

[Transcript] My First Million / #223 - Sam & Shaan Bet \$500, Ozy Media Scam, Why Google is Dying, and More

All right.

Quick break to tell you about another podcast that we're interested in right now, HubSpot just launched a Shark Tank rewatch podcast called Another Bite.

Every week, the hosts relive the latest and greatest pitches from Shark Tank, from Squatty Potty to the Mench on a Bench to Ring Doorbell, and they break down why these pitches were winners or losers, and each company's go-to-market strategy, branding, pricing, valuation, everything.

Basically all the things you want to know about how to survive the tank and scale your company on your own.

If you want to give it a listen, you can find Another Bite on whatever podcast app you listen to, like Apple or Spotify or whatever you're using right now.

All right.

Back to the show.

I'm going to do this.

I'm going to hire Santa.

I'm going to find a foot traffic area, and I'm going to make like 10 grand in a day.

No way.

There's no way you're going to be able to pull this off.

I bet you \$500.

Right now, we just roll into the conversation.

Should we be doing a thing where it's like, this is the My Fulfilling podcast, where we do XYZ because if you're a new person coming on, the podcast starts with you being like, we good?

Okay.

So I'm going to tell you a story.

I bought a car, and the car has a transmission.

You know what a transmission is?

So check this out.

And then you go into the thing.

So should we be educating people on what this is, or do you think that's true, try hard and just fuck it?

No, I think we should.

We did the intros at the end for a while where we recorded them and put them in front.

But I don't even know how to describe this podcast.

When I meet someone and they ask me what I do for a living, I say, oh, I do this thing.

I also host this podcast called My First Million, and I'm always embarrassed to say the name.

But then what do you explain the podcast is?

Yeah, I would say like, you know, for people who are, they're kind of like business nerds or they're idea junkies.

So they're always, you know, scheming or wondering, you know, what's the business behind this?

How much money does this make?

How much money does this person have?

Those types of questions that you're not allowed to say out loud.

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This is the place where we talk about those things out loud.

That's kind of my off top, my head description.

And so we brainstorm, if you want to, you know, if you want to sit here while we brainstorm business ideas and break down the economics behind businesses that you've heard of or never heard of, this is the podcast for you.

Great.

Well, there's an intro.

Another way I'd put it is every other podcast you can listen to if you go into iTunes is going to be about the past or about the future.

And we tell you something about the present right now.

So past is all interviews about shit you've done.

The future is, you know, guessing about, you know, what the world's going to look like in 20 years.

And what we do is we talk about business opportunities that exist today that, that you should be looking, either building, investing in or just knowing about.

But it's not just business.

For example, I got messages, sometimes we talk about health related stuff or we just talk about like things we're doing with our life.

And I got messages saying people love it.

For example, right now I'm staying at my friend's house in Hawaii and I posted a video on my Twitter.

Did you see that video?

Looks sick.

I saw it.

Okay.

It looks sick.

But there's something interesting about this house and what my friend does that I think is amazing.

So he only has one.

It's a really big living room.

He's got a huge living room.

He's got a very small couch.

The rest, he's got pads, like pillows on the floor and it's people, it's floor sitting like it's like a floor sitting scheme or like a layout.

And I love it.

Have you ever sat like they do a house for people like sit on the floor?

So my sister did this unintentionally.

So my sister, I think I've mentioned, I should probably talk about her businesses because they're pretty cool.

Yeah.

But she basically does something called in-home, like in-home daycare or preschool.

So she does both.

And so like she took, she took over my apartment.

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So my parents were like, Hey, my parents had a house and attached to the house was a two bedroom condo.

And I was living in that right when I moved to San Francisco.

I lived in that place like for like a year.

And then I got noticed I was getting evicted by my parents.

I was like, what's going on?

It's like, oh yeah, your sister needs the space.

She's starting a business in here.

So like, you know, you got to get the fuck out and like she's going to take over this space.

So where we had the living room, she basically ran a preschool out of that space.

And you told me the numbers.

It was a really good business.

Oh, it's still a great business.

So she has three of these now.

They're all different.

So she's got an outdoor.

So even better.

Right.

So the first genius move was instead of going in renting a commercial space, she's like,

Oh, I'll just use like an in-home.

I'll do in-home.

And okay, why is that good?

