

[Transcript] My First Million / #169 - How One Man Started 5, Billion Dollar Companies, Dan Gilbert's Empire, & Talking With Warren Buffett

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.

It was pretty crazy.

I got a chance to talk to Warren Buffett on the phone.

Some guy I was talking to, I was saying, you know, I'm trying to figure out philanthropy and how to give money away, and literally he goes, oh, you should talk to Warren Buffett.

And I was like, what do you mean?

And then he just like CC intro'd me to Warren Buffett, right?

Which is one of the weirdest things that's ever happened to me.

And it was amazing.

And I was like kind of nervous, like Warren Buffett's like my hero, you know, I was never not expecting this.

It was just like a random Friday.

And Warren Buffett's secretary emails me back and just says, oh yeah, you know, call him whenever, you know, he'll pick up.

And so I call and they get, I get put right through and it's just Warren freaking Buffett on the phone.

And basically he said, you know, oh yeah, I'm not doing anything.

I can talk for as long as you want.

And I just got to pick his brain for an hour.

And it was insanely inspiring.

I feel like I can rule the world.

I know I could be what I want to put my all in it like the days on the road, let's travel never looking back.

All right.

Sean is out with his new baby.

I asked Andrew to come on and do this.

And I wanted to do a special segment today called Billy of the Week.

We actually used to do these at the end of some episodes, but people liked it.

And I want to do them more often.

I asked Andrew to come on.

We have two people who were ready to discuss and Andrew, Andrew doesn't know the format.

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The way that here's what I wanted to do, I'll go first because I think I did more research than you, but it looks like you actually did a fair bit.

I'll go first.

I'm going to tell you who I'm talking about and I'm going to explain to you why they're interesting.

And then maybe, and I, and I picked this person on purpose.

Maybe you can tell me who or like what other opportunities are in this space or and I kind of pick someone similar to you, but the guy is probably twice your age.

So he's further along his journey.

But I think it's interesting to you, but we can also talk about anything else we want to talk about as we go.

Yeah.

Sounds awesome.

Also, what's going on?

How are you?

You enjoying being the CEO or the founder of a publicly traded company?

Yeah.

Yeah.

It's interesting.

It's kind of like, you know, when you start your company, it's really exhilarating.

You know, you have your first employees, you start dealing with problems and you've never done it before.

And so your stress level is like 10 out of 10 when you're first doing it, you're like,

I don't know what matters.

I don't know what best practices are.

If I have a problem with an employee, how do I deal with it?

All that kind of stuff.

It's that same learning curve.

So it's like incredibly exhilarating and exciting having a public company.

It's like a huge milestone, but at the same time, I'm like, I'm like a new entrepreneur.

Like I don't know what actually matters who to listen to, where to focus sometimes.

And that's just, you know, you do anything new and it's stressful.

So it's been stressful for sure, but now I feel like we're on the other side of it.

We're starting to feel, figure it out and it's been really good.

Is your stock, I have, I check your stuff once a week.

Is it up this week or down or do you not even look?

I think it's, it's kind of coasting.

I try not to look at it.

It's kind of jumping between about 650 million and a billion dollars depending on the week.

Wow.

And our podcast has been growing a ton and people have criticized me for that doing introduction.

So first of all, I'm Sam Parr.

I co-host this with Sean Perry, who is now way more famous than I am because he's crushing

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it on content.

But I started this thing called the hustle.

Just sold it for mid eight figures to HubSpot.

And then Andrew is a friend of Sean and I's Andrew.

I'll do a quick introduction for you and then you can say, but Andrew started this thing called metalab, which is an agency that makes all types of amazing stuff.

And using the products or using the profit from his agency, he went and bought a ton of companies and invested in a ton of stuff.

Now his whole enterprise does like a hundred million ish in revenue, very profitable.

And he just did a SPAC and took one of his pixel union, one of our, we commerce, he took one of his companies that makes Shopify plugins and took it public and it's now at a \$600, \$600, \$700 million market cap.

Did I miss anything there?

Yeah.

I mean, I kind of, I always think I'm a designer who ended up becoming an investor.

Just like a Sam's a writer who ended up becoming an entrepreneur.

It's been a process of just kind of stumbling into stuff.

And a lot of why we've gotten as big as we have is because I just, I don't like doing stuff that I don't like doing.

And so I just kept delegating the stuff I didn't enjoy.

And when you do that a lot in its kind of final form, that's just investing where you're hiring CEOs to run your companies and incentivizing them.

Yeah.

It's crazy.

I never would have thought we would get to the size we're at now and it's been a cool ride.

And the reason I'm asking this next question, it's because it's related to the first story I want to get to, but how many companies does, how many, let's say how many companies do you guys own or partly own?

And then how many have you invested in and own like a, like a, like a smallest check size?

So we control as in like we have over, you know, 50, 51% in I think 35 businesses.

And then we have another probably 40 to 50 minority investments.

So those would be anything from like little \$100,000 venture bets to minority pref equity where we might own 10 or 15% of a business.

So in the a hundred range ish total deals, something like that.

So the guy I'm going to talk about today, his name is Brad Jacobs, Bradley Jacobs,

I think he goes by, but we're going to call him Brad Jacobs.

And this person is super interesting because they have started five companies that have either gone public or are worth over a billion dollars.

He started at age 23, he's 64 now, Google on Brad Jacobs, he's worth somewhere in the range of three, four, five billion dollars.

And he's bought or and he doesn't like invest passively like a venture check.

They buy companies and he's bought something like six, 700 companies.

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And he's done it across a variety of industries and he's done the same strategy over and over and over again in different industries.

And it's incredibly interesting.

And this guy is very fascinating to me for a variety of reasons that I'm going to explain.

But Andrew, have you heard of this guy Brad Jacobs?

Do you know anything about this guy?

Or I don't know anything.

That's kind of why he's cool.

He's kind of under the radar.

If you Google him, he's got like a bald head and he looks like a finance guy because he wears a tie and he's like pretty well spoken and you think that he's just like a private equity person.

And I guess maybe he is, but he's really an entrepreneur.

He's very entrepreneurial and he's far more interesting than just a lot of the typical New York hedge funny type of folks.

And so I'm going to give you a quick story about his background.

So he started five things that have been quite meaningfully sized.

So the first was, it was called Amorex Oil Associates.

He started it when he was 23 and it was an oil biz.

It was basically like an oil brokerage firm, which I'm not entirely sure what that entails, but I imagine it just means connecting folks who created the oil to large businesses who are buying the oil.

And within a very short amount of time, only about four years, remember he started this when he was 23.

So by the age of 27, Amorex, his oil business was doing \$4.7 billion in gross oil bookings, meaning he would, that's how much oil they're buying and selling.

Now I imagine his company kept a tiny percent of that, like one or two or 3%, but incredibly impressive for a young guy.

And after a few years, he sells that business for a billion dollars.

Then only a couple months after that, he starts this thing called Hamilton resource, Hamilton resource.

He starts it out of England.

He convinces a French bank to give him a billion dollars line of credit, which he was quite successful already, even though he was crazy young, but he made it happen and he went and secured a line of credit.

And here's what he said.

He goes, we moved physical cargoes of oil from one place to another.

The 80s turned out to be a great time in the oil business.

And I built Hamilton up to about a billion dollars in revenues and did business in dozens of countries before I moved back to the States in 1989.

So between 83 and 89, he started this business and it also was huge.

I believe he ended up selling it for north of a billion dollars.

So that's business number two.

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Business number three, a little bit of an odd one was waste management.

