  
and it's...  
It was amazing.  
Yeah, I mean, it's basically a standardized set of documents  
that you can use for company formation  
as a Delaware C Corp,  
which is what most venture businesses would form as,  
and you can do it for like...  
It's so cheap.  
I think that danger with clerky is like,  
every founder out there who's listening,  
like who's new, the 83B process,  
you like really have to be careful of,  
you just...  
I'm not gonna explain the whole thing,  
just like make sure you do your research  
and actually like file the 83B  
so that you are purchasing your shares.  
The reason why I bring it up is like there's a time limit,  
but clerky almost screwed us twice on that.  
So that was kind of one downside with it  
versus an actual dedicated service.  
But yeah, I think it's on autopilot, and I'm sure they're...  
So clerky is like, they had maybe 40 documents  
that were standardized,  
but it had a docuSign component.  
And I think it was \$9 a document.  
And we had 36 investors, and so we sent this to them.  
So 36 times, let's say 10 bucks.  
So we only paid them \$3060,  
but it was one of those services,  
Sean and I, you actually just discussed this the other day,

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

where you start using it and you're like, oh, it's only this much money, whatever. You just keep doing it, and you keep doing it, and you keep doing it, and it slowly adds up. Yeah.

All right, one more.

I have so much, okay.

One is homeschooling software.

I think there's a lot of...

This is, I think, a significantly growing trend in homeschooling, not just because of COVID.

I think COVID was an accelerant.

So providing software that is...

And I think there's a venture company called Primer doing something kind of akin to this, but providing things like attendance, report cards, grading, test generators, admin services, where you basically can run a homeschool for you, or even a marketplace of having dedicated homeschooling teachers, that was one...

So let's talk a little bit about that, because I know a little bit about this space.

So I was a little bit surprised to learn that about 3% to 4% of school-aged kids do homeschooling.

And that was higher than I thought it would be.

It's still a low percentage, but we're talking about a population of 2.5 to 3 million.

And now with COVID, easily double that, we'll come out of this.

And so let's call it...

You have 2.5 million customers, 3 million maybe as a round number.

And that's just in the U.S.

And they have a very specific set of challenges.

So if you want to homeschool your kid, first, they're each state, has a different process to like establish yourself as like a legal homeschool person.

So I have a friend who started their business doing Stripe Atlas, the one of the previous idea, for homeschooling.

So like, hey, just type in your kid's name

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

and birthday and all that,  
and we will file the homeschooling paperwork for you.  
You don't have to figure out what the state of Georgia  
requires you to do for that.  
So they got a bunch of people who were like,  
oh, good, because I didn't know how to do this.  
The second problem that parents have is,  
you're supposed to document all the work  
that your kid is doing.  
So you have to like take photos of their worksheets  
and blah, blah, blah.  
So there's like a whole, like where do you put those photos?  
There's just in your camera roll  
alongside all your other life photos.  
That doesn't seem very good.  
So you could build like, you know,  
so that's the second part of the stack  
is like the record keeping.  
Third part of the stack,  
well, what worksheets should they even be using?  
Are you going to create your own curriculum?  
Like most people who homeschool are not like going to be  
creating a full set of curriculum  
with like really good worksheets and whatnot.  
So they need to access,  
what the heck do I teach my kid on a day-to-day basis?  
So that's kind of like one whole stack.  
And there's a company called Go Primer  
that's going after it.  
My friend, Farza, started going after that.  
He pivoted to something called Zip School,  
which so Zip School basically is doing the  
Bill Nye the Science guy live on Zoom.  
So what he did was he created,  
he found all these teachers who were kind of like  
out of work or had extra time.  
And he filtered them for like who has the biggest personality  
and can kind of like pop on Zoom.  
And what he does is like, it's like after school education.  
So you have a kid at home and whether you're homeschooling  
them and you just want for one hour for them to be  
with this digital teacher or after school,  
you just want them to like learn more science or whatever.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

And all his topics are kind of like Magic School Bus or Bill Nye the Science guy where it's like, let's learn about rockets. And it's about like actually like what Elon Musk is doing with rockets. Like something that's interesting that you don't like, it's just not the like cookie cutter school lesson. Or like why, you know, why sharks are not the scariest animal in the ocean, right? It's like stuff like that, that's like, it's very intriguing to a student. And then they have a teacher with a green screen behind them and they kind of like live teach a class with like kind of like some low end special effects that it's interesting. And all the kids are just kind of like on mute. And they're like on mute to like say things from time to time or whatever. And parents pay like a pretty low subscription. It's like pay 50 bucks a month for your kid to be able to go to three, four or five classes a month. And so he raised a little bit of money from Andreessen Horowitz because there was a little bit of momentum. He was getting classes where he started with like, like, you know, five students showed up and he was running Facebook ads. And for very cheap, he was acquiring users like, I want to say sub a dollar. He was acquiring users during COVID because every parent in America was like, shit, how the hell am I supposed to teach my, A, I need a babysitter and B, like I need to like educate my kid cause they're like out of school for so long. And so he was getting people to come in and he was joining classes and these classes got up to like 500 people. They were breaking the zoom limit of like how many people can be in one session. And now they do like more like smaller group classes. I think cause people are more willing to pay for that. But I thought this was very interesting. The idea of taking the old Bill Nye the science guy model. So wait, what's going on with that company now? It's going, I think it's going fine. They have a bunch of teachers on the roster that each, you know, this guy specializes in space.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

This guy specializes in science and surgeries or whatever, different topics.

And they do small group classes like six to eight people and like after school education basically.

And COVID still has like so many people.

It's hard to know what's going to happen to this business post COVID.

But I would say like this is like a variation of homeschooling.

It's not pure homeschooling.

It's either something you can add into your homeschoolers day for an hour or it's a, hey, I send my kid to public school.

They come home from school and like they want to watch TV and stuff anyways.

Well, we could do this for 30 minutes instead.

And I feel like at least my kid got like enriched a little bit.

