

[Transcript] My First Million / #217 - Why Direct-to-Consumer Companies Are Awesome to Own

If you got into Ethereum early on in the crowd sale and you bet on that thing at 30 cents because you're a developer and you really believed in this new programmable blockchain, you deserve your tens of millions of dollars. You deserve your hundred million dollars. If you're rich because you bought a picture of a rock three months ago or a computer-generated squiggle that's now worth a quarter million dollars, fuck you. I'm looking at my phone. I just got a text message. My three nieces went back to the first day of school today and I was talking to one of them this morning and I go, Ellie, how are you feeling first day ever going to a school? And she goes, I go, how are you feeling in one word? She goes, my heart is going fast. I was like, oh, I'm melted. I'm melted. Your uncle is a puddle on the ground now. He cannot function anymore. So that's awesome. Shout out to Ellie for her first day of school. Hopefully it's going well. That's awesome. That's a great one. 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 host relived the latest and greatest pitches from Shark Tank, from Squatty Potty to the Manchana Bench to Ring Doorbell. And they break down why these pitches were winners or losers. And each company's go-to-market strategy, branding, pricing, valuation, everything. Basically, all the things you want to know about how to survive the tank and scale your company on your own. If you want to give it a listen, you can find another bite on whatever podcast app you listen to, like Apple or Spotify or whatever you're using right now. All right, back to the show. Okay. Can I start by telling you a quick story that I don't think I've ever told you, but I think you'll get a kick out of. So about this is the Bitcoin one. We'll tell that one soon. But about three years ago, I so I talk about solid time. So I don't want to like rub it or like continue talking about this shit because it gets boring. But basically, I don't do any drugs. I don't drink. I'm pretty straight-laced, right? I've been straight-laced for eight years. I don't do anything. I'm fearful of anything. But I was getting really curious about psychedelics. So like mushrooms, MDMA therapy, ketamine therapy. I did what a lot of people did. I read the book How to Change Your Mind by Michael Pollan. And I was like, oh, this is great. I'm really interested in this. And so I found a person who was going to lead a an MDMA therapy session. And so I went to dinner at her house with my wife came with me and it was like three other couples. And we went to this thing. And I was we were and she wanted to do like a session to get to know people in order to determine if this was a good fit. Because basically what you do is you take a dose of MDMA and then like she talks to you, Molly. I think so. Yeah, I believe so. It's all or similar. At least I'm not I really frankly don't know. But I think it's like the same thing. And we eat it, you drink it. It's like a pill, I guess. It's a pill. You swallow it. Okay. And we go to this group. And I'm in this like the idea of psychedelics for therapy, like to like, you know, for veterans, but also people who just want breakthroughs or who have depression, I'm on board with I've got friends to do it. I love it. I don't really do I don't do drugs because I just don't feel comfortable doing it. But I really wanted to explore it and get and get to know these people and try this out. And I went to this group. And they were crazy hippie-dippy, like super hippie-dippy. But mind you, this is in San Francisco, and she had a really nice place. And so like we start talking. And all of a sudden, it gets so hippie-dippy and woo-woo that she's like, you know, like this medicine needs to be free for everyone. And capitalism is just ruining everything. And like, you know, we need to live

[Transcript] My First Million / #217 - Why Direct-to-Consumer Companies Are Awesome to Own

in a society where we could just barter and trade. And like this way we can get medicine. Let me just guess, Sam triggered starts a debate, triggered so hard. And then we start talking. We I'm like, in my back of my head, I'm like, Well, then why am I paying you like \$4,000 for this? But you're like, Yeah, refund me, right? Yeah, so give me my money back. And we start talking. And like, this is just sitting in my head. And I'm like, Oh, man, I made it for grand. This thing was for grand to do or 2,500. It was like multiple thousands of dollars. I think it was closer to three or 4,000 than it was 2,000. I forget the exact amount. Because you can take a family of four to Disneyland, get the fast pass, get the turkey leg, go get the Mickey Mouse ears, and still coming under four grand. That's a real psychedelic experience if you want. Yeah, I look, I agree. It was crazy. But like, I'm trying to be open minded. I wanted to explore this. I just read the book. I was all enthused. But in my head, I'm just sitting there at this dinner with this in the back of my head. And I'm thinking about this. I'm like, Oh, my God, like, I can't believe like this is these people are so bullshit. And then I asked her and I go, what did you used to do for a living? She used to work at Lehman Brothers at Lehman Brothers. And now has a venture capital firm on the side. And this whole and I like what I heard this, I was like, I started giggling. And I was like, well, you do realize that this is like, just ridiculous what you said earlier, right? And I said this at the dinner. I'm like, you know, that's, that's just like crazy. And they are also talking about how like this medicine needs to be available for everyone. And like, they need to help the masses. And they're like, where are you from? I'm like, I'm from Missouri. And they said, Oh, flyover country. And I'm just like, Oh my God, this is the most smug thing ever. So eventually, I get into an argument with her at the dinner table. And she was just like, you know, I don't think this is a good fit. And I was like, I agree. This is not a good fit. I can't do drugs with you. Not a good fit. And so I can't even do dinner with you. Yeah, I can't do dinner with you, let alone like get high and talk about my feelings with you. Like not going to work. This is a horrible fit. And so I had to leave. I got kicked out. Like I basically got asked to leave. And they're like, Sarah, you're cool. Yeah, I just wasn't in a good place. And so I got kicked out of the group. I wasn't able to do drugs with them. And that was my experience with psychedelic. That was my only experience with like the psychedelic therapy. But I think that these style these retreat styles for psychedelic stuff, starting in like 2015, I had friends that would go do ayahuasca. You know ayahuasca is. So I've heard ayahuasca many times. So I know of it. I know kind of what the why people do it. You should explain it anyways. But if you said, Hey, this is like my Dolly Parton thing. I couldn't pick Dolly Parton out of a lineup. If you said, Hey, draw ayahuasca. I draw some feathers in a bowl of liquid. What the hell is actually ayahuasca? I don't think you're far off. Again, I'm total noob here as well. But my friends do it. I believe it's like a powder and you mix it with water and you put it in a bowl and you like pass around like this thing and you take a drink out of it. And then you stay up all night like doing wild stuff. And like a lot of times they make it makes you throw up and that's like part of the journey and experience. It's freaking weird. But like whatever, I'm open to it. And I've been had I've had friends like start doing this in 2015. Now on Instagram, I am seeing so many of my friends go to South America, go to Mexico, all talking about like these journeys. I started listening to this health podcast. It's the new backpacking through Europe is 100%. And I like to make fun of it because it's some