I don't think there's anyone out there doing waste management stuff now that's brand new, but there's a ton of companies that at the time started in the 70s, 80s and 90s like waste management, the company waste management.

And what they did was they would go out and find tons of mom and pop waste management companies because back then that's how it was and probably is a little bit to this day.

But he started this thing called United waste management, which eventually became the fifth largest solid waste business in America.

And it had a very, very, very simple business plan, which was buy landfills and small markets by many of the local trucking companies that were serving those markets, optimize the truck routes, maximize the pricing, get margins up, achieve size so that they had the capability to scale.

And they did that.

And the strategy worked really well.

And in just five years, our earnings compounded annually by 55%.

And he took the company public, something like eight months after starting it, and the stock price went up as well, 50% every single year for like five years.

Eventually that company grew to \$3.9 billion in revenue and \$1.2 billion in EBITDA with 750 locations and 13,000 employees.

Is this freaking crazy?

Oh, sorry.

I just gave you the numbers.

I gave you the numbers for his next business.

But the waste management grew to \$2.5 billion in revenue, sorry, \$2.5 billion in exit to waste management.

Nuts, right?

That's crazy.

So one of the most interesting things about this is like, I always think there's like four different types of entrepreneurs, right?

There's the innovators.

So let's just take Chipotle as an example, right?

So there's the innovator.

There's the guy who rolled the first burrito and was like, oh, shit, this tastes really good.

Then there's the remixer.

There's the person who creates Chipotle.

They take the burrito.

They package it up.

They create a brand around it.

Then there's the scalers.

The person who scales Chipotle to 100 locations, and then there's the optimizer.

The person who just sits on top, make sure it doesn't blow up and gets as much as possible.

Gets as much juice out of the lemon as they can.

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And this guy's a great example of a scaler.

Someone who just takes something that already works that's already proven and just does a much better job of it and rolls it out, makes it scalable, and builds something massive.

And it's super interesting, because I'd say I kind of fall into this camp.

At the same time, I feel like what's sexy about this guy is actually how boring the businesses are, right?

They're so basic.

These are things that are like undisruptible, and when you build them, it's like a hundred year business or something, which I think is really cool.

Whereas what we do is like five, you got to think in five year chunks.

I completely agree.

And if you scroll up to this document that we have open and you click source, the source that I'm using for a lot of this, and this is so interesting.

So we're on business number three, I'll get to four and five in a second.

But what this guy does, and then when I wrap up all five, I'll explain to you what my lessons learned from this guy are.

But I'll say one of them right now, which is what this guy does is he raises money like a madman.

And it's not like a ridiculous amount.

I mean, I'm saying you're raising tens of millions of dollars, I guess, for the average show.

Yeah, that is a ridiculous amount.

He's got a track record and he turns them into multi-billion dollar things.

So kind of tens of millions of dollars is not that much money.

But if you click that source thing, what does that take you to?

To the SEC.

Okay.

I found this file on the SEC and I don't really know what this is, but I don't even remember how I came across it, but this is what interested me.

It's a Q&A session of him having written it out and he basically lays out the strategy of his fourth and fifth business.

And so what this appears to be is a Q&A that he prepared and they showed this to a ton of potential investors, a ton of potential banks, and they decide to invest in him.

And I think this was before the company even started.

Is that what that is?

So you're saying this is what he raised on?

Like there's no deck, there's nothing, it's just this is the thing.

He goes out and he says, read this document and you can invest.

I'm not entirely sure, but I think that is part of it.

This is called the Schedule 14A, which I'm not an expert in the SEC.

I believe that is something that you have to answer before a board of directors at a publicly traded company raises money, but I'm not entirely sure.

But it's interesting though, because he writes in wonderful, straightforward, simple English,

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and you could read his entire strategy, which I'm going to go through in a second.

Let's skim that while I summarize the next two businesses that he did.

So he started, I told you he started two oil things, but those were oil brokerage businesses.

Then he started a waste management business.

Now his fourth one is called United Rentals.

I don't know if you see this in Canada, but if you pay attention to this now, and if you're listening to this and you live in America, go on a drive in downtown, the downtown city wherever you live and look at the big box trucks and look at the rental equipment.

So look at the caterpillars or the bobcats or the construction equipment, as well as the portal potties and anything involving construction or trucking.

Go and look at those things, and I guarantee you on a lot of them, you're going to see United Rentals.

Well, that is the fourth company that he started.

And he started it with the idea of the same thing of waste management.

He wanted to go out and he wanted to find a massive industry that was highly segmented by small businesses that were profitable and great, but they didn't have enough capital to grow and they were kind of bad at sales.

And that's what he did.

And so he founded it.

And in just five years, five years, it grew to \$4 billion in revenue and \$1.2 billion in EBITDA.

Is he growing via acquisition or is he just rolling this out and crushing competition across the country?

We're going to talk about that.

But what he said was we got there partly through acquisitions, partly through organic growth by developing Greenfield locations.

He goes, we grew by using the same strategy at United Waste.

We bought about two-thirds of the branch locations and Colge started another third from scratch.

I actually prefer Colge Starts, is what he said.

The business plan for United Rentals was to become the largest equipment rental company in the world and leverage our purchasing power, branding, and other advantages of size.

Within 13 months, we became number one, Leapfrogging Hertz, which was the number one equipment rental business in 1965.

Another thing we did was we went public fast.

We formed the company on Labor Day Weekend and we were trading on the New York Stock Exchange by December.

Labor Day Weekend is in May, I think, right?

So they started the company in May and seven months later, they were public.

Merrill Lynch said it was the fastest growing or the fastest IPO they have ever seen.

And so he stepped down of United Rentals in 2007.

This is only five years after starting and to start the next company.

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But when he stepped down, United Rentals, if you look it up now, I believe their market cap is \$25 billion.

So he spent five years on this company and it's worth \$25 billion, it's crazy.

So listen to what he did after this.

After I stepped down, I began looking for my next big thing.

I studied tons of industries and I ended up concentrating on transportation and logistics.

It's larger and more fragmented than the industries I've previously been involved in.

It's a \$13 trillion industry.

And here's what this guy says.

This guy at the time is already multi-billionaire, but let me see if I have, he wrote out what he does, which was basically, he basically spends three months, he reads tons of reports and then he calls a hundred experts in each industry and he just goes and he sits down with them and he just asks them questions.

It might as well be a podcast.

That's like exactly how he learned.

So he's this multi-billionaire, he's this big shot, he's done all this amazing stuff and he calls these people and he just sits down and he listens.

That's all he does.

It's pretty amazing.

And he did this and then he's in this, with his new thing, it's called XPO Logistics.

Have you heard of this?

I have.

I have heard of this.

I think it's a delivery and logistics company, like a competitor to FedEx, at least that's my understanding.

Well, we'll put this in the show notes, but in that document up top, that is the document from where he was raising money for XPO Logistics.

And in plain English... It looks like it's like supply chain.

So it's like getting people things they need that are critical on time.

Well, in there, in that document that I sent to you, I couldn't study the whole thing, but in plain English, he explains kind of what they did and his reasoning for getting into it.

And he just says, well, I just studied loads of industries.

This one seemed industry interesting.

I went and interviewed a hundred people who were experts on it.

I hired really good people and we're going to do X, Y, and Z. And that X, Y, and Z is exactly what he's done in his last businesses.

And now I want to wrap up by giving you guys incredibly detailed stats or incredibly detailed strategy on what he does.

So his first thing that he does, he looks for huge industries with lots of fragmentation that are small and profitable, but don't have capital to scale.