And I'm happily pay the equivalent of like 10 bucks a week for how to have this tutor basically tutoring my kid over zoom.

But it's done in an educating, entertaining way.

By the way, Sean, are you just wearing a robe?

Yes.

Okay.

I just, I just noticed that.

I just thought we should get that out of the way.

You're, were you like, it's audio only baby.

I don't know if anyone sees these clips.

So I just assume it's audio only.

I'm in a room.

All right.

All right.

I want to get three out first.

And then I'll kind of shout out for a bit.

One is I'm personally, I think you guys might be into this, but I'm, I've been really into the idea of like franchises for a long time.

I think it's like, you know, I think sometimes I think people, you know, in, in, in our ecosystem, at least like we'll look down on these types of businesses.

But some of them like are phenomenally profitable and they're extremely capital efficient.

And it's a really lightweight way to build kind of a brand and a go to market, you know, strategy without actually having to kind of be a super rich, you know, person to start or raise a bunch of money.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

I think there's, there's opportunities to, to modernize a lot of the kind of legacy franchises.

So for example, are you guys familiar with the company called Sonder?

Oh yeah.

The hotel kind of company.

Yeah.

So they basically like take over people's leases and they manage the properties.

And originally there's a listing platform to, you know, they would take those properties and they would list it on like Craigslist, Airbnb and so on and so forth and get, you know, they would manage it.

And then I think more recently they're starting to like aggregate the demand on their side so that people will actually go to Sonder.com and then, you know, actually book directly.

So they don't have to pay the fee, you know, I think they're like, I think the largest, like one of the largest lists, like unified and Airbnb at some point, but I think there's an opportunity to do something similar with, with, with actually fitness centers and gyms.

You know, the concept exists for hotels, like, you know, you'll have like Marriott's, whatever come over and kind of manage the property.

But I think gyms right now, like you have either, you have like a, I think a bifurcation in the market of like really low end gyms, which you, you might pay like a, depending on where you are, like 10, 20, 30, 40 bucks a month for, or you have like the really premium gyms of which they're like, you know, some, in LA it was like 200 or 225 per month for an equinox.

And it's an annual subscription into this huge upfront commitment.

I think there's a mid-market opportunity to do something similar.

And I mean, Sonder is familiar to, I think the US audience, there's also like oil rooms, you know, internationally, which has done this for hotels, but at a very, like very, very low end budget kind of model.

I think there's an opportunity to do something in the mid-market for fitness centers and gyms.

Right now, obviously, it's like the worst time to do this, but it's an idea that I think is interesting.

Along the same lines, I think there's an opportunity to do something similar in convenience stores.

This is actually an area that I've, it's like super unsexy, but

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

like it's a huge, like there's so much volume that goes into convenience stores.

And it's, it's for an obvious reason, right?

Like there's companies like GoPuff or whatever, but I believe, I think like they'll get to maybe 10, 15, 20 percent market saturation, penetration at most kind of like what you come is right now.

I think convenience stores will probably always exist, but right now, like it's super, you know, in New York, you have bodegas and like suburbs, you have like 7-elevens, but I think there's an opportunity to either do a roll up.

And the reason why I think there's an interesting use case there is like right now, convenience stores are retailers and they have to buy a wholesale from brands or distributors and they don't have any negotiation leverage as an independent like as a one kind of man show or, or, you know, a small shop. But I think if you had a larger kind of supply base to purchase off of, that could be interesting.

And you could do it either as a franchise model or as a roll up of your own.

And I also think the McDonald's, you can tell I'm all over here, but like, you know, the McDonald's model, how like franchisees will actually buy, they'll buy the license to become a franchise, but then McDonald's will actually buy the real estate and then the sale, the proceeds from the actual franchise will actually go towards the real estate purchase.

I think that actually could be interesting because convenience stores have like the best real estate possible in like a lot of these bigger cities and sometimes suburbs because they're in the middle of like a town.

I don't say I don't know if you were going to say anything there.

I think.

No, my wheels are turning.

I'm thinking I'm scheming in my head.

This is, this is a fun one, like for anyone who runs an American factory, there's a lot of these like smaller kind of, you know, let's say 2,000 to 5,000 square foot factories in the US.

I think there's actually opportunities to create like really well loved high affinity branded factories.

I know this sounds really weird, but like think Willy Wonka



## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

and the chocolate factory.

If you run a chocolate factory and you like did a daily show and like, Hey, I'm grinding like, you know, I just got my shipment of, you know, cacao, I'm like going through the roasting process or you could do it for coffee.

I think there's actually a lot of opportunity for building brands online.

I think Emma Chamberlain like has, I mean, she's, this is a very far fetched example, but like what she's, who?

Oh, I'm a, I'm a Chamberlain's like one of the biggest YouTube.

Yeah.

Yeah.

Yeah.

I love this woman.

I just discovered her.

What does she do?

I don't know her.

She's like, she's just like a cool.

Yeah.

She's just a YouTuber, but she's like pretty cool.

I don't know.

She's like, you know, like obviously cute and charming and entertaining.

What does she talk about?

Or she just talks about her life.

It's like a lot.

It's almost like a very.

Nothing.

Yeah.

Interesting.

Like the, I think, you know, you guys talked about the,

I think it's cloud kitchens, which I love by the way.

I think like those guys are, you know, read, read and, and night media.

They're also investors for, for italk as well.

But yeah, amazing people to have.

But I think the, you know, most times when people do merch with influencers, it's like, it's crap.

Like you're not, you're going to buy it.

Like maybe if you're a super fan, but like, you know, it's a t-shirt.

Like what are you actually going to do with it?

But I think when you do things that are like really on brand.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

So for example, what Emma did was she partnered with a coffee manufacturer.

She's really into coffee.

She partnered with a coffee manufacturer and launched Chamberlain coffees.

And I think like they're probably doing multiple of what we're doing right now for italk.

So I think there's opportunities to do things.

So it's, wait, let's, we got to talk about this for a second.

