

## [Transcript] My First Million / #150 - Jason Calacanis Joins The Brainstorm To Talk Robinhood, Gambling and the Opportunities He's Investing In

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.

I

Feel like I can rule the world. I know I could be what I want to

Let's travel never looking back

All right Jason, how are you great? So Jason's here on my first million

We're gonna talk about ideas and stuff and Sean's gonna pop in in a second

But I heard you might be moving here to Austin. Is that true? It's definitely being considered

I'll just tell you just straight up my thinking on it. I

Spent 30 years in New York and

You know was amazing 20 years in Brooklyn just over 10 years in Manhattan, and then I moved to LA for 10 years

And spent 10 years with my wife there

I got married started a family and that's about the last six years here in the Valley because I wanted to see if I could become

The best angel investor of all time, which was like sort of a goal or one of the best, right?

And so I moved up here and for the deal flow and I started the accelerator

Put 20 companies through the accelerator seven companies at a time

So 140 have gone through it in the last five years or so and it's been wonderful

And then the pandemic hit no founders want to come here anymore

San Francisco is getting more and more expensive. So probably two out of three startups. We were investing in more and here anymore

A funny thing happened. We didn't want to stop doing the accelerator in the pandemic

So we moved the class online when we moved it online two or three times as many people wanted to come to the accelerator

and so that was a very

Interesting moment of reflection for me

Then I thought I refused to have anybody on the podcast unless it was in person because I thought my superpower Sam was

To be able to look people in the eyes and decide if I should invest in them or to look them in the eyes and be able to figure

Out what the next question was on the podcast

Now a hundred percent of people have awesome setups are totally accustomed to zoom and

## [Transcript] My First Million / #150 - Jason Calacanis Joins The Brainstorm To Talk Robinhood, Gambling and the Opportunities He's Investing In

Don't want to come to San Francisco either to be on the podcast or to come to our accelerator I have been investigating potentially moving to Austin. Well, I heard a funny story and I thought it was baller

I don't need to be embarrassed. Okay. Here we go. You were talking to someone and he's like, yeah I'm looking for a house here and someone's like, well, you know, if I see something I'll send it to you. What's your budget and you said something like oh, there is no budget Well, I mean relatively speaking

The houses in San Francisco, there are not and the penance the wider peninsula. They're not comparable in price, right?

I mean in San Francisco, everything's 1500 to \$2,500 square foot and Austin it's 600 to a thousand. I thought it was a baller move

I thought it was a ball everyone says like this and that and then the person told me a story He just said it in such a good way. He goes. Oh, there is no budget anything. I want and I was like, that's a that's a baller answer

That's a great answer. And I just thought it was cool. Oh, there you go. Yeah, I've just been researching

You know, I've been to South by a bunch of times since like the 90 late 90s. I went to the second South by Southwest interactive before they even had a Before they were even using the convention center

I don't think the convention center was built who was just all at that Whatever that weird hotel was on 6th Street is where they used to host it and there'd be 50 people, you know per

Talk and maybe there were 200 people there first out by Southwest interactive in 99 2000 time period

It was very small and so I love the town and yeah, I would be up for the adventure possibly. I'm looking at it

I'm investigating it and

We'll see what happens. So Jason you started a media company 10. How long ago was that?

Well, most people don't know that I started in the magazine business in the 90s

So I started a magazine called cyber surfer, which was about online services and CD-ROMs and the internet happened

I started Silicon Alley reporter, which was about tech companies in New York

I grew that to a \$12 million business a year with 100 employees or so

And then the dot-com crash happened

I lost everything sold that company for a couple of years salary to Dow Jones, which then bought me out of my contract after two weeks

Which is very weird. Yeah, then I started weblogs Inc and gadget autoblog sold that 18 months or so after starting it for 30 million bucks

That was like considered an amazing feat or accomplishment at the time

then started Mahalo which became inside

## [Transcript] My First Million / #150 - Jason Calacanis Joins The Brainstorm To Talk Robinhood, Gambling and the Opportunities He's Investing In

And started angel investing us as a coy scout and it all started going in that sort of certain direction  
And really as a journalist and a publisher you ask questions  
And you try to get to truth or at least you used to now you kind of we could talk about late-stage journalism

But back in the day original journalism

You were supposed to be independent

And just ask really honest fair questions get the answer

Double-check that your facts were correct and publish a story and not put a link baiting headline on it

So that's where I cut my teeth and after doing that for a while. I realized it really is the same thing as

Interviewing somebody and meeting with somebody about an investment

You're asked basically the same questions. What are you working on? Who are your customers?

What's your business model?

What's the roadmap like? Where will this business be in 10 years? Those are all questions an investor might ask

those are all questions journalists used to ask right so

Journalism, you know, oh Malik went into investing Michael Moritz from Sequoia famously was a journalist who went and a writer who went into investing

And there's a you know, MGC. They're just alexis. This is a bunch of people

We started in journalism and then went into venture and investing. It's just a perfect parallel career path

And before we get into talking about I want to ask you about Robin Hood

I want to ask you about some startup ideas and Sean has a question about this list that you used to made

But before last question before we get into all that you're a gambler. Oh, yeah. Do you think over the last 10 years?