So here's what he says.

He goes, in a nutshell, this is how you ramp up a business.

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You buy a brokerage or some type of small business with \$30 million in revenue and you add 30 to 40 bodies to it and you double revenue in time.

I've looked into companies that have executed this plan, but most of them don't have the capital to sustain it.

I try to find those businesses and I bring all the capital to do it.

The second thing that he does is he hires salespeople.

So he says, I like to hire hungry, talented salespeople at a low base, but big upside for incentives.

I fund their training for a few months and it's not that hard for the winners to build a million-dollar book after a year or so.

It's a business where you have to make 99 calls a day and do one or two deals.

So you have to hire people who are psychometrically test high on the need to win scale and low on the need to be like scale.

A salesperson will have a base of 25,000 or 35,000, but can make many times that amount through a really good incentive program.

Once you get the right people in the system and integrate them on the right IT, it can be really powerful.

And finally, speaking of IT, when someone asked him what was the best acquisition of all time they ever made, he said they made a powerful software acquisition with a politically incorrect name called Rental Man and we used that to integrate all of our rental businesses we rolled up into that company.

We couldn't have made the hundreds of acquisitions we did without Rental Man and that was his best acquisition of all time.

And that, my friend, is Brad Jacobs.

And I can go on.

He sounds...

I both love and find these guys kind of mysterious and I kind of wonder like the thing that's missing in all this is like what keeps him going, what's his purpose, how does he use his money?

And like why does he do this, right?

What's the driving force?

I researched him and the guy looks like a Wall Street stiff.

Did you look up what he looks like?

Yeah, he looks kind of like...

There's like a character actor that he looks like.

I'll try and find a photo of him.

I think I know who you're talking about.

He's kind of like a generic, nerdy, Steve Ballmer looking kind of guy.

Yeah, he looks like he would be like in Biden or Trump's cabinet.

Yeah.

Yeah.

But I've actually seen interviews with him.

He's very endearing and I think that he's not actually just a stiff like Wall Street,

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like just milk all the numbers out.

I actually think that he just...

This is his bill.

This is his urge.

He just loves to build and he constantly talks about integrity.

He goes, the common denominator of everything we buy is the people who we buy from have to have high integrity.

And also one of our motives is we take care of the people of the businesses who work for the businesses that we're inheriting.

In fact, the biggest risk of our plant is that the people who we buy companies from, they leave.

And so we treat them all really, really well.

And so I don't think this is actually bullshit because when I got his energy from interviews, I actually believe that he was a good dude and this was just his art.

What do you think though?

What do you think he does with his money?

Is that kind of public?

Does he do any philanthropy or anything?

Because I always find it so interesting.

I mean, there's two ways to look at like doing good in the world.

It's like, okay, you do capitalism, right?

You employ a whole bunch of people.

You make an industry more efficient.

You added global GDP.

Good things happen because he does this, right?

But on the flip side, what's driving make more money?

And maybe it is just continually maniacally going industry by industry and improving them and optimizing them.

That's his gift or whatever.

But the guy I'm going to talk about next is really interesting because he basically uses all his money to do crazy good things, right?

Which is really fascinating.

I'll talk about him in a minute.

But do you have any sense of what this guy does with his money?

No, he's very private.

Does he buy a bunch of jets?

I cannot figure it out, but I can wrap this up by saying there's a few things that I've learned from this person.

The first is like taking the red pill, which is like, have you heard, I don't know, someone just used that phrase to me the other day and I'm picking it up.

You should be careful it's associated with all sorts of not so positive connotations.

Oh, well, I didn't know that.

What I mean is like, I guess his perspective, like when you look at what this person's capable

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of doing, you think, or when you read what he's done, if you didn't know it was true, you would say, well, that's impossible.

No one can do that.

But the person has done it repeatedly over and over and over again.

And he seems pretty nonchalant about that.

And so what I'm learning from him is that you can create these amazing things and it's hard, but it maybe could be kind of simple.

Well, it's so inspiring, right?

You basically go find an industry that has, let's look at the restaurant and industry in general, right?

Restaurants are disorganized, they're very difficult businesses, they're very low margin.

People have done this essentially in restaurants by building fast food chains, right?

Sometimes you go in, you build systems, you do training, you incentivize people the right way, and you can make a lot of money doing that, but you can't make a lot of money usually in an individual restaurant.

So what he's done is he's gone out and he finds these fragmented, disorganized industries like waste management or logistics, and he goes, okay, I'm going to do the fast food chain except for that industry.

Yeah, and it's really, really cool.

The second thing that I've learned is he actually does the same thing as you.

Well, I actually don't know your numbers, but I bet you they're similar.

He likes to buy companies between five and 10 times earnings, and that's like his number. That's what I mean with that.

Yeah, I'd say I love to buy businesses for that valuation or whatever, but the problem with buying a business at that valuation is you're buying kind of a crappy business often if it's going to be that low.

Well, these are trash.

So what he's doing, yeah, exactly.

What he's doing is kind of building a platform where he's like, I just need one so I can build the systems and then I can go and acquire a whole bunch more.

And the final thing, and then we can move on is the guy loves debt and oftentimes that ends bad, but I personally have zero debt in my life and I've never really had debt.

And I actually think though that not having debt or not having some type of leverage is silly.

And I've read articles about him and he talks about it very unemotionally.

He seems like a really charismatic, emotional guy, but he's like, yeah, look, this makes total sense because I can grow this business at 30%, therefore, I look at the cost of capital, I should allocate capital to this and it just makes sense.

And I hear that, I'm like, yeah, everything you're saying makes total sense.

I'm just so fearful and it's really cool that you don't seem to have that fear.

And I think that's interesting.

Yeah.

And I think debt, it goes back to like not having fatal potential blowups in your life.

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So I've heard everything from like, I was talking to a guy and he was saying, I'm so super rich guy and he goes, I've paid off my house in full and never have a mortgage or whatever.

And it just gives him that sense of security.

Maybe this guy has, he's so rich, he's already made a whole bunch of money on other stuff that he can take a little more risk or he knows how to structure debt or whatever it is.

You hear both things.

And the problem is you only hear the stories about the guys who levered up and did really well.

There may be a whole bunch of other Brad Jacob types who went out levered up and it totally fucked them.

They hit a speed bump.

Oh yeah.

So the interesting thing about this though, and the difference between what we do in this guy is this guy is essentially starting a new business.

And what we like to do is find a business that's already working where we can actually just leave it and make it, you know, maybe we'll help plug in a new CEO or something like that.

But we're actually not messing with it.

We're not changing the DNA.

This guy is like modifying the DNA.

He's doing like CRISPR on these businesses.

He's working.

He's working.

He's developing them and turning that he's working really hard, right?

So I don't like to work hard.

I get really excited when I hear about people like this.

I'm so glad they exist, but I'm like, oh my God, this is a big lift.

I don't want to do this.

It's a big lift, but it does seem cool.

It's cool.

This is like cornrows or sleeve tattoos.

I think they're cool.

I just don't want it.

They're cool for certain people and it works great for them.

Exactly.

Face tattoos.

Not for me.

Great for some people.

He's sick that someone else has it, but I don't know if I want it.

Totally.

And I think, again, going back to like, this guy does make the world better because he

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employs a lot of people in industries where, you know, people aren't getting laid off because of this guy, right?

Because he's managed this business better.

He can probably pay people better, give them more opportunity.

He's not going to lay them off because he's got this global business.

So it's very, it's very positive.