Well, you're already paying the mortgage.

And what happens is from, you know, 8am to 4pm during the day, a part of your home will be used for your preschool, your daycare.

And now if you're a student, so you would think, okay, yeah, that seems pretty small.

Like you got, what, 10 kids in there?

No big deal.

Well, every kid pays \$3,000.

So that's \$30,000 a month of income coming in.

Now you have teachers, so you got maybe three teachers there.

It ends up being about 40%, I want to say profit.

I might be wrong off the top of my head, but it's about 40% profit.

There's another kind of hidden benefit, which is you can write off pretty much everything about your house and your in-home life because your business runs out of your home.

So you basically pay no taxes, or sorry, all your life expenses are also business expenses in a way because that couch that you got or that mat, that play mat you bought, that's all for the school, right?

All the toys you bought, your kids also get to play with, they're for the school.

And she also sent her kids to the school.

So her own, what she would normally be paying for daycare, now she was getting, you know, for free because she had her own school.

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And so, and then she started, she created an even better one, which was an outdoor only program.

So if you're using your in-home for your space, no space at all, use the public parks. And this was great because a whole bunch of parents didn't want their kids indoors all day and like sitting, you know, kind of like sitting inside while you're going to do that at home anyways.

Why don't you get out there like a good kid and go play, go play with nature.

And so she created Nature Kids, which is a program in San Francisco and it's actually awesome.

It has like the highest reviews.

And there's, I went to the class and basically all the other parents were there and I was just kind of talking to the parents.

It's like, oh yeah, this guy, he started a Kiva.

This guy is ex PayPal.

This guy is, it's like all these like billionaires of San Francisco basically sending their kids to this outdoor program.

So wait, so you have three of them now?

So she has, yeah, she has three total programs.

So this could be like a, like a seven figure a year business.

Yeah, it is.

Yeah.

So it is, it is that.

And so, and so she has like teachers who run the day to day.

She's on walkie-talkie with them, like doing, like throughout the day and she has like Nest cameras in the place.

So she can be like, like, hey, you know, like, you know, whether she can keep an eye on it, but she's not day to day involved anymore, which is great.

At the beginning it was her and my mom was like making the food for the kids, like make it tacos and shit.

And like now it's all like, you know, all done, done much better.

And they're home.

They're floor sitters.

So okay.

Yeah.

So back to the floor sitting thing.

Sorry.

So when I would go to my sister's place, her living room, there was no furniture.

There was no TV.

There was no nothing like a normal living room would have.

She had done like what you did with your home gym.

She had just turned the whole floor into play mats and even better than just the floor sitting because it's just play mats.

And then like all the walls had like kind of like kids games and decals and stuff like

that.

But then she had these like little swings for kids, like, you know, like a rope swing, like Tarzan, just like hanging from the middle of the room.

So like things that would occupy the kids.

But then when I would go hang out there, I'm floor sitting, I'm just like stretching while we're hanging out, which I wouldn't have on the way back exactly what I'm doing.

So I was getting so fucking limber, just like hanging out with my sister because why wouldn't I just be stretching and rolling and just getting to know my body a little bit.

And then there's a swing there.

So now I'm kind of like practicing rope climbs, like a fireman and shit.

And I was like, dude, this is like, I don't know what, like it's like an ergonomic lifestyle.

It's like, you know, there's this whole, my lifestyle just changed into this like mobile Tarzan, you know, one with nature and one with my body.

Dude, that's exactly what I'm saying.

Every time I'm here.

So he's got this like hammock swing coming down from the ceiling.

And so you have to like sit in a particular way where you're stretching.

And then he's got like these cushions that are only like eight inches up on the ground.

Yeah.

And you just sit there and it takes a minute to get used to it.

It is so much better than sitting on a couch.

It's so much better.

It's the best.

I watched this YouTube video recently and this guy had this whole like theory, it's kind of like a TED talk.

He's got, he had this like whole thing about how sitting, this guy got this video and it's all about how like sitting is like crushing us.

And basically his whole thing is basically that you should stand most of the time and you should stand in a very particular way where you like squeeze your butt.

And so it's like your hips are directly underneath you.

And he's got this whole talk and he like looks at these people who don't sit in normal 90 degree chairs and he shows like what their butt looks like.