So Sean, this Emma Chamberlain, Google her.

She's like 19.

She's got the, she kind of, she looks like this.

I don't know what her stereotype is.

Like quirky, quirky, likable, cute.

Yeah.

I don't know what her stick is.

I watched a video of her where she rented a hotel room by herself because she wanted a staycation.

And I have no idea why I watched.

It was a 20 minute series.

She's just entertaining.

She's good.

She's pure tagline.

Chamberlain coffee.

Zero bullshit.

Just coffee, Chamberlain coffee zero bullshit.

Just coffee.

Like it's it's, it's like, it's like a legit brand though.

When it started, it was kind of like, you know, crappy square space.

Like, but now like it's a beautiful brand.

I think it's like, that,

I think that's like an influencer slash celebrity brand done right.

And it's so rare.

You know,

so do you think does she own 100% of this?

Usually here's, and I like to go through the stuff with the listeners.

What I like to do is whenever I go to these websites,

I scroll all the way to the bottom

and I find out who owns the copyright or trademark or what the copyright or trademark is.

And then if you typically Google it in quotation marks,

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

you can find out who owns it.  
Do you think, but I don't see that on her site.  
I think, I think, yeah, I don't know.  
I don't want to speak like incorrectly.  
But how much revenue do you think this,  
this woman makes off this?  
The top line sales on Chamberlain coffee.  
You think they do more than 40 million in sales?  
No, I don't think yet.  
I think they started like last summer or so.  
So I think they're still getting there.  
But I wouldn't be surprised if they got there pretty soon.  
And the best part about coffee is it's subscription, right?  
So, and I think with these types of deals,  
like if you're a factory out there and, you know,  
you can say like your margins are already crap, right?  
Like that's a whole point of italic is to help you,  
you know, basically earn margin and kind of gain  
your own distribution channel of your own.  
But if you're saying like, hey, we can sell a,  
and by the way, for factories,  
like normally they'll make 15 to 20% on top of cost of goods.  
You know, and this is like,  
regardless of the category, regardless of where you are,  
whether you're in the US or China or, you know,  
Italy, it might be 25, 30% sometimes.  
But that's like on cost of goods.  
A brand will buy that and sell up for 10X, like normally.  
So if you even said like, hey to a factory,  
hey, we will do a 50, 50 revenue split.  
You're already like on a retail price  
and you match what's on par with the rest of the industry.  
You're basically like more than five X in their margins.  
And that's not like a normal.  
And in exchange, they give you what?  
Distribution, which is the most expensive part  
of the game anyways.  
So, and I think, you know, I think that,  
you talked about this previously as well,  
but I think like influencers are late, most are lazy.  
Like they don't have an aspiration to go beyond kind of  
like what they're currently doing.  
They're happy to do a promo, happy to do whatever.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

But if you made it really easy and it was just like, hey, like we have a designer, we have a, you know, whatever. It's kind of like we'll build a business in a box for you, but it's actually like catered to you in a way, like, okay, a good example is I was looking at a chocolate factory and in a right above, it was in Marin County and like really high quality.

Why?

Why were you doing that?

It was a manufacturer's from years and years ago for not, it was originally chocolates and then we moved into gummies.

This is like 2016, 2017, but they went for sale.

And I was like, okay, this is interesting.

You might as well actually look.

There's this guy who's like a sexy Willy Wonka TikTok character.

I forgot his name, but just imagine like, hey, put literally put that guy in the factory, make him do a video once a day.

He's going to be huge.

Like he's already huge.

And you could do like a golden ticket, you know, you know, one out of every thousand, you get like a thousand bucks or something like that.

There's all these like,

I think it has to be catered for the influencer, but I think there's branded factory opportunities where you have, you know, a rough chair.

And, you know, I know there's agents who do this for like skincare and beauty,

but like I think beyond the standard merch and skincare, there's a lot of opportunity that's like a lot more interesting than, you know, selling a t-shirt.

Did we talk about the Bucky's thing, Sam?

What is that?

Maybe.

So all right, so this is a, this is a crazy story.

So I got a DM, by the way, this is the best part about doing it, doing this podcast.

So I just get DMs that are interesting, interesting characters.

Do you have your DMs open?

Yes, my DMs are officially open.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

I had to turn them off for a little while.  
For what?  
I don't know, I just didn't want to read all of them.  
While you look for that,  
can we just say this Chamberlain coffee thing?  
I'm buying it.  
I don't know, I'm buying this stuff.  
This site's beautiful.  
It's great.  
It's a-  
It totally convinced me to buy.  
It's end to end like a really well-done brand.  
And you rarely, even for venture-backed companies  
at trial, like it's very rare that you see that happen.  
So.  
No, they crushed it.  
Sam loves cute girls and curly fonts.  
So he was in at first sight.  
All right, so this guy, so I met this guy, Chris,  
and Chris says, hey man, I got kind of a crazy story.  
And I think the hustle might've actually done a feature  
on this, I'm not 100% sure, but he tells me this story.  
He goes, so there's this chain of,  
kind of like gas stations in Texas called Bucky's.  
I lived in Texas, I didn't even know about this.  
Have you guys ever heard of this chain?  
Most people, if you're not in Texas,  
you probably haven't heard of this.  
Bucky's?  
Bucky's, it's BU, you know.  
Oh, the gas station.  
Exactly, they're known for two things.  
One, they have the cleanest restrooms.  
So if you're on a road trip or you're stopping,  
Bucky's is the place to stop because they have  
the cleanest bathrooms out there,  
let alone for a gas station.  
The second thing is they have a whole bunch of snacks.  
Like they basically have their own branded snacks  
in the gas station or whatever that you buy.  
And it's built kind of like a cult brand.  
They're an influencer gas station, if you will, right?  
So you get Bucky's that has, this is this loyal following.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

It's like, you know, every kind of region has their version of this, like I went to school in North Carolina and Cookout was like, oh, you got to go to Cookout and get the shakes or whatever.

Like there's these little like regional brands that people just go crazy about.