[Transcript] My First Million / #217 - Why Direct-to-Consumer Companies Are Awesome to Own

basic bit shit. But you want to know what it's I'm on board. I'm so on board with this. I am totally on board with this. And I think that psychedelic retreats like I've been I read a Bloomberg article about them and this guy in Jamaica and they charge like the ranges from \$25,000 to \$2500 to \$30,000. And they bring you to this like nice place. They get you they give you the the drugs like it's a variety of sometimes it's ayahuasca ketamine. What's is it psilocylin with mushrooms? Yeah. And they like do this therapy stuff. I am so on board with this. And unfortunately, my one experience was horrible. But I'm so on board with this. It wasn't the drugs. It was the people. It was the people. It was the hypocrites that tried to get me to take this drug. Yeah. I'm like, I can't trust you. Like you're gonna tell me like you want to solve you want to like like solve the world's problems and you're gonna make fun of me for being from Missouri. Like this like this is a bad fit. You know, just tell me you're full of shit first dude. I have so many. Yeah, exactly. It's like a meeting. It's like, Hi, I'm Sam and I'm full of shit. All right. So, so I have a bunch of thoughts about this. Where do I begin? First, shout out to the guy who came to our live podcast show in Austin, who is apparently mushroom dealer. Don't remember his name. I remember that showed me some show. He loved the guy loved to take out his phone and just show pictures of his he put open of his camera roll. Not a single friend or family there. Just different exotic mushrooms in his hand. And they all look the same. They all look the same. He kept showing me. I was like, Yeah, cool, man. Cool. Never, never done mushrooms. Couldn't couldn't tell. It's like showing me different bottles of wine and I'm sober. Like, uh, yeah, okay, it looks great. Looks fantastic. That one's that was dark red. Cool. So that's one thing. Just remember that guy when you were telling the story. Second, I met this guy who's really interesting. Did I tell you about this guy? Robbie Bent? No. Okay. So this is this is cool. All right. So this guy, so Robbie Bent, what's his story? So he's a founder of a, he's a startup founder. He has this idea for, um, by the way, when I tell stories, I'm pretty sure like at least 40% of them are just the details are completely wrong, but I always get the essence of the story right. So I'll say that. So Robbie, if I put your story, sorry about that. All right. So I think he had a startup that was like, this was back when cell phone roaming was a big problem. Like you would go travel somewhere and you're, if you like turned your phone on for one minute, you'd like spent that \$1,000. So basically roaming was a problem. And so he was trying to build this like SIM card company for like international roaming, like an international SIM card and raises, I think like \$25 million or something like that. And, uh, you know, like pretty soon after that, uh, like roaming became like free or something. Something happened. The company like was pointless at some point and he's like, Oh shit. Okay. Uh, what do I do now? Company kind of fails. He's kind of in a funk. He's in a depression. And so I think he was, he was, I think he was depressed. I think he was using drugs. I'm not sure exactly what the story was, but he's kind of in a low place in life. And his friend is like, you know what, you need to go backpacking through Europe. You need to go to South America, do some ayahuasca, or he decides he's going to do it. So he goes on this ayahuasca trip. And he's like, uh, you know, same story as everybody who goes to Burning Man or South America for ayahuasca. They're like, Oh, life changing, best experience. I think if you don't have a good experience, they must just kill you because I've never met anybody who didn't have a life changing experience. It's all positive. So,

[Transcript] My First Million / #217 - Why Direct-to-Consumer Companies Are Awesome to Own

so he's got this all positive experience and he meets this person there also doing the trip. And, um, and there, you know, ayahuasca hanging out together and this guy's like, Hey, he's like, you know, so what do you do? He's like, Oh, you know, Robbie's like, I just went through this crazy thing. I'm like broke. My company failed. I'm like in the dumps. And this guy's like, Oh, you know, I'm, uh, I'm actually just creating this crypto venture capital fund. This is five years ago, six years ago. Now he's like, you know, I'm raising one of the first funds for crypto to invest in crypto. And, um, you know, like a lot of these people we invest in, they're like, you know, great engineers or they're, uh, you know, just really into crypto, but they're not great at marketing. And so like, maybe you could just help out some of my portfolio companies. Like if you've got nothing else to do, just come hang out with me and let's, let's do this. And by the way, you should check out this thing called Ethereum. And, uh, and so he's like, Oh, Ethereum, what's that? They just done its crowd sale. I think Ethereum was like at \$6 at the time. So Ethereum today is like \$3,500 as of this morning. And, uh, and so he, he starts organizing all these like meetups. So he's like, I don't know anything about crypto, but this guy said, get in. This is a lot of energy here. And he followed his gut after the ayahuasca trip was like, yeah, like I got nothing to lose. So let me do this. And he starts organizing like basically a hackathons. And then with the hackathons, he gets engineers and then he tells the engineers, Hey, you should go work at these like portfolio companies potentially. So he's like kind of creating some value. He's just helping a bunch of people out. And he starts getting really interested in Ethereum because he's like, that's where the most energy is. So he starts organizing like all the Ethereum hackathons and people are loving it. The Ethereum foundation reaches out as like, Hey, you should come on and be like the first marketing person for Ethereum. So this guy joins joins the Ethereum project. And he's the first kind of like marketer guy, non-technical person working on the thing. And he's basically building the community and the passion around it. He's hosting events and things like that. And so he went from like the dumps. He gets into Ethereum like under \$10. Ethereum runs up. And by the way, I was like, I asked him, I was like, did you like, how big did you bet on this? He's like, well, I had nothing. He's like, but I took every dollar I had and I put it into Ethereum. He's like, I didn't have much. It's probably like 10 grand or something like that. He's like, I think I borrowed money from my parents and I just put it all into Ethereum. And it was like amazing for me. And so anyways, he makes life changing money. And after a couple of years in the crypto scene, he's like, you know what? Crypto is great. I made a bunch of money doing this now, but I'm ready for my next thing. And he's like, goes back to his roots. He's like, that psychedelic trip, ayahuasca trip was like so meaningful for me. So he, in the meantime, had been getting into all kinds of like different types of like kind of therapies. So he was like cold therapy, heat therapy, breath work, all these, I kind of like, you know, kind of like these hippie-dippy, like sort of alternative ways to like improve your body. And so when I called him, I met him for the first time, he's on the zoom and his background is like this oasis. I'm like, oh, cool background, like cool background image. He's like, no, this is like my garage I built out. And he basically built this in, he's in Canada. He built this epic, like wood cabin looking thing. It's got this custom cold plunge you made. It's this 20 person sauna that he created because he hosts events there. It's got all this greenery. It's like a greenhouse. It's got this like musical