Have you lost or won?

gambling probably not even

With losses in the beginning and then wins and losses later on

Over time I went from playing very low stakes

And so the first five years of my career

Probably the total amount that would be

What would be the equivalent of what's on the table now?

So it's uh, you know, I used to play in \$1 \$2 games and now I play in \$100 \$200 games

So it's a hundred X right literally in terms of no one limit hold them in the blind

So I think it's sort of like the new golf so instead of having a golf club membership

I play poker and I think it's how I became besties with a large number of high-profile people and

It's worked out well. What is the biggest hand you've been part of? That's a great question

I've been in some six-figure hands a couple of times in my life. The worst that ever happened to me was I was playing

in Los Angeles in a game

## [Transcript] My First Million / #150 - Jason Calacanis Joins The Brainstorm To Talk Robinhood, Gambling and the Opportunities He's Investing In

And I lost seven hands in which I was the favorite clear favorite like 60 70 80 percent favorite in six of them

And then in one I was even you know, almost like 51 49 and to lose seven

In a row where you are the you know favorite, even if it was just 50 50, you know, you can do the odds of that

You know 50 50 25 12 6 3

1.5 whatever basis points 0.6 basis points

It's like one out of 300 games that would have to happen or something

And I lost like 70 grand that night and was infuriating and then I came back the next night and won 170 grand

So I had this incredible swing so 175. It's pretty big

I stopped playing in those big games because I didn't like the way it felt

To me to either win or lose and I felt like I was getting

Close to an addiction that was unhealthy. And so I kind of pumped the brakes on it

I was invited to all those molly games if you remember those

And at that time I was playing in one dollar two dollar

Two dollar five dollar five dollar ten dollar games and molly would text me and call me and say like oh leo's here. Oh, you know

You know this very famous person's here. They want to see you and I was like

They want to see me lose 50 grand like no, thanks

So I passed on going to all those games and I just played in the smaller \$500 buying games

\$1,000 buying games and I do it for the social

It really is not going to be any comparable amount of money that I would make in startup investing therefore

I would rather get the rush

Of gambling through startups and investing in them

Then in poker because I feel like I'm better at startups in poker. I mean, I know I'm I'm

Top five angel investor of all time and in poker. I'm not even in the top

Five million or whatever, you know

In all likelihood. All right. Well, Sean Sean is back here. Apparently he had some technical difficulties

He had a joint on his phone. Sean you there. Yeah, I'm here. I don't know if you guys can hear me all right

But Jason as soon as you join my internet died, but I said no

I will not miss the pod that everybody's been waiting for Jason

I don't know if you've heard this but there's a great tweet that was about our podcast

And it said my two favorite podcast this year

He goes my first million which is millionaires talking millionaires shit and all in billionaires talking billionaires shit

And I was like, that's the perfect description of our podcast to be clear. I'm not a billionaire

Yeah, but you know, nobody's really working on it

Exactly. There's a great book that me and sam like to read. It was about how I got rich or how to get rich

## [Transcript] My First Million / #150 - Jason Calacanis Joins The Brainstorm To Talk Robinhood, Gambling and the Opportunities He's Investing In

How to get rich? It's so embarrassing to say it. You know the author Jason. It's uh, phoenix denis  
You know phoenix denis. Yeah, he's a publisher. He created maxi magazine and some other things  
But he says in there. He's like, you know, if you can count your money, you're not rich  
He's like the richest people have no idea how much money they really have at any given time  
He's like, so if you're counting your money, you're not there yet. I didn't even know this book  
existed. Is it good?

It's the best. I remember this guy. He was a madman. It's a horrible title and he named it that time  
as a joke

He's kind of a shithead in a good way. Like he seems like a wonderful human being but he loves  
poking fun

But his his writing is rhythmic and beautiful. I'm gonna check it out

I mean, I people said that about the title of my book

Because I put like exactly, you know, what I turned into what on the cover of the book

He's really good and uh, he was a poet. He wrote books and a businessman very eclectic person

No, there's no uh audio version of this. Correct. He wrote it in 2009 before the audio revolution

I just added the uh paper. He died soon after

It adds to the the allure a little bit, but I want to can I ask you about robin hood?

So robin hood went down last week. Everyone knows what's going on. Well, it didn't go down

The situation went down. Oh the situation went down. I thought you meant the service went down

I was like, I didn't hear about that. Are you an angel investor in robin hood? I'm an angel investor

Yeah, I met them before it's a pretty funny story and I met them before they launched the product  
in a bar

Paradoxically enough, I was speaking at Adeo Resi's founder institute and he likes this dive bar in  
Palo Alto called Antonio's nut house

and uh, he asked me to go there and

Adeo's roommate in college was a guy named Elon who had a rocket ship company and

a electric car company and he's like, uh, meet me over here. Elon's gonna come over for a drink

So the three of us are having a drink there and Vlad and his partner came