And so this guy, Chris, Chris Corner, he decides to start buying, he notices that Bucky's does not have e-commerce.

You could buy it in the store, but there's no e-commerce.

So he just starts buying a whole bunch of products from the store and then just selling those same things online and he just like, oh, let me test this out.

So he runs some ads.

And basically he's like, oh, if you love Bucky's, like here's a way to buy Bucky's, Beaver Nuggets, which are like their little like,

best selling pop, pop, pop, pop type thing, right?

Here's their chocolate covered thing or whatever.

Here's their hat, here's their mug.

And so he just starts selling this,

kind of like on the download basically.

And so he calls it TexasSnack.com or something like that.

TexasSnacks over the X and I'll put the link here.

But he starts selling it and sure enough

the ads start performing phenomenally.

People who see this are like, oh my God, I love Bucky's or my husband loves Bucky's.

So this is the perfect gift for them.

They'll feel so good that, so he starts selling this

and the ads start performing great.

And so he's like, yeah, you know, I'm spending X

and here's my ROAS and he's showing me the numbers.

I'm like, wow, these numbers are kind of like amazing for e-commerce.

And I was like, so what is this just gonna get like shut down or whatever?

And he's like, no, actually they reached out

and they were like, hey, this is cool what you're doing.

Like we actually tried e-commerce a few years ago.

Like we spent \$3 million like setting up e-commerce and they're like never went anywhere.

We kind of like just ditched it.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

But that's cool that you guys are doing this.  
Like how can we help?  
And he's like, well, you know, like I'd like to, you know just get the blessing from you and, you know, it's like, you know, as long as I'm like an approved vendor, this is great.  
And the second thing that he did with that was like, he's buying it at the retail price.  
So he's not like asking them for some, he's not eating into their business at all.  
He's buying it from a store at the retail price.  
He's just upcharging it from there for people who want it delivered.  
And he himself owns a 3PL.  
So he's like, ah, this is perfect.  
And I can fulfill this really easily.  
So I loved this little story.  
I thought this was like a very clever local thing to do.  
Basically similar to what we had talked about with Tai Lopez, which is like take these established brands.  
Herk who reached out to you?  
Chris is his Twitter handle is serial trap like serial entrepreneur.  
And I saw, I was like, you have like 50,000 followers.  
How do you, how do you have so many followers?  
He's like, oh, like I was doing some Bitcoin stuff.  
Like, you know, a few years ago it got really popular.  
You know, like, you know, John McAfee was invited to be to his house for some shit.  
Like kind of got blown up from that.  
But like, yeah, I changed my domain name now.  
I changed my handle now so that, you know, it's more generic, not about crypto.  
Okay, listen, I'm going to talk about something that a friend has been telling me that he wants to do.  
And I'm going to, I'm going to mention it because I have to.  
I'm looking at send eats.com.  
So if you go to texasnacks.com, that's this guy's website.  
You scroll to the very bottom.  
It looks like it's owned by Send Eats.  
Send Eats.com.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

And basically it's a service that,  
how do they describe themselves?  
They just do it with that bucky's things for everyone.  
Look, this is the same guy.  
This is their, this is his company.  
So basically they're a 3PL,  
which basically just means they're like the warehouse  
and fulfillment.  
So you store your products there,  
they pack it and ship it out to your customers for you.  
And in their about page,  
they say in 2020 they expanded to cold chain.  
Do you know what cold chain storage is?  
It's basically where your temperature controlled,  
you know, temperature handled, right?  
Yes.  
And a lot of insiders of this space,  
this legit food logistic,  
I don't know what you would call it,  
but I've been talking to some friends in that space  
and many people have said to me,  
cold chain expansion, cold chain storage  
is the number one category for growth.  
Oh, it's crazy.  
You can't, you literally can't find a vendor for it right now.  
It's like, I'm telling my parents  
have a warehouse in Chicago  
and they have like a manufacturing business.  
That's our family business,  
but like I'm trying to get them to like convert  
their warehouse to a cold chain, like, you know, cold storage.  
So can you, I don't really know too much  
about what that means in detail.  
Can you explain to me, Jeremy, what that means?  
And why is it the need exploding?  
Is it a COVID thing or just in general?  
Well, I think it's just in general.  
Basically, like, you know, you're,  
and by the way, this is a really interesting area.  
I actually personally invested in this company  
called Airhouse.  
It was founded by the founder and CEO of SHIP,  
SHIP, that was my first job in out of college.



## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

And that's when I met Sean.

So anyways, cold chain and cold chain logistics and in storage specifically is you have to have it if you work with like a distributor or you sell any perishable product that is not like dry goods.

So like, let's say we're talking about Oatly, for example, I don't know Oatly supply chain, this is just a guess, but if Oatly wants to distribute that product to Whole Foods, you know, they need to store it and they'll produce it more likely than not in the U.S. right now.

You know, they'll have suppliers, you know, wherever produce it in U.S., they'll need to have a pickup and then they'll, which will be a reefer, so like a refrigerator truck.

And then that reefer will drop it.

Yeah, that's what it's called.

They drop it off at like that cold storage.

So you have like those 3PLs like have to have that space allocated and more often than not, it's like the whole space, it's not like half-half.

And it's more expensive storage, it's more, but if you want to introduce it to Whole Foods, like you have to do it and retail is just like, you know, popped off ever since COVID, or grocery, not retail, grocery has popped off ever since COVID started.

So, and I don't think that's slowing down by any means, especially with like nowadays, a lot of the cold storage, fulfillment centers used to not do direct-to-consumer fulfillment, it was purely for retail.

As a lot of these brands transitioned online for COVID, I think the need for direct-to-consumer kind of distribution went up a lot.

And the cost of this is really high.

And both in terms of shipping to a customer, but also the setup cost.

So yeah, there's basically not enough like cold storage in the U.S. right now for like a new brand if you want to start.

So start this company, don't, quit selling pot-knot.

Ha ha ha ha ha ha ha.