[Transcript] My First Million / #217 - Why Direct-to-Consumer Companies Are Awesome to Own

stuff. And he created basically this experience where you could come if you wanted to have one of these experiences, you could do hot cold therapy and he would take you through an intense cold plus heat, like, you know, you go back and forth between that, like a, like a bonnet bath type situation. And then the second thing he did was these like kind of facilitated MDMA type, I don't know what drug it was, but facilitated like psychedelic experiences where they have a doctor on site, and then they do this like group experience together and you're guided through it. Exactly like what you're talking about. Yeah. And I was like, dude, that's a great idea. I was like, because, you know, I'm a pussy. I don't like, I kind of want to have a life changing experience, but like with no risk, can you like give me that? And this is like the closest you're going to get, which is like doctor supervised in a group of people with people who've done this before. And like it's for beginners and it's not just go do drugs in the, in the, in this like sketchy place. It's like in a nice beautiful environment with music and control. He's like, yeah, dude, I put this up like, I think he put it up on Airbnb as an experience or he put it up on Groupon or some shadow where he put it, we put it somewhere and he's just like booked out his, his little like garage is basically booked out like 24 seven. And since then he basically, he's, he's like, his next thing or the way he like evolved it. He's like, still, he still does the live events, but to scale it up, he created this app called inward. And so I invested in this thing. It's basically a breathwork app. So I started doing this every morning now. The app's not even like fully out yet. Like you just sent me like doing it. Yeah. Cause I'm in the, I'm into breathwork. I'd like kind of heard about Wim, Wim Hof and dabbled with that. And I went to this Buddhist thing once and like, they do chanting, which is like a form of like meditation. Yeah. It's great. And so you should, I'm going to send you the sound cloud link. And I had him come in my course when I taught the writing course. I was like, dude, this thing's amazing. I use this now for my morning routine to like wake me up basically. So I was like, you know, teaching over zoom can be the most fucking boring thing. And so I had him come in and do a five minute session for the students at the beginning and everybody was like hyped out of their mind by the end of it. Also, some people were like, yo, I'm like lightheaded. I need to like go sit down. I was like, yeah, yeah, that happens. But he has this five minute guiding thing where it's like dope music mixed with a guided breathwork session. And he did in five minutes, he was like waking everyone up. Anyway, so I'm pretty like excited about this. And I thought his story was pretty awesome of like his little journey to get here. So I wanted to share that with you. So let's just keep going. So I went to, when I lived in San Francisco, these guys, I met these young guys on, they went to Stanford. Grinder. Yeah. No, they, they, they, they, that didn't come out well. They, they weren't that young. These guys, these guys that went to Stanford, they basically, I found this thing on Eventbrite where they were doing, like it was very clear what was happening, which was it was two guys testing a startup idea. And they either got someone to donate them a really big room, or they like rented it for a very little amount of money. But I think someone just donated them this room. And one of them was like an enthusiast, enthusiastic person or enthusiast of breathwork. And he, they basically, we all went there and they put this Eventbrite link up. We each paid \$30 and 30 of us went there. So what's 30 times 30? And is that 900? Okay. Well, yeah, we don't do public math. And so, yeah, I take that. I bleep that out. I don't do public math. So I went to his, I went to this guy and he, the lights were down and they start playing this music. And like,

[Transcript] My First Million / #217 - Why Direct-to-Consumer Companies Are Awesome to Own

I went with my coworker. He was like, Hey, I found this thing on Eventbrite. Let's go check it out. And we went to his place and 30 of us did breath, like a breathwork session. It was, it was, have you ever been to a soul cycle studio? I was going to say, yeah, it sounds like it felt exactly like that. And it was the best business ever. And they were clearly, I talked to him afterwards, he's like, Yeah, we're just testing this out and we might turn it into a business. And they didn't do it. And they totally should have because it was way better than soul cycle. Why? They had nothing. It was just a room with lights, sound and you're sitting there and they just hit play and the guy guides you a little bit. He kind of talks to you. And it was awesome. But it works like the effect at the end, you, you walk out with a high. So you've given people an experience. So we talked about this a while ago with the Simone Biles thing. We made a prediction that next five years, mental fitness, not mental health, mental fitness, which is training your body and your brain to sort of like be able to master your mind a little bit better. And not just avoid disease and illness, but actually be fit mentally. This is going to become more in vogue. I think that this breathwork, I think breathwork is going to be the new meditation. I think that the same way that, you know, soul cycle and Barry's boot camp and hot yoga have become these alternative, you know, we had the gym, which is this kind of cold, sterile, isolated, solo, one player experience. And then you have soul cycle come in and it's like, no, this is multiplayer with a leader you just submit to, they just tell you, they just shout and tell you what to do. And they're like, they look heroic on the stage with their body and their voice and their microphone. And then we're going to program you with this music that you can't help but feel like you just went to the club. We're going to heat you up so you sweat because that feels good. You're going to feel like you got a workout in and we're going to guide you through a process and whether that process is cycling or it's boxing at rumble or it's Barry's boot camp and you're running on a treadmill or it's hot yoga and you're, you know, trying to touch your toes. This is a model that works. It is an experience that you give somebody is a feeling it is a one hour guaranteed high that you get to get without the use of drugs. And so, so I'm pretty convinced that there's going to be a breathwork style version of Barry's boot camp or hot yoga that becomes just as popular as some of those other ones, perhaps even more popular. And I think that the app that he's building is going to be like a calm style app if they execute well, because I think there's a big market for this. You know, these are sort of like ancient techniques that can be modernized. Another thing that stood out for during your story was, uh, I've actually read about this. There's this like recurring theme of people I look up to. So Chris Saka or is it Saka? Chris Saka. There's this, uh, Israeli guy named, uh, uh, Vee Vee. Have you heard of Vee Vee? Vee Vee? Yeah. Vee. So his, uh, his full name is, uh, Aviv Nevo. So A-V-I-V space N-E-V-O. So this guy, he's an Israeli guy. He's probably in his 60s now. 60s now. He kind of looks like sting. He's like this like good looking, like suave looking dude who's like in shape. He's probably in his 60s. He came from Israel. His parents were wealthy. They died when he was young, gave him \$10 million in inheritance. He used that \$10 million to invest in some stuff, ends up becoming the largest shareholder of Time Warner. And now is this like big shot guy who hangs out with like Bono and like, he's like a Jay-Z. Like they all looked like he's got like good energy. Yeah. Yeah. He's like this like spiritual guy. You could Google. I mean, there's a lot of like really interesting articles about him. He's kind of like the great Gatsby. So anyway, there's him. There's Chris Saka. Another

[Transcript] My First Million / #217 - Why Direct-to-Consumer Companies Are Awesome to Own

person who this story applies to is this guy named Cowboy Seroni. Cowboy Seroni, Donald Seroni. He's a famous UFC fighter. They all have locations outside of major cities. So Cowboy Seroni has a place in Denver. This VV guy has, yeah, he's got this VV guy has a place right outside of LA. And then Chris Saka had a place in Tahoe three hours outside of San Francisco. And their competitive advantage in getting into interesting deals is they have like interesting places that aren't necessarily expensive. VV's got his place is expensive. Donald Seroni's at first probably wasn't that expensive. Chris Saka is not that expensive. And he gets, he's like founders to come out to his place. He's like, Hey, look, I have this cabin out in the woods. You want to come chill and hang out? And he like shows them around and gives them this amazing experience. And that's

how they like end up investing in different stuff. I actually think that strategy is amazing to have a place just to live. You can live a little bit on the outskirts and like everyone comes to you. They're on your terms because that's the best way to like get shit done is everyone at your house on your terms where you're the boss, they get to know you. I think that's a competitive advantage. I've thought about doing that in either Texas or New York where I'm staying now is getting a place that's like two hours outside of the main area. Let's time share it. My first million ranch, I'll go in, I'll invest in it with you. We'll get five other cool people that we like.