But what I would want to understand is, what's the guy do with the money?

What's driving him?

Like, is he like a sad, empty hole where he's like, I have to keep doing this all the time?

Or is he like, you know, donating it all to charity or views this as super philanthropic in and of itself?

I'm super curious about that.

I don't know.

I, like, the only thing that I saw is that he has a good glass door rating, which I actually, that's huge.

He dismisses glass door, but I'm like, yeah, there is like, I got made fun of from the Michael Saylor podcast.

I brought that up.

I'm like, yeah, it's not like facts, but it's like, there's a signal that you can learn a little bit from.

It's the glass door.

People only go in glass door when they really hate you.

So it's like the voices of the people who hate you most.

And if the people who hate you most are saying good things or at least okay things, that's a really good sign.

Right.

So anyway, it's interesting, but let's move on to your guy because I actually know who this guy is or I know of him.

So yeah, my guy is Dan Gilbert.

And the reason I thought he was super interesting, I've talked about him a little bit in the past, but this guy has had a freaking massive year.

So, you know, two years ago or something, he was worth like six, seven, \$8 billion, baby billionaire.

Now he's worth \$57 billion.

Wait, five.

Seven.

Five, seven.

He's number 21, one of the wealthiest people in the United States.

And this is, he's had a crazy couple of years.

So I think it was about two years ago, he had a massive stroke.

So he was on the golf course with a friend and the friend just happened to be a doctor and he said, oh, that's weird, I'm having these symptoms.

So his doctor got him to the hospital and they, he had a stroke in the hospital.

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And in the hospital, they were able to do this special procedure that if he hadn't been in the hospital, he might have died or it might have been way worse, right? So he got super lucky and, you know, as lucky as one can be having a stroke, horrible thing. And now he's been basically rehabilitating himself and getting back on his feet for the last two years.

And so he's had this horrible personal tragedy, but at the same time he's become worth, you know, six X, you know, as much.

And I bet he would give it all away to not have had the stroke or whatever.

So it's super fascinating.

This guy, he described it really well when they IPO'd, they just IPO'd his mortgage business. He said, this is a 30 year or sorry, an overnight success, 30 years in the making. So this guy's been at it for a really long time.

I think he's super interesting because he started with nothing.

His dad owned a struggling Detroit bar.

He worked in pizza delivery.

He just kind of stumbled into hustling and was a good salesperson and he started a business. And that business was a company called Rock Financial, which became quick and lunch, which I'll talk about in a second.

One of the reasons I think he's really interested, interesting is that he's invested into revitalizing his home city.

So his mission is to revitalize Detroit and get it back on its feet because it's struggled a lot.

He's like a capitalist Batman in Detroit.

And I'll talk about some of the cool stuff he's done.

And one of the things I like about him as well is that he does a lot of stuff that might not work.

He takes big swings, takes big risks that he think can make the world better.

And he invests in all sorts of crazy ideas.

He also has five kids, which I think is pretty freaking cool.

I love to see that with these billionaires.

They're not just miserable by themselves and they care about kids and stuff and seems pretty family focused.

And then he's been through these personal challenges, the stroke, and then also his eldest son was born with this disease called neurofibromatosis, which is like super rare. And he's poured a bunch of money, his own money into funding research around that disease.

So it's been fascinating.

So he said, there's a quote, he said, when we grew up, all I wanted to do was do two things, own a sports team and a casino.

And now he owns both.

So this is kind of like a childhood dream.

And his companies are quick and loans, which is the largest home mortgage lender in the United States.

They're bigger than Wells Fargo, which is freaking crazy.

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He owns the Cleveland Cavaliers, the basketball team, and a few other sports franchises. Until recently, he owned a casino, I think it was called Jack, which owned a whole bunch of casinos, but I think he sold it.

And then he also owns Rock Ventures.

And Rock Ventures is where all the big swings happen and all the philanthropic stuff happens.

So they own a ton of real estate, almost all in Detroit.

And then they do venture capital.

And they've invested in everything from restaurants to real estate businesses, hotels, crazy tech companies and all sorts of other stuff.

He owns Robb Report, which is like, can I tell you a few more things that he owns that's interesting?

So he owns, I think he owns Fathead.

Do you know Fathead?

Yeah.

Yeah.

It's like those big hands and stuff and you get weird blocks to your face.

Yeah, basically like if you're a kid and you want to put the face of Michael Jordan on your wall, it's like a decal that you put on your wall.

I think he owns the whole thing.

He just bought Dictionary.com and Thesaurus.com.

Totally random.

We were actually, we helped him.

I know I'm, I'll talk about that a little bit, but we helped him with that acquisition a little bit.

Oh, no way.

So you know about it.

It's a \$20 million revenue thing or more, maybe it's been doing that for like 10 years.

I mean, I don't have any insider information.

These are guesses and am I right?

Yeah.

Yeah.

He owns Dictionary.com and Thesaurus.com.

And like when you talk to him about why he bought it, he's just like, you know, I think this is cool.

Like he's just like, I had all these ideas of things I could do with it.

He's not like going, oh, I bought it for X times EBITDA and I'm going to make a 20% return.

So that's what I find so cool about this guy is he'll just say yes.

So he owns like Robreport, which is like a magazine for rich people, dictionary.com.

He owns, or has a very large stake in Shinola.

So Shinola has this like insane hotel in Detroit.

They make watches.

He owns StockX, which is like a, it's basically like a stock market for sneakers and watches.

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Which is awesome that he got in on that.

Because like he co-founded it.

I know.

Like in his, how old, is he in the 70s yet?

He's like 50, 50 something, 56, I think.

He's that young.

Wow.

Okay.

Yeah.

He's still a little bit older than like a sneakerhead.

And he, he's a co-founder, I know that.

So he was it.

Well, the eSports, he's got investments in eSports, like just all sorts of stuff.

And then he's also a large LP and a lot of venture funds kind of quietly.

Like he's the largest LP in Ludlow Ventures.

He's got his own venture fund.

And so you, you look at it and he's got this barbell, right?

He's got a really kind of dull, boring, you know, mortgage business, which is really innovative in and of itself.

Just what he's done is kind of like Brad.

What he's done is like basically taking this fragmented, crappy industry run by banks and small lenders and like built out this massive structure and been very innovative around culture and other stuff.

So let me, let me just give the history of what happened though.

So basically in 1985 him and his little brother start rock financial, which is basically a independent mortgage lender.

So when someone, you know, needs a house or whatever it is, they go to them, they figure out, they basically make them an offer to lend them the money.

And then I think they go sell the risk.

So they would lend them the money and then they would sell it off to a bank over time.

And basically in the late 1990s, company grew into a huge business, one of the largest independent in the United States.

And with the dot-com boom, they launched an internet strategy where they just made rock financial, I think it was rockfinancial.com or digitalmortgage.com or something like that.

And in 2000, what was it, no, 1997 or something into it acquired their business because they were like, oh my God, this is like, you know, this huge disruptive digital finance thing.

And so what ended up happening is the dot-com boom blew up and in 2002 he came back and he bought his business back.

So he sold it for a ton of money into it.

I think the first sale was 90 million.

Okay.

Is that right?

And then he basically, I don't know, I don't have the exact number here, but something

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like that.

So, you know, the guy made a lot of money, especially for the nineties, but he wasn't like a crazy billionaire yet.

Then he raised money from investors.

So himself and some friends went back to Intuit, bought it back.

I don't know what the number was.

And what's interesting is they kept the Quicken Loans name.