Or not pot.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

Your parents, what is your parents' warehouse for?  
They do, they've been doing like very heavy duty  
industrials manufacturing for a long time.  
So they've produced parts for like Tesla,  
like General Motors, like et cetera, et cetera.  
So it's like mining auto.  
So you were buying Tesla stock early.  
You're like, oh shit, look at this purchase order, baby.  
We got to buy it in.  
I was not smart enough to do that.  
No, I, well-  
At least you weren't dumb enough to sell it, you know?  
If you're actually a vendor for Tesla,  
I think the irony, this is not from my parents,  
but I think this is just in general,  
like I've heard is they, they come to you saying, like,  
you know, they're, they're big, you know, they're,  
they're just like, hey, we're this huge, huge company.  
But in reality, like the orders aren't actually that big  
relative to, I mean, this is a common story, right?  
Like Ford ships a zillion times more, you know,  
cars than Tesla does, but like the market.  
I have a quick question, Jeremy.  
You are somewhat steeped in this VC world a little bit.  
I mean, you, you got your foot in it.  
Your family, are they, would they own warehouses?  
They, they have a manufacturing company.  
So they produce.  
Were they born and raised here in Chicago?  
Classic Asian immigrant story.  
Yeah, and I'm stereotyping you and I was right.  
So they're, they're these immigrants who came here from  
and they're the American dream, right?  
They started probably a small business.  
Maybe they had like some type of store and they're like,  
oh, we actually should start making the thing.  
And they like have slowly built it up  
over like two decades, right?  
Yeah, in this case for, yep.  
Great.  
So the American dream and pretty traditional, right?  
Of like doing it slowly.  
Probably maybe they took a little bit of debt,

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

but they certainly didn't have investors, right?

Yep, yep, yep.

Just slow and steady.

Yep.

Slow and steady.

Is it lucrative?

Has it done well for them?

Yeah, I think so.

I mean, I think I actually don't even know the numbers and they won't tell me.

So I actually don't know.

Another classic.

Like super high income, like, you know, super rich.

I think we're like very healthy between middle to high income.

So, so my question is this,

what, how has your experience of like raising money and trying to like, I mean, I'm sure maybe they saw that and they were like, this is outlandish.

Why are you doing this?

This is stupid.

Maybe, maybe not.

I don't know.

I mean, that's at least how my family was, but how has your experience and your friend's experience differed from them?

And which do you think you like better?

Well, that's a huge question actually.

I mean, you could ask that to like everyone in Silicon Valley and I think you'd get like a thousand different answers.

You know, I think when I was growing up, I'm sure you guys like probably felt similarly.

Like, I think didn't feel perfectly, you know, like the classic Chicago track.

And Chicago is like a very specific market.

I'm from St. Louis, by the way.

Oh, nice.

Okay.

So you get it.

It's like, you grow up, you become an accountant, you go to U of I, and you go to U of I, you go to become an accountant and a big four.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

Or work an insurance or a bar or something.  
You get married and like your life is not work.  
It's your life, right?  
And your sole purpose is like to fulfill, you know,  
your family's needs and continue,  
what so on and so forth.  
And I think like when you have an immigrant,  
I think another thing I will say is  
growing up Asian in the Midwest is very different  
than growing up Asian in the West Coast  
and also the East Coast.  
Like in the Midwest, like you're talking about  
like Korean churches, you know, super like conservative,  
you know, education is everything.  
Whereas if you grew up in the West Coast,  
like you have Asians who like go homeless  
and then you have Asians become billionaires.  
Like neither of those really happened in the Midwest.  
So I think for me, I was like,  
hey, I want to get out of here, move to somewhere else.  
And I think in the beginning, like it was 100%  
like just hustle.  
I was like, okay, go big or go home.  
Like that's the whole reason why I dropped out  
and did the whole, you know, feel fellowship thing  
and like all so and so forth,  
all of which I'm really, you know, grateful for.  
But I think, you know, as I get older, I think,  
and that's the irony of like being 25.  
I guess like I've been on this path for six, seven years now.  
And I feel like ancient by now,  
but relative to a lot of the newcomers.  
But I think, you know, now that you've been in the game  
for a bit, it's like, okay, the flip side is now like,  
I think when we started in 2014-ish, you know,  
there were so many narratives  
that I think are no longer true today.  
So, you know, remote, there was no way you could do.  
If you wanted to raise money,  
like you had to basically kill yourself to do so.  
You know, this is like a 24-7 hustle.  
This is the era of like, I think the Ubers and so on.  
Whereas nowadays, I think like, you know, founder,

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

I don't know if it's because more capital has flown into the, you know, the ecosystem so that founders have more, you know, leverage, but I don't know.

I think that the opposite, you know, the more conservative like compounding side of the business is I think equally valued now, not by investors by any means, but I think by, as a founder, it's an actual legitimate option.

Whereas if you were in San Francisco in like 2013, there's no way you were gonna do that, right?

It's like, you're gonna look down in every company, unless it was raising money, you were kind of always comparing, you know, who raised more, whatever.

But nowadays, like a lot of those companies are way bigger than ours.

So I don't know, it's, it's a-

Which are you referring to that's bigger than you?

Like a Glossier or I don't know who you consider a-

Actually, I love like the Glossier brand.

I think they're like, they did a great job,

but I will say like, hey,

if you were a Glossier and you were the founder there, you gave up like more than probably half your company and you had co-founders or whatever.

No, I bet you she owns less than 10%.

Yeah.

I bet she owns 10%.

I mean, that's a lot though.

It's a billion dollar business, maybe.

I mean, that's true.

Maybe.

But then I think on the flip side, there's like companies like Milk Makeup, Decium, you know, I can name so many here that probably have achieved similar run rates, but they kept the entire thing, you know, in-house.

And when it comes to an exit, you know, you keep the whole thing.