And then whoever wants to retreat to the ranch at any given time can.

It would totally work. Like I think it's a really like a huge competitive advantage, don't you?

I think it's cool. I think it's definitely cool. I don't know if it's a competitive,

it's a competitive advantage in that you can go deep. So there's this idea of like,

do you go wide or do you go deep? I would say most people go wide, I go deep in terms of your strategy with people. So what is wide? Wide means you have a lot of light connections,

loose ties, you know, a lot of acquaintances, a lot of friends, but not a lot of friends that

you could call when you need something or not a lot of friends who are going to think of you first

when they see something awesome and going deep is the exact opposite. It's having a group of,

you know, 10 or less people that you're like, okay, I would go, I don't go to war for you and

you would go to war for me. And I think that both of us have more of this deep strategy than wide

where it's like, we have a handful of people that we just trust implicitly. I could give them my

bank account and sleep well at night. And because of that, we can share information, we can say,

dude, so like, how do you do this? How much do you make doing this? How do I set this up? Like,

is this good for me? Bad for me? What do you think? Or a deal happens and like this morning,

I'm in a deal that's going really well, a startup deal is going really well. And a buddy texted me

was just like, hey, look, like can give me into that. And I was like, okay, I will, I will put as

much credibility as I can into this to get you into that deal. And vice versa, if they had something,

then the same. And so I think that the ranch style escape is a great tool for going deep. So

Crisaka talks about he would, he had the founder of Instagram early on, he was like, I think working

out of dog patch labs as his like co-working space. And he invited him up to his Tahoe cabin to come

like work out of there. And I think he like stayed there for like a few weeks, if I remember the

story correctly, like living in the guest house or whatever. And then Travis Kalanick, when he was

starting Uber, the story is, yeah, he came to Tahoe, we spent four nights or three days together,

he was, we were in the hot tub just jamming on what could happen. It's like immersion by the end

of three days with somebody like, you really trust that person, you like that person. It's

[Transcript] My First Million / #217 - Why Direct-to-Consumer Companies Are Awesome to Own

so different than a meeting than a zoom call and trying to have eight back to back zoom calls. And we had, what's her name? Bre Kimmel on the show and she showed us her calendar. And it was like 30 minute zoom, then 30 minute zoom, then 40 minute email follow up, then 20 minute zoom, then

and it's like, okay, that's one strategy. I want to basically say clear the calendar, you know, let's go road tripping together. Let's go, you know, let's spend a day, let's go to this MMA fight together. Let's have unique experiences that are longer, more in depth and that build more trust. And I'd rather do that with a few people than try to do it, try to know everybody. Same, really exact same. I kind of to be exhausting. You want to do a few topics here?

Yeah, let's do it. Which one do you drive?

Okay, I'll do, let's see, let's do this. Let's do the, I don't know, you want to tell the story about the consultant? Well, and I think that's probably the most interesting one.

All right. So I have not told you about this guy.

I don't think so. It's a pretty memorable story. All right. So I have this friend that I was, I was talking to you recently. And I'm going, I'm trying to be a fair bit vague, but I'm going to try and give as many details as I possibly can. And basically this person, they had a normal job, a normal high paying job. Like a lot of people listening to this, they were a consultant at a large place and they lived very frugally and they were able to save a million dollars by the time that they were in their lower to mid thirties. And when this happened, this was around four years ago. Bitcoin was priced around \$2,500, \$3,000 when this happened. And this person is eccentric. They're crazy. Even though like they have the normal job and you would talk to them and you think that they're normal, he likes to bet. He just loves gambling, like in a sense of like betting it all. Like it seems like he, that's just like in his DNA. He's not afraid. I think you're a little bit like that. Not as extreme, but definitely have a touch of that. And so, you know, he started talking, he goes, you know, I don't see any good place to invest this money right now. And I've been doing crazy amounts of research. I'm going to go all in on Bitcoin. And this was when it was \$3,000, \$2,500, we thought it was crazy. So he cashed out his 401k. He bought a little bit of money and he used Kraken or something like Kraken to get massive amounts of leverage, like five or 10 times leverage. And he invested all of his money to the point where he had like \$4,000 left of his 1 million, all of it into Bitcoin. And recently when Bitcoin hit its high, by the way, this was, this was Bitcoin after it had crashed from about 20,000 down, back down to 3,000. So it's not like it was just all on the up and up.

No. And recently when it got to \$60,000, his sum, his 1 million, it was worth about like \$95 million. And you talked to him, you caught up with him? I had a mutual friend was with him and he called me and he goes, man, this guy, we were talking, I was like, hey, whatever happened to this person? And he goes, well, you know, I caught up with him, he's worth almost about \$100 million right now. And it totally worked. And I was like, wait, what? He goes, yeah, he's got \$100 million at Bitcoin right now and started with a million. So did you know him when he was making the bet? Like, were you there? Yeah. What the hell are you doing?

Yeah. And I, and I went out to dinner with him in 2000. And when did the, three years ago was what, when did that? So I think, I think 2017 or 2018, I can't remember which one, but there was a peak 2017 December or something like that. And then it crashed back down. We went out to dinner and he was telling me about this. And I was like, you, you're crazy.

[Transcript] My First Million / #217 - Why Direct-to-Consumer Companies Are Awesome to Own