So Intuit owns Quicken, the financial, personal finance software, and they branded it Quicken.

And so now there's this weird other business they own called Quicken Loans, even though that's an Intuit brand.

So it's kind of a funny thing.

And it just kept, he basically took it back, got rid of all the crap that Intuit had added and started growing it again.

And this whole time he's living in Detroit and watching his own city totally fall apart.

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 day is 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 an easy-to-use interface.

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Learn how HubSpot can help you grow your business at [HubSpot.com](https://www.hubspot.com).

So in the financial crisis, you know, Detroit, I think went bankrupt, and he meanwhile is like super rich and living out in the suburbs.

And he says, fuck it, we're moving back into Detroit, and he moves his entire team into Detroit.

So he had 4,000 or so employees.

They literally bought, if you actually go to Detroit, there's this, it's called Campus Martias or something, and it's right in the center of downtown, this huge building.

And he moved everyone there.

And he basically said, for my own employees and for the city, we're just going to fix it.

And so he built casinos, he built like a private security firm.

So if you walk around, there's like normal police, and then there's like Dan's police.

He bought billions of dollars of derelict buildings, you know, literally like you go there and there's like skyscrapers.

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And he's just, it's like going to Chicago and he's like, oh yeah, I own the Sears Tower and this and this and like basically all of downtown Detroit, he owns like 20, 30% of. And he also just announced that he's going to pay off \$300 million of property taxes for Detroit residences.

So this guy really, really cares about Detroit.

And since he started it, it's now become the largest independent mortgage business in the United States.

You know, they've gone public, they had this huge IPO and it's been, it's been a crazy story.

But what I love about this guy is just he's got such a crazy collection of businesses.

I think if I remember correctly, I think I'm probably, I think I'm right.

But I believe he sold it for 90.

He bought it back for like 20.

And I think he took it public, did he take it public like either recently or right away?

Like recently, like it was like, like six months ago and he owned most of it when it went public.

He owned like 85 or 90% of it.

And it went public.

It's totally crazy.

What's the market cap now?

The market cap is, let's see here, market cap's \$46 billion.

Wow.

So yeah.

Where's the other \$10 billion come from?

Just his other stuff.

Just his other stuff.

Well, he owns a lot.

Yeah.

A lot of real estate.

You think the Cavaliers are probably worth, you know, \$500 million to a billion.

He's forgotten about that whole part.

He owns the Cavaliers.

Real estate, casinos, you know, all these stock X's worth, I think a couple billion dollars now.

So he's just got this crazy collection of stuff.

And so Chris and I got to meet him.

The other cool thing about this guy is like, he's just a wild card.

Like I, so I read about him in the New York Times, they did this profile of him.

And I have this habit of just cold emailing people I think are interesting.

And like 95% of the time, I just don't hear back.

But I wrote him an email at like one in the morning and said, Hey, you know, I'd love to meet you.

And I get an email back like five minutes later and he's just like, yeah, sure.

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And then I got a follow up from his assistant and we ended up flying to Detroit. And it, you know, sometimes when you go and meet these billionaires, they're like, whatever, you know, you walk in, you got 20 minutes with them. That's that. He was like incredible. They like plan this whole tour of Detroit. It was like this two day thing. Like every, they set us up in their hotel and then Dan spent like two hours with us and he's just this super nice guy who's like deeply interested in what we're doing and super engaged. And like every business I mentioned to him, he'd be like, how does that work? How can we get involved? What can we do? How can we do it? Like he wants to say yes to ideas, which I always find really inspiring, right? Cause I think some of these people have gotten really rich. They've gotten rich by being like hyper disciplined and just saying no to everything, but he says yes before no. That's really interesting. That's what Sean acts like. And I use, I usually say no to everything. Sean says yes to everything. And my joke is that like I'm like, my success is probably going to be quite predictable and it will be really good. Sean's success is he's going to go completely broke and die, like if I die young or he's going to become a billionaire, super fat, like, you know, it's like a, it's a high risk thing and that's not the reality, but that's my joke. But, um, and you actually, can you tell the story of how you met someone recently who's a big deal and they said like, Oh, just call whenever, like I'm free all day. Yeah. Uh, so I recently got, um, an opportunity to name them if you don't want to. Yeah. Well, I got, I, it was pretty crazy. I got a chance to talk to Warren Buffett on the phone. Um, some, some guy I was talking to, I was saying, you know, I'm trying to figure out philanthropy and how to give money away. And literally he goes, Oh, you should talk to Warren Buffett and I was like, what do you mean? And then he just like CC intro'd me to Warren Buffett, right? It was one of the weirdest things that's ever happened to me and it was amazing. And I was like, kind of nervous, like Warren Buffett's like my hero, uh, you know, I was never not expecting this. It was just like a random Friday and Warren Buffett secretary emails me back and just says,

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Oh yeah, you know, call, call him whenever, you know, he'll, he'll pick up.
And so I call and they get, I could put right through and it's just Warren freaking Buffett on the phone.
And basically he said, you know, oh yeah, I'm not doing anything.
I can talk for as long as you want.
And I just got to pick his brain for an hour.
Uh, and it was insanely inspiring, right?
Like this guy, he was exactly who you'd expect him to be.
I find with a lot of these guys, it's like, don't meet your heroes and, uh, they're not who they appear to be on TV all day.
He's available all day.
He talked to me for an hour and a half and he was just the nicest guys, exactly like he was on his CNBC interviews, showed a ton of interest in what I was doing.
And like, I literally just like grilled him for like 30 minutes.
Was he on a landline?
And so yeah, he's definitely on a landline and it was just, it's always, it's always really nice when someone is what you hope they'd be.
That's great.
So we'll bring it back to Gilbert, but just so you know, I have a feeling that clip that you just said about Buffett, that's going to go viral.
Um, uh, so hopefully you're okay with that.
Uh, and if you're not, you can tell us.
Um, all right.
Um, you, you have something here about his strategy and his culture.
Cause I actually want to know what motivates this guy.
Um, and do you think that he was, so I actually sent this to you, I think I use newspapers.newspaper.com
and I actually like to read old articles and I read a ton of old articles about rock financial and even before it got bought by Quicken, Dan was like a Detroit guy.
It seemed like, it was like, he was very, um, confident, not arrogant, but he was like, he's just had the it factor at a young age.
It seems like, and, um, then I read his, uh, what's it called a 10 K or S one when they go public and, uh, he was like 30 and everyone on his company was like in their 40s.
So it was like, it was like a young guy and the business was booming and, um, very interesting, very seemed like a very, um, confident person at a young age.
What do you think motivated?
I think he's been super rich for a long time.
Well, yeah, I was going to say like he says, there's this great quote.
He says, one of our things is that money follows, it does not lead.
So we want people that are fired up and passionate about their mission and people that aren't so married to spreadsheets and thinking that kind of voodoo controls the future because it doesn't.
So this theme of doing things cause it's cool or cause it makes sense or cause you're driven

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to do it versus based on financial analysis.

And that's the feeling I get about this guy is like, he says yes, and he wings it and he takes risks and he takes big bets.

And I think it goes back to this thing of what's the point of making a bunch of money if you're not going to try and do cool stuff with it.

And so he's just very, very inspiring, uh, in that way.

And one of the ways that he wins is that he focuses massively on culture.

So when we visited him, uh, you know, he probably had five or 6,000 employees at the time and he said, I still personally on board every single employee.

So once a month, I go into like a conference center and there's a, you know, a hundred or 200 new employees coming in and I will spend all day with them talking to them about our culture and what, you know, what we represent.