And by the way, like you don't have to kill yourself day in, day out to like hire engineers, whatever it is.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

And they've achieved,  
and Jim Sharks like probably the more recent example  
of this, right?  
So I don't know, and Jim Sharks,  
the comp you could use as like outdoor voices, right?  
Like, which is both are great brands, but like-  
Yeah, the woman who started out outdoor voices was fired.  
Exactly.

So-  
I think what your parents are doing is  
the more interesting path, which is like,  
you know, the easier it gets to start certain businesses,  
and I'd say e-commerce is getting easier and easier  
by the day to start, the harder and harder it will be  
to build durable, successful brands,  
and the more valuable things like, you know,  
cold chain, you know, cold chain logistics,  
or, you know, being a manufacturing plant  
that's providing, that's, you know,  
that's building for, you know, 50 different brands.  
You know, I feel like that's where the durable value is  
because it's very hard for a little fish like us.  
So it's like, oh, I got an idea to swim upstream  
and go do what they do, whereas it's very easy for, you know,  
another person to enter the, enter the fold  
and start selling their DTC chocolates and gummies  
and shirts and hats and whatever else.  
And so I think that like the long-term compound,  
you know, compounding, most value is from defensibility.  
And I just think that like having hard to do stuff  
is much more defensible than the like kind of quick,  
you know, DTC thing.  
But, you know, there's something,  
that doesn't mean you can't make money doing both,  
but it's like, which one ultimately is more valuable?  
And I think, you know, where your parents is at  
is actually where a lot more value is to be had.  
And I wonder what would happen if you took like a technologist  
or an innovator and you, you know, who was like,  
that your parents probably don't think,  
wake up every day trying to like grow and expand  
and more and more and more.  
Like they're probably like, you know,

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

like running a good solid business every single day.

And like that's their mindset.

Like I wonder what would happen if,

if I took away all your other projects

and 25 year old you took over your family business,

where does that business go in the next 10 years?

Probably 10X and becomes a billion dollar like,

you know, industrial family, you know?

People have done, I have a couple of friends

who come from manufacturing families

and they basically like put out a consumer brand on top

and they're doing like, you know,

one of my friends started Outer,

which is like the furniture company.

And now they're doing like tens of millions.

So they own their factory?

It was a, I think it was a family business

for the manufacturing, same with Buffy,

like the company they bootstrapped for a while

before, you know, taking on capital

and that was a family business.

There's so many examples like that,

but these are just the three ideas

that I wanted to share and then I'll officially be done.

Cool.

One is, I think these are like a more controversial ideas,

but I think like, you know, nowadays,

as a founder, you can actually have the way

to do whatever you want.

I think Alcoholics Anonymous Online is actually really good.

We talked about that.

Oh, have you?

Okay, perfect.

A little bit, I know, I mean, go for it,

but we talked, I think we talked about this a while ago.

No, this is super interesting

and there's a company called the Tempest

that was launching around when we started talking about this

and so they're actually further along now.

I wonder, we should do a checkup on them.

Just to finish the idea,

you were saying AA Online basically,

digital mobile app or something.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

It doesn't even have to be specifically like AA.  
I think there's like a million like specific use cases,  
but I think the bigger idea was just like,  
hey, can you build a specialized community  
for support groups?

And it doesn't have to be like an all encompassing,  
generalized like universal.

Here is a support group platform like Reddit,  
but instead I think you can create like customized,  
you know, productized like versions of each.

So, you know, in AA's case, like, you know,  
you have the steps and you know,  
there's a number of other ones for like mental health  
or whatever it is.

So that was one.

The second one is just following up  
on something you guys have talked about a bunch,  
which is, and this could go either in venture or lifestyle.  
I think, you know, you guys have talked about like Andrew,  
Wilkinson, like what he's done with the capital daily,  
I think it's awesome.

Like I think everyone respects that.

I think the way he goes about building businesses  
is it's very, you know, specific  
and well known nowadays to him,  
but I do think there's actually a venture approach as well  
in which you can create more of a democratized system  
of like, hey, we're going to find local editors  
in, you know, mid-market cities.

For example, here, like Provo's a pretty big city  
around here and there's like some Boise, you know,  
so on and so forth.

And I think like a lot of those,  
basically the idea is like,

I think you can create a modern day patch,  
which was acquired, you know, however many years.

Yeah.

Well, their patches still going, getting after it.

Yeah, no, I think the idea like patches,  
I think the reason patch kind of sucks as a user  
is like the content is like not curated whatsoever.

There's like,

It's just a little old looking.



## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

Yeah, it's old.

It's like, there's so many things going on, but if you just had like a paid, you know, you monetize through subscription businesses as opposed to advertising.

I agree.

And like a dollar a week or whatever it was.

I think there's enough people in those like mid-market cities that you can actually build a sizeable like, you know, multi-million dollar run rate per city, per your country, business,

and your job as a venture company would be to build the tools to empower and source those editors, kind of like the athletic actually as a good example.

Yeah. And if people are curious,

Patch was started by AOL, I think it was like Tim Armstrong.

It was like, it was Tim Armstrong.

He was a, he was an AOL,

Tim Armstrong helped start, was an early Google guy.

And then for a minute, he was a CEO of AOL.

Patch was his baby.

I don't know if he started it or if he bought it.

I don't know, I forget,

but it was like a localized news website, I guess.

And it's never gone out of business.

And I think now they're doing tens of millions of revenue,

but it was like touted as like the next big thing.

And it didn't exactly become the next big thing.

Yeah.

And then I have a bunch more about my last one.

I'll just keep kind of short.

I know actually I'll just kind of like run through them.

And I won't even like explain.

I just want to get these ideas out there.

And if anyone's working on these, like please do let me know.

Cause I've been thinking about these a lot.