You're a crazy person. This is a horrible idea. Just invest in the index fund. You know, I'm really conservative. And I'm like, just invest in index funds. You're nuts. This is a horrible idea. Do not do it. And he was enthused. So enthused, I couldn't talk him out of it. And he was like, thinking I was crazy. He was like, what are you crazy? This is like, it totally makes sense. And I'm like, it doesn't, this is a horrible idea. Do not do this. And he did it. And so recently, when, when about four months ago, whenever it was at like 50, 60 grand, it was worth close to \$100 million. And I was asking about their lifestyle and like not a lot had changed. And it was just out or leaving it, let it run cashed out a little bit. I think like 10 or 20%, I believe, but still letting it ride. So now it's halved or I guess it's back up again. But and the point of the story is basically I am so enthused. The point of the story is a dude bet a million dollars and made a hundred million dollars. There is a role, but that's the point of the story. Let's be clear. The point is that like, I love that part of the story. Crazy people exist. I'm not one of them and I'm happy that they exist. So we just did this episode with Rameet and I aligned with the Rameet. We're both fairly conservative, just like 10% a year boring shit. I love that these nuts, these nutty people are real and exist because that's where progress comes from and I'm happy that they're real. And so that yeah, I just wanted to tell that quick story because I caught up with them recently. That's an amazing story. 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 hub spots 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. So I saw this, I saw this tweet that was great. And basically what it said was great to be great at investing, just make bets that everybody agrees with dot dot dot later. That's so true, which is there's a lot like baked into that, which is that ultimately. Oh, was that my Shane Parrish? He tweeted something like it and then somebody, somebody replied with a simpler version of it. Shane had had the original one. I think Sahil Bloom had the punchier one liner version of it. And I thought there's so much baked into that, which is you have to remember that if you're going to invest, if everybody agrees it's a great investment, then the price is baked in, right? So ultimately, if you want to have any kind of outsized return, you have to be betting on something that not everybody is agreeing with you is a good investment. And so I think that's important. So I think it's important to know. And so when you're doing something that doesn't mean everybody's just using me, that's going to be a great investment. It's almost the opposite issue. If everybody agrees with me on this, then this probably isn't going to be a great investment. It might be a good or solid investment. It's probably just not going to be, it's almost definitely not going to be a great, great investment. So that's how you kind of use that advice. Yeah, I saw that. I thought that was good. All right, what do you want to do now? By the way, on this, because the world's crazy,

[Transcript] My First Million / #217 - Why Direct-to-Consumer Companies Are Awesome to Own

and we're talking about like people just making \$100 million on random bets, there's this great blog post that I think everybody should go read. I don't know how they'll link to it because it's weird, maybe put in the show notes. It's got a great headline. The Everything Bubble. And it's written by FTX, which is a cryptocurrency exchange. We talked about the guy, he was our Billy of the Week once, this guy, Sam Bakeman Freed, who had also made a pretty crazy trade to get the bankroll to be able to do this, to build this exchange. I think he's the youngest crypto billionaire, or he's the wealthiest known crypto billionaire. I think he's got a net worth of \$10 billion. I think something like that. Somehow that's more than Vitalik. I don't know how that works. But I guess so. So anyways, it's just packed with data. So it basically starts with like bubbles. People talk about bubbles. And it's like, what is a bubble? Right? A bubble is when you get this sort of enthusiasm, delusion, greed, and everybody sort of thinks that everything can only go up. And then there's this pullback or a pop. And it talks about the size of pops and when they happen and how that's played out through different bubble times and where we might be in this thing. Then it talks about maybe this is a bubble that will never pop. Why would that be? And it basically talks about it goes through all the data around stimulus, right? So it's like \$32 trillion of stimulus has happened globally just since COVID, which is the largest stimulus the world has ever seen in terms of even in terms of percentage of global GDP. Global banks are printing \$834 million per hour to buy bonds right now. And 25% of those bonds are negative yielding. So it's just like, he starts to talk about all these different macro indicators. And there's all these charts and graphs and numbers. And it's very simple. And it basically talks about where are we at? Where are we at with with stimulus? Where are we at with commodities like copper, aluminum wire used cars up 45% year over year? And then it talks about, you know, what's happening in the crypto market and equity market. And I think there's one great quote, which is basically it talks about like risk assets. So traditionally, traditionally, you'd have like a risk asset, which is let's say bonds. And bonds are like the safest thing. And so the quote here, I'll just read this out, which is because of the amount of printing, so the quantitative easing, because they call it QE infinity, which is basically the central bank of the Fed just deciding to print an unstoppable amount of money with no end in sight. So it says because of this, your savings account turned into your checking account, the bond market turned into your savings account, the equity market turned into the bond market, the venture market turned into the equity market, and the crypto market became the new venture market. Basically, everything shifted over one unit. So things that were low risk became everybody seek higher higher risk and higher returns because the safe stuff was this sort of negative yielding. And so everything shifted over one notch. And I thought that was a good kind of observation. So anyways, there's a bunch, it's very you find a blog post that's this high density of like signal to noise, I would go read this is called the everything bubble. And so what's your what's your opinion of I know that you're texting with me and a few guys earlier, you have some strong opinions, what's your opinion of what's going on with like the the NFTs and and and all the rock like the the I don't even know. Yeah, I was joking around. I basically said like, look, okay, if you got into Bitcoin early, because you you understood the difference between fiat currency and sound money and you're a technologist, you understood cryptography, like props to you, you deserve you deserve your tens of millions, hundreds of millions of dollars. If you got into

[Transcript] My First Million / #217 - Why Direct-to-Consumer Companies Are Awesome to Own

Ethereum early on in the crowd sale, and you bet on that thing at 30 cents, because you're a developer and you really believed in this new programmable blockchain, you deserve your tens of millions of dollars, you deserve your \$100 million. If you're rich, because you bought like a picture of a rock, you know, three months ago, or, you know, a computer generated squiggle that's now worth a quarter million dollars, fuck you. That was my point of view. Like, my level of respect and like the level of durability, I think, that comes with these different waves. I might regret this later. It might be that all these people, they just truly understood this intersection of technology, financial markets and art in a way that I don't get. And, you know, to basically to get rich with Bitcoin early on, you had to understand, like, you know, the financial, you had to have a certain economic understanding of the world and a technical understanding of the world. And you had to be sort of a little, you know, a little libertarian. You had to have those three to bet on super early on. And for Ethereum, the same thing, you had to have a certain mix of technical plus financial, like a stabiness. For this, it's basically like art plus finance plus technology. If you're going to get rich during this. And I just feel like, I don't know if it's my Twitter feed or if it's everybody's Twitter feed, but I feel like half the people I know have lost their mind. And I know I sound like that sometimes with crypto. So this is just one of them that I don't get. But I really don't see the sustainability of this NFT market. I think it is like, it is built on greater fool theory. This is people that are not buying things because they like the art. They're buying things because they think they're going to get rich. They think that the next person is going to come in and buy it. I think there's a whole lot of like either, you know, wash trading or painting the tape, which is basically when, when two friends sort of pass something amongst each other in order to drive up the price and then they sell it, you know, and then the, you know, the next sucker comes in and buys it, you know, for, because they think that's the market price. And I think that it could be one person with multiple accounts. It could be, you know, a handful of people that are manipulating these markets. I don't believe in the NFT craze in the same way that it seems like a lot of people in tech do. I think it's really cool technology. I think there's a lot of cool stuff that's going to happen. But I think people are just diving into every freaking project. And that to me seems misguided in the crazy returns that they're getting. Like I'm the hater, you know, sort of rooting for it to fail because I don't get it. I'm not participating in it. And it just doesn't seem like, it doesn't seem like a true value creation. It just seems like, you know, delusion. I completely agree. I'm freaked out by it. We're on the exact same page. And by the way, when I say that, like, I will still buy a few NFTs because I'm a believer of like when I have this strong of an emotion, it's a signal to me that that's where I need to go lean in and learn. Now, I don't go crazy with it. I will make small bets. I'll talk to people. I will be open minded because I've felt this way many times before and been wrong. I've felt it and I've been right, but I felt it and I've been wrong. And so all I know is that that means there's something really interesting going on. I will still play in that field. I will make small bets. I will meet a bunch of smart people. And if something changes my mind, I'll go make a big bold bet. But I would say like, the thing that seems off to me is, you know, it just seems like every third week, there's a new crypto project, like just yesterday, there was this thing called Loot. Did you see this? Well, what is that? I don't understand it. Explain to me. So here's what I know about it. The founder, you know, you know, this guy, Dom Hoffman,