And he gave me this book and he calls it isms.

These are the, like the ideals that they live by or whatever, and usually you get these stupid corporate BSE things like, you know, we value integrity or whatever, but it's this series of, um, of kind of like words to live by.

Um, so, you know, some of them, uh, yes, before no money doesn't follow it leads, uh, we'll figure it out every second counts.

Yeah.

A penny saved as a penny, you know, don't obsess over saving, just do the right thing.

Uh, anyway, I just love how he does that.

Um, and then I also love again, this barbell strategy, uh, where he's got a conservative cash flowing business and that funds crazy shit and big bets and interesting stuff.

Um, and you know, he also said anyone who dies with money in the bank is a failure.

Right.

So this is not a guy who's going to go hoard it or whatever.

He's going to give it all back to society, which I think is super cool.

That's great.

Do you think that does he have, um, so none of this would have been possible without Quicken working out?

Yeah.

Was he, was he always hands on or did he delegate right away?

You think?

Well, he's got this really smart CEO called Jay Farner and Jay, my understanding is Jay now runs that business and Dan floats above doing all of his different stuff.

But I don't know.

I think Jay's been there for a really long time.

Um, so I'm not sure, but I think he was the, he's the chairman or something.

I think he's kind of taken that role where he starts up the business.

He's super involved.

He's still hands on, but he, he kind of lets someone else operate it day to day.

Damn.

This is awesome.

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I, I've heard him talk my, and I judged him incorrectly, I think, because he's a nice dresser and he's kind of good looking.

I, and he like slicks like literally slicks his hair back.

I thought that he was frankly kind of a douche.

Um, and I heard him talk a couple of times and I'm like, Oh wait, this guy is not how I thought he was going to be super humble.

Yeah.

He talks like with a Michigan accent.

He is super down to earth.

Super funny.

Like we, when we were meeting him, we're like, God, this guy's like he owns casinos.

He's got slick back hair.

He almost dresses like a gangster or something.

He's got kind of a serious look to him.

Yeah.

Yeah.

You look, and you know, there's a story about him like punching a guy in the face at a party.

Like you're kind of like, who is this guy?

But when you meet him, he's just completely real and down to earth and cool.

And I would say we've met lots of very successful people and I'd say he's one of the only ones that I would go, you know, there's a small list of people where I'd go, I'd really want to be like this guy, right?

I'd love to trade lives with him.

Is he grinding still or does he relax a little?

Well, I don't know.

I mean, I think with the stroke, there's a question of, you know, did he have the stroke because he was stressed or, you know, high blood pressure?

I don't know.

But I'm not sure, I don't know what his approach to work is or whatever, I haven't worked super deeply with him.

I mean, we looked at that dictionary.com thing for him, gave him our feedback on what we would do with it and we've done like, you know, Metalab worked with quick and loans a little bit and Dan's lit me up before via text saying, you know, this design sucks and you need to make it better.

But again, like that's what's cool about him is like he's running this freaking \$60 billion empire and yet he's still texting me going, hey, this website sucks and that color is wrong and, you know, tweak this.

He's just, he's a real person, right?

And so many of these guys, they're like reptilian, right?

These, they're too slick, they're never, you know, never out of place.

They won't admit any of their flaws and, you know, it's neat when you meet people and they're just real.

They're flawed human beings and they're doing cool stuff.

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That's great.

You just become a Dan Gilbert fan.

I prepared more than you, I think, and I think you, you picked the right guy and you won.

I think, I think you've won.

I've become a, you've convinced me to become a Gilbert fan, a Dan Gilbert fan.

He also is really into hip hop culture.

So like he did, I think he's the biggest investor in rap genius, which is not really relevant anymore.

For better or for worse.

Yeah.

For better or for worse, correct.

But it's whatever.

I mean, you're going to lose sometimes if you say yes to everything, but that's cool that he said yes to that.

And he's in, so he's kind of got like street cred and he does actually seem like a pretty cool guy.

And then that dictionary.com deal, according to the news, it said that he bought it for a hundred million, which pretty sick.

I bet you that company could do 10 or 15 million dollars a year in profit if it wanted to.

But you would know more than I do, but that's pretty sick.

I'm a Dan Gilbert fan now.

Yeah.

I do.

I do too.

Um, I'll pray you.

What do you think of our first episode of Billy's, Billy's, but Billy of the week?

I liked it.

I think there's a lot to take away from both those guys.

I'm curious to see what people's reactions are going to be, but I think this could become a weekly thing.

Sick.

Um, I think we're scheduled to do it for at least one more week, right, Andrew?

Are we doing, we're going to do the same format next time?

You want to do a different one?

Well, I like, well, I like doing that.

Doing this, but the research is annoying.

It's so much fun when I can just wing it.

I have something cool for you.

So at HubSpot, we now have two full-time researchers.

So if you'd like, we can send a couple people to them.

I mean, I didn't do it this time, but I'll pray you can, uh, we'll hook it up.

You mentioned a few people who you're interested in and our researchers will take care of it.

Oh dude.

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I love that.

That's awesome.

So, uh, if you're interested in- Look at you, Mr. Corporate Big Shot.

I know, trust me.

Also, where's your crazy camera set up?

Are you on your like crazy DSLR right now?

No, but have you seen it, right?

It's real nice, right?

Yeah, it looks amazing.

I, um, I'm driving to St. Louis to meet a newborn baby, uh, my niece, but I, uh, I'm stopping in Oklahoma City to meet up with a bunch of listeners because that was like the middle ground.

And so I just tweeted out, I'll be in Oklahoma City and like 50 people signed up.

So I decided to stop and stay and meet people and then I'm going to drive to St. Louis tomorrow.

Isn't it, isn't it crazy when you think about, I remember doing this with our, um, we had this invoicing software like 10 years ago or whatever, and, uh, it was really small, but we had thousands of customers and you don't realize like for you, you're just doing a podcast and you see these numbers.

It's like, oh yeah, like we got 20,000 listeners or whatever.

But when you actually think like, okay, there's actually 20,000 people all over the world listening to you who feel like they know you.

And when you tweet out that, Hey, I'm in Oklahoma City, some random city in the United States and 50 people show up in person, that's freaking cool.

It was even more.

Yeah.

I was shot.

More people tried to RSVP.

And then I tweeted that I was in, or I was going here and then someone was like, Hey,

I own this fancy hotel.

Would you like to stay here?

I go, yup.

You guys have a restaurant.

He goes, yup.

I go, all right, I'm going to have 50 people come and we just created an event by Pre-Agent.

It's sold out right.

Wait, are you vaccinated?

Yeah.

Dude, it's taken forever in Canada, it's going to be like another two months.

Yeah.

I'm vaccinated and I still wear the mask to make people comfortable, but I'm vaccinated.

So I'm going to go.

Which one did you get?

I don't know.

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I don't even know.

You get two dose or one dose?

Two.

Which one's that?

Probably Pfizer or Moderna.

Yeah.

Yeah.

It was one of those.

Dude, I'm so jealous.

I'm so, I'm so done.

Me and my wife got it done.

And so that's why I'm traveling a little bit.

Do you think that this will be, like you're going to be happier as a result of this?

Like you have this shit.

It's kind of like you had a hundred days of rain and then all of a sudden it's sunny and you appreciate it way more than if you lived in Southern California.

Like did you just have like a boring year and now it's super exciting?

Does it feel like you've just been let out of a prison or something?

From a personal perspective, from a business perspective, from fitness, from like my bodies.

And I don't want to sound callous because I know there's bad stuff.