One is, so actually,

you actually mentioned the manufacturing piece of this,

but I think Uber was probably the best,

like modern example of a managed marketplace

in which like when you actually,

I think you guys talked about this as well,

but like when you use the Uber service,

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

you're not thinking of like,  
hey, I'm like contracting Uber to find me a driver  
to use their car.  
It's like, I'm booking an Uber versus Airbnb  
where it's like, I'm booking Airbnb,  
but it's like a specific stay.  
So I think the concept of managed marketplaces  
actually hasn't ventured into business services  
as much as it could.  
A couple of companies have done this already.  
So I think Flexport was a great example of doing this  
for a modern day, like Freeprokerage.  
Zometry was actually the one I was going to mention  
that has done this for manufacturing.  
So they basically aggregated a marketplace  
of preferred manufacturers underneath the hood  
so that when you place an order with them  
or sample or whatever, like they'll go  
and kind of allocate this order to the right person  
at the right time.  
There's also, I mean, on the three PL side,  
like that was, I think the past 10 years,  
but now in the past three to four years,  
there's companies like Airhouse, Flex, you know,  
Flowspace that have built like four PLs  
or wrappers on top of these.  
Channel A is another one.  
Pilot is one that has done this for bookkeeping.  
Bench has done this for bookkeeping.  
So I think managed marketplaces is a good idea.  
Financing for niches is a good idea as well.  
I think like if you provide financing for products  
like weddings or even like home repairs or maintenance,  
I think there's a lot of room there  
and you can actually charge a premium.  
This is a lifestyle business.  
I think if you built like a brand called Kids Next Door  
and you offer things like back to school products,  
lunchbox, composition notebooks, backpacks,  
I think there's a niche business there.  
Okay, I'm almost done, promise.  
Order via QR codes.  
This is an area, like I lived in China a bunch

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

over the past like decade and this is an area where like every time I come back to the States, you kind of wonder like, where is the American like innovation in this? Why don't we just like, like all the POS systems have the ability to order and transact through QR and then you can actually run the transaction through Apple Pay, Google Pay, you know, whatever it is, Venmo, even Cash App, but all of them are local, like right now the issue, like right now the innovation on menus and ordering has on quick service restaurants has like ended at a QR code showing you the menu. Like the, I don't know why anyone at like, toast should do this. Like they should just connect the final step, which is like actually let them transact. And this is how like every restaurant in China works, whether it's a high end one or a low end one. Last one, group buying. This is something that does not, like it exists in middle, like, you know, I think, you know, the classic like Tupperware parties or whatever in like middle America, but on the reason I think, you know, this is a company called Pinduoduo in China that I know a lot of people nowadays know. I don't know. How do you spell that? Oh, P-I-N-D-U-O-D-U-O. It is actually, I think the craziest venture story over here. Yes, Sean has brought this up many times. It's insane. It's, but the mechanic that people, I think oftentimes fixate on when it comes to Pinduoduo is like the group buying, I don't actually think that's the reason why it succeeded. They had group buying like prior to this. Like there was two companies that eventually like merged one. It's a really crazy founding story,

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

but like they focused on produce.  
And I think the concept of actually like getting one person  
in a community to buy bulk produce  
and then distribute it to like the rest of the moms  
or, you know, whoever it is,  
that's the primary kind of like cooker,  
I guess the chef in the household.  
It's, I think actually what led to PDD  
like doing really well in the beginning.  
So I think if you can figure out.  
So how do the logistics of PDD work?  
So I also, so definitely it's you buy and bulk and save.  
So it's like a community  
you can kind of buy vegetables, fresh produce.  
So is it actually one person receives it?  
That's like a, you know,  
one of the customers holds it  
and then distributes it out themselves  
or does PDD deliver to each house?  
It's changed over the years.  
You know, nowadays I think they've built the mechanic  
so that it's the payments  
will actually happen like separately.  
So they'll orchestrate the payments  
and then they'll also ship separately.  
So it's just all about like lowering CAC at that point.  
It's just like, hey, can I get you to refer someone else  
at like now and then, you know,  
as opposed to waiting later,  
but there's companies like an early on  
and what they did like in China,  
there's companies it's called like Nice Twin,  
Miss Fresh, et cetera,  
where it is like one person who buys for a local community  
and you get like a huge kind of bundle of product  
and then you distribute it locally.  
So it's almost like the basket size is enormous  
and their frequency of use is very high.  
So group buying and then, okay,  
I know I said last time about,  
this is actually my last one.  
Okay, this is probably the craziest one,  
but it's like, if there's any like hard tech people out there

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

that I think are like into this,  
I actually think this is a potentially  
like really big opportunity, this is the most out there.  
So I was thinking you could build a,  
like we know right now,  
like we have crop failures a lot  
and there's also a shortage of honeybees.  
Like honeybees are actually like going down in population.  
Dude, you're talking to a beekeeper in San Francisco.  
He's an actual beekeeper.  
Oh, okay, well, anyways.  
I mean, I don't know anything.  
I just bought it off Amazon.  
Like, it's not like I like,  
I can't tell you about bee stats.  
All I know is I had some bees.  
Yeah, the idea was basically like,  
hey, can you build either autonomous crop pollinators?  
Which I think is actually an increasing challenge right now  
for large, large crops.  
Well, wouldn't that just be a drone?  
It's like a drone bee?  
Well, I mean, yeah, you could take it either way,  
but I think like right now the issue,  
like specifically with companies like Monsanto and whatnot  
is like you have kind of like,  
like how do you even put it?  
Like you have spread between like Monsanto based crops  
as well as like non-Monsanto based crops  
and then like that genetic variation can actually cross.  
Like there's no physical barrier to prevent  
like a crop crossing over.  
And there are the actual like service right now  
for pollinating crop crops is a beekeeper.  
Like literally going to a farm and like releasing bees  
and saying like, okay,  
and I'm gonna charge you for the day.  
And I think this is gonna be continuing like, you know,  
trend, I know this is really out there,  
but I actually think there's a big opportunity for it.  
It's actually not that out there.  
I don't understand the idea.  
So what would be the idea here?

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

So you would do what?

Well, hold on.

Listen, Sean, what you have to do is right now, if you're a beekeeper, and these are people who I bought my bees from, they actually, you pay money and sometimes they'll drive literally cross country and a farmer will pay a fee and a beekeeper will bring literally hundreds of hives.