[Transcript] My First Million / #217 - Why Direct-to-Consumer Companies Are Awesome to Own

he created Vine and then he created some other shit since Vine. I don't know if he was with HQ. Maybe he was HQ. Yeah, maybe he was. He's one of the one of the Vine founders early on. So he just released a new project yesterday called Loot. And so instead of it being like a, you know, a CryptoPunk, which is like a little 8-bit character or, you know, an 8-bit from Bordy Biot Club, which is like a, you know, a monkey, a picture of a monkey. This is a Black Square with like, I don't know, 10 words of white text that make no sense, just gibberish. It's just computer-generated gibberish. And that's the whole NFT. And just yesterday, you could just, all you had to do was pay the gas fee, which means just pay the processing fee to like mint one. So it came out, Ben saw the tweet, Ben minted one. And I think today it's worth 10 ETH, which is about \$30,000. This is in one day. No way. He paid, he paid, you know, probably under \$100 to mint one of these, just to, just the processing fee. He paid 50 bucks or whatever, eat the gas price. And then today, I think the floor is like six or six or 10 ETH, which is like, you know, \$20,000 or \$30,000. No way. For this Black Square that will say like, lions, mountain spiking, diagonal line, castle, you know, valorant, you know, it's like, doesn't mean anything, right? And then, and it's like open IP, you can go like, you can build like games on top of it. This is cool stuff you can do on top of it, but like, it's so hard to wrap my head around like this. And it just feels like every third day, there's like a new one. And, and this is where I'm like the old guy on the lawn, shaking my fist. You know, like you kids don't understand the meaning of hard work. And usually I'm the one laughing at the old guys who are saying that and just saying, you don't get it. In this case, I don't get it. Do we want to keep hating on stuff and go to whoop?

Yeah. Okay. This is the play. What would you call it? The player haters ball? This is the player haters ball episode because I have another one that I could hate on. Let's do whoop first. Yeah. So, well, you go ahead. Go ahead. I'll frame it. Whoop raised \$200 million a series F whoop, which if you don't know is like a wristband, like a kind of health tracker, fitness tracker thing you wear. I have one. I lost the charger. So it's dead right now. But it's basically like a little Fitbit you wear. And it tracks your sleep, it tracks your exercise. And it's like, I think that the word on the street with whoop is basically amazing marketing and product is, it's like, you know, not the most accurate, but who gives a shit. And basically, they charge you, you know, some amount for the band and then there's a monthly subscription, \$20, \$30 a month or something like that. Right now, the band is free and it's \$30 a month.

Yeah. If you subscribe for the year or something like that.

You have to subscribe in order to use it. Yeah. So that's whoop. And then same thing, eight sleep, which is a bed that tracks your sleep and it can kind of, it can, it's thermoregulating. So it can make you cold, hot. I had one. I returned it because I wasn't super impressed by it.

They raised \$86 million at a \$500 million valuation. So what do you, what's,

I think I know based on the way you started it, but

the reason I put it on here, I wanted to know, are you a believer or are you like,

you know, where do you bet that these end up? How much do you believe in these?

How much was the whoop valuation? I don't know. I think whoops over a billion dollars, is my guess. I don't, I would have to think, I would have to see the number.

Whoop is 3.6, 3.6 billion dollars. And also the wonderful kiss of death, SoftBank and then Kevin Durant and other athletes are investing. You know, that's, that's called the sucker round.

[Transcript] My First Million / #217 - Why Direct-to-Consumer Companies Are Awesome to Own

It's not called the series F. It's called the sucker round.

So the eight sleep thing, I'm, well, check this out. We'll look up right now. What's Casper's market cap right now? So Casper one between one and \$3 billion is my guess. Let's see. Oh my God, way worse. \$200 million. Okay. So Casper has a market cap right now of \$200 million. We had the

founder of Casper speak at hustle con. Awesome guy. Great story. Really great business when it was just getting started. Made a million dollars and I think it's first week. They raised prior to going public around \$250 million. I think as of this second, they have a market cap. They went public of \$200 million. So they are worth less than the amount of money that they raised. 0.5 x of revenue.

0.5 x of revenue. I think that for eight sleep, I, and I think that that is a good valuation for Casper. I'm on board with that because it's really hard to do. I think that that is what's going to happen to eight sleep. Whoop. I think it's a little bit different because it has subscription revenue. Um, you know, I, I, I'll buy, I think, I think eight sleeps trying to do the same thing.

So they don't just sell you the mattress. They sell you the subscription with the mattress.

They're like, they won't, they think the bull case is it's Peloton. It's a piece of hardware.

Everybody sleeps. You sleep eight hours a night. You can optimize your sleep. It has some such good health impacts for you. Right. Like all true. And, um, you know, mattress industry is big.

So what we're going to do is we're going to sell the best, you know, connected mattress, and then we're going to charge you a multi-subscription on top of that.

That's my guess. I think they might already know. I don't know, man. I think that's a really hard argument to make, but that that's expensive. That's it. That's an expensive Tesla of beds, says their, their ad. I, um, so when we first, when we were getting the hustle going, um, this company called quip advertised with us, and I used to write these advertorials.

I'm not sure if I made this up or if I stole it from somewhere else. That's the toothbrush, right?

Yeah. And I wrote the, and I, when we were getting started, I used to write these articles, and I wrote this one article for hint and the headline was like, um, I forget what the headline was, but it was great. Like, and it got like 10 million views, 5 million views, and they spent so much money driving traffic to it. And so if you go to outbrain and you scroll down and you see these little articles, um, you see these little articles on the bottom of CNN and it says like a headline, you would see the hustles article. And I wrote that article and it was called like, it was like a hint. Yeah. It was called like, it had the word sweetie, like sweetie, this is never going to work. Said this one Coke executive or something like that. Or what was it?

Do you see, I'm trying to find out right now. And so I wrote an article like that and it crushed then quip saw and they're like, that's great. Right. One for us. So I wrote one for them and I called them the Tesla of toothbrushes and that crushed and they said they spent a ton of money driving traffic to them. Now I'm not going to take credit for it. I actually think I did copy it from someone, but I don't remember. Now the Tesla of like a bed, the Tesla of shit. It crushes it.