COVID was so good to me.

I loved, I mean, I kicked ass.

My family and I, we crushed it.

I enjoyed the downtime.

I enjoyed getting fit.

I enjoyed moving business wise, business boomed.

Are you in the same boat?

No.

I would say if anything, like I have a tendency to be a workaholic.

And so what I used to do is I would go work at a cafe and then I'd run into my buddies who would also go to the same cafe or someone I knew would come and I'd have lunch with them or I'd go for a walk and it would just force me to kind of get away from work and have more perspective and break up my day.

Or I'd be still working, but I'd be going from meeting to meeting to meeting and getting eye contact and FaceTime.

And now all I do is work, right?

Like I'm just, it's basically I'm at a, I'm at a house, like a work out of a house that we rent and then I drive home and that's it.

And it's been this winter, it's been too cold up here in Canada to really go and sit on a patio.

And so it's, it's a total bummer and I'm like an extreme extrovert.

Like I love spending like two, three hours with other people every day.

So it's been, it's been grinding on me for sure.

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Why don't you come down to Texas?

Because well, so my wife and I have been building a house for the last three years.

We're moving into the new house at the end of this month.

And otherwise I've been, I've gone to my wife, but like we just need to move to Hawaii for six months and just f off, go get vaccinated and then wait for the border to reopen.

The reason I can't fly to Texas is if I fly over the border, when you come back to Canada, there's a mandatory two week government quarantine, even if you're vaccinated.

So it means with two kids, I got to be stuck in the house or by myself.

My kids can't go to school.

It's just like, that's not fun.

Do you, the downside that I've had is so many, I've met people digitally and I hate that I have so many online friends.

And so my phone texts are always, I get so many, and it's not like because I'm necessarily popular, but I get so many text messages.

I get so many emails.

I do phone calls all the time.

And so my problem is I don't want people to contact me anymore or I just ignore them.

It goes back to this problem that you would be so stoked to have five years ago.

I have the same problem of I post on Twitter and then someone DMs me, hey, check out my business and would you get on the phone with me and talk about it.

And five years ago, I would have been stoked.

I'm like, oh my God, I can help all these entrepreneurs and make all these new friends.

And now it's like, I get 20 of those a day and I just want everyone to leave me alone.

And I'm trying to figure out how to even just deal with the amount of email and text I'm getting.

And this is the downside with scale, right?

Like with 35 businesses, there's always something happening.

There's always a problem to solve or a text to respond to or an email.

And so it's pros and cons, right?

I always make this kind of, historically, I always kind of claim to be this guy where I'm like, oh, I have this great life, I have all this freedom, I don't run my businesses.

But that worked when we were 20 companies two years ago.

Now I'm hitting this threshold where I'm like, okay, I'm back to being busy again.

How do I restructure this?

Yeah, you're going to have to hire a, if one, you got to hire someone to run that.

I need a chief of staff, I hate that title.

I find that so douchey.

No, you need a CEO of Tiny and Now, maybe.

Yeah.

I always love these Silicon Valley CEOs who are hiring an assistant.

They're like, I need a chief of staff.

I'm the president.

It's so ridiculous.

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Yeah, they should just replace themselves.

And then the second thing that you did, which might hurt you, but you'll figure your way out, is you painted the picture of yourself as this guy who's like, what are you guys talking about?

So easy.

Why are you working so hard?

And now that you're doing it, everyone's going to be like, told you, told you.

Well, I think the way I describe it is when you, okay, so when you look at other people's businesses and you've hired executives or you've, let's say you own a bakery, right?

And there's, you're looking at a bakery owner and they're fucking staying up until two in the morning baking, they're sleeping for four hours, they're working the till they're covered in flour.

And you're looking at them and going, dude, it's so easy.

Just go hire a staff and build a manual, right?

Like this is not rocket science.

And then you do that.

And now you're the CEO of the bakery.

And now you got to deal with people problems in a different level of issues.

And to me, it's like, I've done the right stuff and I've hired great CEOs and I have all that.

And just now there's like too many different things to keep tabs on in my brain.

And I think humans aren't designed for thinking about more than like two problems at once.

So I want to have like 10 problems or 30 businesses.

It's just hard to kind of feel on top of everything.

I think you can, I don't know.

I think I learned this from you actually.

And then another person was like, I was like, oh, I'm just going to let this burn.

And often times it doesn't.

It survives or gets stronger.

Usually they figure it out, right?

If you don't respond to the text and you take four hours to respond instead of 10 minutes, usually it's like, oh, actually I figured this out.

Or you train people that you don't respond quickly unless it's an emergency and they go figure it out.

But if you jump in and you solve their problem all the time, they're just going to keep asking you.

Yeah.

And I kind of came to the conclusion of like, I'm just going to let it die.

And then it does.

It goes back to that thing of like, you know, Tim Ferriss or any of these people who talk about these hacks.

The hacks are real, but what's also real is human nature is to be miserable, right?

So like, you know, you know, old people who are like rich, retired, and they're angry

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about their neighbors or their grass or their vacation got canceled or whatever the silly thing is.

And you're looking at it.

You're like, dude, you have a nice life, relax, enjoy yourself.

I think humans just always need something to be upset about.

And so for me, it's like, you know, I've got, I'm so happy with where I'm at and I love all my businesses, but I managed to still make myself miserable.

I would change it too.

We don't need something to be unhappy about, but we need a war.

I need a fight.

Totally.

I like it.

It's good for me to have a fight.

I love having an enemy and I think I'm a conqueror sword.

I'm the same way.

My business partner always says you need an enemy.

I get so fired up with that or like being wartime CEO.

But then like yesterday I did this viral tweet.

I got the biggest tweet ever, right?

How many people did that reach?

30,000 likes.

I haven't checked the number of people.

I think it was like, it was like tens of thousands or something of retweets, right?

So Sean's clubhouse thing reached I think 6 million people, but your thing looked like it was even bigger.

Where do I look this Twitter analytics?

Yeah.

On your phone, there's this thing called insights.

So you go to the tweet and then underneath the like button, like the heart button, you see something that says view insights.

So I got 7.2 million impressions and total engagement of 1 million, 1.1.

That is 7.2 million is so good.

Yeah.

So it's crazy.

So anyway, so I did that and you know, it was like dopamine hits.

I was talking about a failure, right?

It was like, I hadn't really talked about it.

I publicly revealed I lost \$10 million on this business.

I'd started and it was just kind of like exercising a demon, right?

Hey, I'm just sharing this fucking horrible story or whatever.

And the thing about Twitter is that 2 to 5% of your audience will always misinterpret what you say, go, you know, oh, hey, technicality or this isn't right or you're, you're trying to come across this way and that's not true or whatever it is.

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What was the classic?

How privileged of you?

Totally.

Oh, how privileged you lost \$10 million or whatever it is.

It's a point.

And I had, it was, it was hilarious.

I had, um, so my, the story was basically we started productivity software called Flow.

I decided to bootstrap it like base camp and we had a big competitor, Asana and Asana was run by a billionaire, the co-founder of Facebook.

He raised a shitload of money and originally I was like, oh no, we've got a better product.

And then they just made their product better and they outspent us on marketing and we, we got killed, right?

And so I do this and you know, the co-founder of Asana, who I really like and I thought I complimented him in the story started taking issue and saying, you know, in 20, we didn't even have a marketing budget in 2012 and all this shit and then Dustin was fighting with you.

Dustin, Dustin was like fighting with me on Twitter and I'm like, dude, I like you.