I own two hives.

So someone would bring like hundreds and they would place them in your field for maybe four weeks.

And then at the end of the bees pollinating because you need bees in order to grow the plant.

So a bee goes from plant to plant to plant and then doing so drop seeds and stuff like that.

Or I think.

Just drop seeds probably, but okay.

I don't know if it's drop seeds, but something happened.

It's not something that rubs the pollen on each other yet.

Yeah, like it helps create more plants is basically what it does.

And a farmer will pay for one month of that.

And then the beekeeper goes back, picks up their bees, brings them home, grows more, gets more, and then does it again every year.

That's not crazy.

Like to pollinate commercial like large scale crops.

You literally have like millions of acres.

Like this is actually how it's done.

I mean, it's mind blowing to me.

And the bee population is like dying.

Like it's dropping year over year.

So what would be the solution?

So you're saying a non bee solution for the pollination?

Well, I think that you could do two ways.

Like you could do, you could do it via like large scale drone.

And I think like, I actually, I mean, you could do it that way in which like, you basically blanket a certain like set area.

The alternative is you actually go like,

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

actually try to create like micro, you know,  
I don't know if it's, I don't know if you talked about it  
like from the standpoint of like a robot bee,  
but I think there's ways to go about pollinating a crop.  
Engineer a bee basically.  
You can even have like a standardized like robot  
kind of like try between, I guess, the rows of a crop  
and like spray, I don't know.  
I just think there's an opportunity there.  
I invested in this company called Pica a couple of years ago  
that's doing like autonomous crop dusting in New Zealand.  
They never got the license.  
I don't think in the US yet,  
but I think there's a lot more opportunity  
in like the commercial farm.  
Like there's all these like really,  
I know, I think Sam, you're really into trucking,  
but I think there's all these like opportunities  
and like farming that is just like as large.  
And it's a really, I mean, if you think about it,  
it's like critical to everyone, right?  
Whether it's vegan or-  
My friend, this is what I've been saying  
since the beginning of this podcast.  
Like sometimes people dismiss trucking  
and particularly farming.  
My parents are in that industry.  
And I'm like, if the truckers go away,  
you're not getting anything.  
And if the farmers can't farm,  
you're not going to eat anything.  
Dude, no one's hating on truckers and farms.  
Everyone loves our truckers.  
We love our farms.  
That's not what anybody's saying.  
The only thing I didn't ever say it is like,  
hey, if these trucks can drive themselves,  
you probably won't have trucking  
be the number one job in America.  
You know, so maybe those truckers will have to shift  
into doing something else if the trucks drive themselves.  
Because maybe we don't want humans driving 18 hours a day  
as like they're, you know, the way they live their life.

## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

My point is that I just think driverless trucks is quite far.

The only thing I was just going to make a point here was just like, hey, those industries are like, I think trucking now is recognized by like that community as like, hey, this is actually a really big opportunity. But I think the commercial farming industry is like, it's like as large, I think as this trucking and they're like really big opportunities that if you have any interest in business applications, wouldn't you rather build like, I mean, this, this is my whole thing.

I started, I dropped out to start a company in HR SAS and like no kid drops out to go and work on like HR tech. Right? Like that's not what you dream of.

But if your goal is to make money and that's like what you want to do through software or technology, like it's a really great place to spend time.

How are you, and we should wrap up in a second, but how are you spending your time right now?

Cause you have this business italic, which I imagine is that's like your job, you know, that's your 95 or more than that.

But you also have this not pot thing.

It sounds like you are, you all types of scheming.

How do you?

Well, for what it's worth, a lot of these ideas are things that like I've just jotted down over the years.

So it's not like in preparation for this podcast,

I was like, okay, kind of come up with like a hundred ideas.

They're just things that I think I'd really love to see in the world or someone to take on.

And, you know, whether that's in the facet of being an investor or, or, you know, advising or whatever it is, I really don't have much time.

So I just wanted to get these out there.

And I feel like this is the perfect place to do it.

In terms of day to day, it's like, yeah, it's, it's like, you know how the startup boundary grind is.

It's like nine to late at night, 99% of it is italic.

And italic is like a really hard business to start.

It is not something that I recommend to anyone.



## [Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas

So please don't try to copy.  
It's, it's not worth it, believe me.  
Yeah.  
I mean, hopefully it'll be worth it for, for, for, you know,  
Sean and every one of our investors and so on,  
but the amount of work that goes.  
This is why I love pimping out Bitcoin  
because the more people that copy me,  
the higher the price goes.  
That is the beauty of Bitcoin.  
And as long as we all keep doing that, we all win.  
And last question, did you use to own fountain.com?  
We still do.  
Yeah, it's a, it was, I think it was like,  
it was like 80 K or something.  
Interesting.  
That's it.  
Italic was more, so.  
How much was italic.com?  
I think italic was like 115.  
Did you use a broker or what'd you do?  
Yeah, yeah, we used a broker.  
I mean, a hundred K, look, how much have you raised?  
We've raised about 15 now.  
I mean, a hundred K for italic.com.  
If you're trying to build a big brand, I mean.  
Yeah, please.  
He paid in cash.  
He just brought the briefcase for that one.  
I mean, 115 K.  
I really did.  
I tried to get the guys had it since the 90s.  
Like, you know, I'd tried every trick in the book  
before I went to a broker and just said, like, let's get it.  
So, yeah, I use my sister's college email,  
like, you know, all that stuff.  
Oh, wow, that's smart.  
Well, I got to run.  
Thank you, Jeremy.  
This is awesome.  
Thanks for coming on, dude.  
Good seeing you as always.  
Thank you.

**[Transcript] My First Million / #143 with Jeremy Cai of Italic - Influencer Coffee Making Millions, What Cold Chain Is and Why It's Booming, And Tons of Ideas**

Thanks for having me.

A lot of fun.

All right, see ya.

We'll share this talk soon.

Bye.