What do you see the article? What was it called? Why didn't you start a D to C brand? I feel like everything, every bone in your body was made to build a brand like this. I'll tell you why. So all birds filed to go public today. I was reading through their S one. Here's why I didn't start a D to C. I think it's fun. I think a D to C brand is like the hardest thing that one of the hardest things that you could do in business. It is so challenging. I looked at the, the all birds S one.

Here's why commerce kind of sucks. The more revenue you, you, you make the less money you have.

[Transcript] My First Million / #217 - Why Direct-to-Consumer Companies Are Awesome to Own

It's such a pain in the ass. Am I wrong about this? Yeah, you're wrong about this. Let me show you something real quick. That's crazy, dude. You, I think these D to C companies are, are such a pain in the ass to run. Can you see this number? Hey, Jay, hang on. I'm gonna focus on that. There it is. What is that? That's, that's last 30 days. So your, your business has made sales in the last 30 days. That's right. Congratulations. It's not that hard to build these businesses. It's okay. It's a lot of schlep work. There is a lot of schlep work, right? Like I spent hours yesterday trying to find a forklift for the warehouse, but the electrical and the building doesn't support the battery that we need. And I'm like, Oh, where do I get this forklift from? I'm calling forklift providers. Turns out, by the way, great business to be in just selling used heavy machinery like forklifts. And there's a lot of room for like building aggregator there. But, but yeah, dude, if you have the marketing chops you have, it's like, it's like, where do you plug in that if you're a plus at that skill? And I think you are like your writing skills and your advertorial skills, your marketing skills are so strong. If you had plugged that in on a D to C brand. And by the way, this is we are one year and one month into this business.

That's crazy. And that's in a month doing basically. So okay.

How much how much cash you have in the business bank account?

Good amount. Yeah, a lot. Why?

Because are you buying a shit ton of stuff for November and December?

Yeah, we have we have a bunch of inventory. Yeah, we do spend a lot on inventory.

But there's yes, it took cash. So I put in when I started the business. I put in a good amount of money because I put in so do you have Wow, you don't wait and you don't have to say these numbers. But do you do or you can but do you have more money in the business bank account than you started? No, we so we have a line of credit basically that we use. So since then we basically pulled that out, use the line of credit. But what I'm I guess the point, yes, but yes, we you do have to wait some time to be able to pull profits out because while you're scaling, great, this month was profitable, you're going to reinvest that into either marketing or inventory for the next month. So yes, you are cash poor for a while. But you do turn the corner like this month is a turn the corner type of month where Oh, good, like there's actually leftovers after you reinvest everything and growth and all that. And so I think that if you have a good product, if you have a really truly great product, do you think that you have a great product? We do we have a great product, like a truly great product. And so, and so when I think when you have that, you're not just like, is you're not just an arbitrage, you're not just a drop shipper, just taking some shit from a, you know, random shit off of Aliexpress and sending it to customers and trying to capture your margin. Like, we spend a lot of time on product development, things like that, to get it right. And we also use the product ourselves. So it's not like so we have to live with any issues with the product. So I would say you can turn the corner and also there's a bunch of different companies that have popped up that let you float money. So like let's let's just take a normal DTC business. Here's how it can work. You can let's say you rank Facebook ads, you put the Facebook ads on a credit card. Cool. Your Facebook ads should be returning more than one X, you know, within seven days, how much you have 30 days, 30. It depends on your product and your brand and all that stuff. But let's say you're returning 1.4x or you might be returning 2.5x, whatever, different brands do a different amount. You know, if you're doing 3x, you're amazing, you're laughing. If you're doing one and a half X,

[Transcript] My First Million / #217 - Why Direct-to-Consumer Companies Are Awesome to Own

you know, you're all right, you're doing okay. So let's say you you do that you're paying back your ad spend in seven days, but you don't pay your credit card for let's say 30 days. So all of your marketing spend, you should be paying, it should be paying itself off. You don't need an external investment to do that. Okay. So now you have to deal with inventory. Well, for inventory, you have supply, you have terms with your suppliers. So you don't have to pay for it all upfront. As we get bigger, we get better and better terms with our suppliers. In addition to that, there's all these companies that have popped up like Clearbank or Settle or whatever, Waveflyer, different companies that will basically say, cool, for 1% interest, we will front your inventory financing for you. We'll pay all your kind of accounts payable for you. And so 1% is 1% per month is not cheap, but that basically replaces the need for external investment. And so then by the time you have to pay your bill for your inventory, you've already received it and sold it. And so if you do those two things, you can manage cash flow well, your ads pay themselves back before your credit card bill is due, and your inventory pays itself off before your inventory bill is due, and you just pay a small VIG on insurance. So there's a lot out there now to help you scale. And I think these businesses, I think sell for about one X revenue, which is maybe four or five X times even up. And do you think that, what do you think is going to happen with it? Do you think you'll sell it? Or is this something that you want to run for and own? Is this like a family business that you want to own forever? Yeah, I like running it. So, and I definitely think we can grow it more. So, you know, if we could do this in one year, you know, let's give it four more. And let's see where we can take it. I do think that there's like some amazing thing about these companies, which is you probably, if I had a guest here, I don't know how you quantify it because you have so many projects, but you probably have a skeleton crew. Right? Yeah, like this doesn't require, there's no office, you know, there's, there's some employees that the biggest thing we have now is we brought the, you know, we do our own warehouse, but you could also not do that. You could use a 3PL, you know, pay somebody else basically to do your fulfillment for you. And, and then you don't have any crew there. So, so you don't have that headache. So, so you could do this with a pretty small team of people. There are people doing this with like, like, I think, you know, we had, we did an episode with the founder of native deodorant. I think he was the only employee for like the first, I don't remember what it was, maybe five ten million revenue. Yeah. And then, you know, and then, and then he hired a customer service person, which is basically, you know, you could hire somebody for \$6 an hour overseas to answer your customer service emails. And that's your first hire. And then you might hire another one of those people, then you might hire somebody for operations to deal with like supply chain, you know, but so, so it depends on kind of like how complicated your business is. But yeah, like you don't need, this is, I would say, I think it's probably whatever you had with the hustle. This is probably one fourth the manpower you need for that. It is cool. I look, I think there's a lot of, I was down on it, but I, there are a lot of cons. I think there's a lot of pros as well. The cons. It depends what month you catch somebody. You catch them in a month where the Facebook algorithm is not treating people well. And they're crying, you know, the business doesn't work anymore. It's like, it went from great. It was a money printer. And now it's a money suck. And there's nothing you could do about it. Facebook just changed something. Or there's a pandemic and you can't, you can't order anything or shipping containers went