Yeah, you said, I like you.

I'm complimenting you.

You're like such a nice guy and, and you said it really nicely and all this stuff.

And so he's attacking me in the tweet.

You said, Dustin, very nicely said, we're going to crush you and he did and, but I love him a lot.

That's what you said.

He didn't really, he didn't even say, I'm going to crush you.

It's more like, Hey, here's all the challenges you guys are going to have.

You should really join us and we'll do this together.

Right?

This is very collaborative message because I think they wanted to buy us.

But and then, you know, my other, like a hero of mine, David Heinemann Hansen, who like I've worshiped forever in terms of like their business they've built.

He wrote this whole post about how I'm Pro Venture and I'm, you know, mis, misallocating, you know, success to all this stuff.

And he totally twisted what I was saying.

And so it's like this downside of Twitter and being public of like starting a fight and stirring the pot and sharing what's going on like your buddy.

Yeah.

And I'm friends with them.

We were texting about it and it's fine, but it goes back to like the negative emotions of sharing and being out there and having, you know, having enemies comes with shitty emotions.

Right?

I'm debating this right now.

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Like, is it worth over the last two years?

Like, I love coming on here and stuff, but is it worth having a public profile?

Right?

Is it worth the negative emotions?

I think that that this is like a rich person's problem.

It's kind of not like not rich of whatever you want.

So like whatever you're trying to get, whatever you're trying to achieve, you get it and you're like, man, that's not as good as I thought.

And I've experienced this as well.

So if you've noticed like online, I've actually tried to be far more low key than ever before because I find the pressure and I find the attention to actually be a net negative, although that's like bullshit.

It's like, that's a shitty thing to say because it's not really a net negative because I'm happy with the outcome and I wouldn't trade it.

So it's not really a net negative, but I completely agree.

I think that I'd rather do something anonymously right now.

Well, this is the question is, could you be known?

Could you still be outspoken in audio and stuff, but just have your photo nowhere?

So no one knows and not reveal too much personally or whatever.

Because the cool thing as an extrovert, I like lit up when you're like, oh dude, I tweeted this out and 50 cool people showed up at this event, right?

Like that is the power.

That's by not being public, you actually aren't, A, you're not sharing your lessons and you're not helping the next generation of entrepreneurs and stuff, but you're not connecting with new people and you're making all these friends as a result.

We don't need new friends, but that's so cool.

Yeah.

So there's, we have two options.

One, we just have thicker skin and stuff being such a wussy about it, which like is hard.

It's really hard.

Or we build anonymously a little bit more and we're actually having, what's this guy's name?

Biology?

The crypto guy?

Biology, yeah.

He's going to be on the podcast in a couple of weeks, I think, right Abreu?

And he, his whole, he's got this big prediction that that's going to be the norm is that your coworkers are actually going to be anonymous.

And I want to, I wanted to talk about that because I kind of agree.

I think there's a world where that could happen.

It's fascinating to think about, like if you think about like, if you had a work persona and you're just like, you know, Sam acts and then you're Sam part of your personal life

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and Sam acts has a reputation and you talk about what you're doing and stuff.

That's super.

I mean, there's that guy, the samurai, whatever the fuck, the guy, financial samurai, I'm a big fan.

Financial samurai.

You like that guy.

No one knows who he is, right?

Or what's the guy's name?

Mr. Money Mustache.

Nobody know who he was until that New York Times profile.

Right.

I think that's the ultimate.

Totally.

And you and I both probably, you and I were this and you probably have a lot more.

We have friends who we feel like they're incredibly close friends and you've not only never met them in real life, you've actually never heard their voice or seen their face.

Totally.

We have a ton of friends like that, who I only communicate with and I know what their profile picture is and I consider them to be great friends.

But even, even look at Jack Smith, right?

It's like his username is Jack Smith, but his photo is just a random cartoon thing and it's, it's fake and that is smart, right?

Like dude, there's, I was texting with someone last night and he was saying there's a Twitter user.

I think he has like 200,000 followers or whatever.

The guy gets death threats, right?

And I look at his Twitter and I'm like, this isn't like, this is pretty innocuous.

He's not like some, I can't say, but not super controversial or anything like that.

And the guy gets death threats and you just go like, wow, like, if that's what you're dealing with, like, I remember I had this guy six years ago, a schizophrenic guy in my city thought that because we worked with Apple, we had the Apple watch before the Apple watch came out, he thought we had the Apple watch plans and he showed up in our office in like a super manic state, quivering and like demanding with his like fist splayed that we give him the Apple watch stuff, right?

And we're able to cool him down and get him out or whatever.

I have like some schizophrenic people in my family, so knew how to deal with it.

But you think about like, that's only going to happen more as you have a bigger and bigger presence and that kind of stuff's a little freaky, right?

You don't want to get like John Lennon.

I call it love knifed, you know, they love you so much, they're going to stab you.

And it is fearful.

I mean, I've not had death threats, but like there's been times where Sarah and I had been on vacation and we'll take a picture of our guest or the vacation home and we'll cover

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the address, but I'll get like five or 10 packages from people saying like, oh, we just found the house on Street View and they'll like send, they'll send stuff, yeah, it happens all the time.

So I'm not, they asked me not to take pictures of the house, even if we cover the address. Dude, that's super creepy.

And I'm a nobody.

You guys, you and Sean have two acts as many followers, I mean, and so, yeah, it's weird. It's so, it's so interesting.

That's so, it's, it's, it's, it's such a first world problem, right?

Oh no, I've got this big audience, all these people listening to me or whatever, but, but a, yeah, double-edged sword.

Yeah, you know, people always say that's a good problem to have.

That's a first world problem.

And my reply is like, yeah, you're, you're right.

It's still a fucking problem though.

Totally, it's very real.

And, you know, I was saying, I was on the phone with someone the other day and, you know, he was saying, oh yeah, you know, I want to be a billionaire.

And I was going, well, think about being a billionaire, you know, you think about the pressure of having billions of dollars and knowing like, you can, okay, so like, here's an example.

It's like, I read Bill Gates' new book about climate change, right?

And I'm going, oh, that's okay.

I don't have enough money to really do anything in this, right?

I don't feel any personal responsibility.

Let's let the crazy billionaire Bill Gates or whatever deal with this.

And if I was a billionaire, I'd be going, oh shit, you know, I need to like call Bill and I need to help.

And this is my problem now.

And if there's a shooting, you know, in town, in town, I need to fund the police to make it better to solve these problems.

So like, there's a lot of pressure that comes along with large amounts of money, right?

And so it's interesting to think about who's, what's the right amount of money, right?

And the people I admire the most are often the people who have, you know, enough money in the bank that they can do whatever they want, but not so much money that they can turn into wackos or stress themselves out.

What's that threshold of they can do whatever they want?

Like, what does that mean?

I think really it's like five, in my city, it's like maybe like five to 20 million bucks is enough to, you know, that's live a great, great, great life, right?

You could obviously do a lot less, but...

I can pretty confidently say that I think 20 is the threshold that you could live a great life in pretty much any city for the rest of your life with 20, I think.

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I would say that now.

I mean, that's like, you could get like a crazy apartment in New York, live like a king, and you're good forever.

Forever.

But I mean, in, with like \$2 million, even \$3 million, you can live somewhere in the world like amazingly well.

Yeah.

Well, Andrew, thank you.

We'll do it again next week and we'll get our research to do stuff.

So Brayu, what do you give this out of 10?

Nine out of 10.

Oh, I'll take that.

That's good.

Well, I acted that.