[Transcript] My First Million / #217 - Why Direct-to-Consumer Companies Are Awesome to Own

from 3000 a container to \$20,000 a container. Okay. Now, you know, how does that mess up your margins or everything stuck at the port? It had, I mean, all of these things have happened, right? Like all of it. We've had theft. We've had Facebook ad changes. We've had container costs go up. We've had our stuff sitting on a boat at the port for three weeks and it's just floating there. You know, we've had to go get line of credit. We've had to do a lot of things in this amount of time. But so I would say that's what I said. There's a lot of schlep work. It's not clean and easy like doing a podcast and just having a bunch of people listen to it and make money. Like this is a lot easier, a lot more fun. But those can, those can get bigger. And I, I guess I don't even remember how I started this, but basically I was just saying, dude, I can't believe you haven't built one of these. It's insane to me given your skill set. So maybe maybe I will one day and we'll wrap up in a second, but let me ask you one more question because this is interesting to me because so you've done a social app that is like the most poppy, cute thing ever and had mild, had some, had some mild success. You've also have family that are mega successful in real estate. We have interviewed all types of people. You now have an e-com thing that's like appears to be like potentially a home run. What would you go back now to 10 years prior your, you know, you know, now, what do you think you would like to do? That's a hard question. That's a really, really hard question. Okay. I'll, I'll rank, I'll give them, it's like the Oscars. I'll give them some awards. Okay. So most likely to succeed goes to real estate. Congratulations. Come up and get your prize. If I had just said, cool. I'd like to be worth, you know, a few million bucks. My 20s, by the time I end my 20s, I want to be worth a few million dollars, maybe, you know, liquid, maybe a couple million on paper. I could have, you know, 10 to 20 million dollar net worth. I could have done that in real estate with pretty much like no luck required, right? Most likely to succeed is real estate because there's no luck required. It's just hard work, blocking and tackling, doing the things. So that's real estate, but I wouldn't go do it myself. Like if I could go back now, I wouldn't switch paths to that, but I would have told myself, Hey, look, here's, here's one option. Um, and, uh, the award for absolute worst idea goes to trying to create the next social media app. You know, this required maximum difficulty, uh, like highest luck factor, trying to catch lightning in a bottle. And honestly, the prize, okay, it would have been fucking sweet if we had invented Twitter or YouTube. I got it. That would be amazing, but I can be just as happy not having done it. And yeah, I can name all five guys who've done that. So like, you know, that's, that's not the path. Okay. Then if I say, all right, um, uh, you know, sort of like medium return, this is the mediocre playbook, you know, the sort of mild success playbook, uh, pretty good chance of a pretty good outcome, but kind of a lot of work. And, uh, you know, would I do that? E-commerce is the answer for that one, which is like, e-commerce is one that I think you can definitely make work if you just keep trying. Um, it's kind of a pain in the ass and it's never going to be the most fun or the most successful, right? However, however, e-com of, of maybe all three of those, I think is the most exciting. The most exciting, no way. I do it. It's so fun running ads and seeing cash. Like that is so exciting. Okay. That, that, that loop is fun. Uh, that I get, I give you that the feedback loop is instantaneous and it's, it is monetary. It's not real estate reviews. Real estate is not that very, like real estate can be kind of

[Transcript] My First Million / #217 - Why Direct-to-Consumer Companies Are Awesome to Own

fun, but I wouldn't, I wouldn't call it, it's not like an adrenaline, like a dopamine rush. Right. So, okay. So if I was going to go back and convince myself of anything, it would have just been to say this, uh, look, you could, you could win in all these different ways. Every flavor works. The, choose the one with the most fun journey. Clorony. Yeah. I know this is a cliché, but choose the one that's going to be fun before the success comes. Basically, in that case, you win, win. You have fun while you're doing it. Because you have fun, you keep doing it. Because you keep doing it, you get good at it. Because you get good at it, you eventually win. And, uh, look, all these things that, as long as they leverage, you know, either, either like physical real estate or the internet, the scale is big enough. You'll have enough money, you don't need to worry about money ever again. And so I would have advised myself to say, look, there's some pretty interesting shit going on in these like new waves, like genomics, you know, biotechnology, uh, cryptocurrency, just go dive in, become a, there's no experts because the things like a year old, go become an expert, meet all the cool people doing it, take a bunch of invest in shit and build, build in that space, um, you know, create a podcast talking about that stuff. Like just do all the things in that space. You know information. So you know podcasting, so media, you know information, like courses, and you know, uh, crypto, you know, investing. So I mean, you have a pretty eclectic. So I think the, the, of all of them, I've had the most fun doing the podcast, the media thing. And really it's more of just like, do the thing that doesn't feel like work to you, do the thing that feels like play to you. All right. So like, imagine you already had the money, but you're still going to work on some projects. What would you work on? My answer was I would want to basically like, I would want to make content based on stuff I'm learning, stuff I think is cool. I think it'd be really fun to have an audience. I find it like energizing. I don't feel, I don't feel like it's work when I have to do the podcast or prepare for the podcast. And, um, and yes, it keeps me kind of like on my toes because I got to come up with new stuff to talk about. So I got to keep learning. So that's like, that was the most fun path for me. So I would have done that, or I would have similarly done this in a domain. Like this is a general podcast. I would have done the same thing, but like in crypto, like there's these guys that do this podcast called bankless. Have you seen them? No, is it awesome? It's like, yeah, it's cool. I mean, I don't listen regularly, but like, okay, DeFi is this new thing. This is new wave, this is new wave. Crypto's is new wave. There's so much to learn about, so much to talk about. So these guys, they went in, they created a podcast called bankless. And bankless is basically about great name and they just talk every week. They're just like, oh, here's the new shit going on in the world, DeFi. Here's the new thing to talk about. Here's the ups, the downs, the prices. Because of that, they're building a good community around them. They can make money off sponsorships. They're seeing a bunch of stuff. If they're smart, they're investing a bunch and getting equity in all those businesses. And eventually they should launch their own branded business in there. Maybe it's an exchange or an ETF or something else with that following. And so that's kind of the playbook I would do given my strengths and what I've seen. But like, yeah, I've tried a bunch of these different things and that's what I think. This is good. I think this is, I think maybe we should end here. I think this is a sick episode. I was thoroughly enjoying hearing the stories. Hopefully people will enjoy it. What do you think? We got to title this one. This is the play of haters ball. We will try next time to hate on less stuff and we will talk about stuff we like more. But it's all right.

[Transcript] My First Million / #217 - Why Direct-to-Consumer Companies Are Awesome to Own

This is the episode that we hated on everything. Well, I'll pat ourselves on the back here. We don't default to hate most of the time. We hate on everything except for ourselves. We compliment ourselves. We typically are not haters. I think I default to optimism. So do you. I'm most everything. We want it all to work. But yeah, I feel you. And I completely, I agree with just about everything you said. All right. Okay. I'm going to go eat a steak and a salad and enjoy myself. All right. That's the pod.