And it's like the, whatever it's like the whole point is he like has all these visuals.

Anyway, I've been floor sitting and it is awesome.

I'm 100% going to stick with this or at least I'm going to try to.

Yeah.

It's a total hack.

I should do that.

Like I do love me some couch time, but I definitely want to have a room that's just pure mats.

And then when I hang out there, work there, just roll around there.

It's just like a different vibe.

And with kids, it's perfect because that's what they naturally want anyways.

And so I'm just going to do that with my giant like playroom.

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Do you want to talk about Ozzy?

This is amazing.

I got a bunch of topics.

I'm going to save half of them for next time, but we'll do half today.

Ozzy, this is an amazing, amazing story.

The story came out about Ozzy media.

And if you missed it, I'm going to give you the rundown and then I want, Sam, I want you to react to.

Yeah, I know all about it.

Okay.

So here's what I know and you fill in the gaps.

Okay.

So I heard about this because the story breaks in the New York times and they basically say, they talk about Ozzy media, a company that I never really heard of.

Most people have no idea what it is.

Red flag number one.

So they go, they were, it's a company that's raised \$150 million and they were on this call with Goldman Sachs and Goldman Sachs is ready to invest \$40 million in the company.

And they're just sort of doing their final kind of like diligence slash get to know you calls.

And they're one of the selling points that Ozzy was telling Goldman Sachs about like how it's defensible and how we're like, this next gen media company was, they were like, are YouTube videos, which you see, you know, some of our YouTube videos get millions of views, which is good for news and media company.

It's, you know, YouTube loves us.

The data shows that, you know, YouTube sees that, you know, Gen Z or millennials like love our content.

So they're big fans of our content.

We're going to be doing much more with YouTube.

So you know, your investment now, you're investing in this like next gen video company as well.

And so they, they get on a call, they're like, why don't we do a call with us, the founders of Ozzy Goldman and the executive over at YouTube who runs YouTube originals.

And so they get on the call and they're on a conference call and they're waiting for the, the YouTube guy emails and says, Hey, I'm running a few minutes late.

Sorry.

And so they're on this video call.

And then the YouTube guy says, Hey guys, I'm, you know, I'm sorry, I'm still stuck in traffic. Can't do video.

Can we just switch to a phone call conference call?

Sorry for the inconvenience.

And everyone's like, no problem.

We switch over to the phone call and he calls in and he says, Hey, I'm so in such, let's

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call them Jeff.

I don't know what his name is.

I'm Jeff from YouTube.

Yeah.

Ozzy is amazing.

Our data shows that it just crushes other media companies.

They're really innovative.

We plan to feature them and do a whole lot more.

It's so great.

And the Goldman guys, they're like, wow, that sounds good.

But you know, they sort of noticed like, his voice sounded a little funny, almost like it was like a, like a voice changer.

And they're like, ah, it's probably nothing.

But you know, like just a case, let's go ahead and this like double check in our diligence here.

Let's just, let's just email the guy from YouTube and just, just make sure, you know, it's all, all good.

And they were like, oh, you know, he had emailed us from a Gmail, which is kind of weird, you know, like the official Jeff at gmail.com, like, let's just email, let's just go to YouTube and themselves and just email him directly.

And so they email and that guy of course is like, what the hell?

I've never heard of Ozzy media and no, I was not on a phone call.

What are you talking about?

And so Goldman's like, what the fuck is going on?

And so this basically was, and then they, they, they go back to the company and the company's like, oh my God, yes, I, we're so sorry, a lapse in judgment we had.

That was my co-founder on the call, you know, like we're embarrassed.

I'm sorry.

That was just a bad, bad decision.

I don't know.

I don't even know how they could with a straight face back out of that, but they, you know, they back out of it and Goldman says, okay, look, we're not going to invest because obviously shady as fuck, but, uh, you know, we're not going to make a big deal out of it.

So you know, what do they back out?

And this, this company, if you look into Ozzy, they had made some pretty big claims, so some other big claims.

So 50 million monthly uniques, they said their email newsletter had 20 million monthly subscribers, which is like, you know, as somebody who like the biggest thing ever.

Yeah.

20 million.

It'd be unheard of.

I think the public numbers morning, Bruce said they had three million.

I think you guys are right around that same number.

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So to do, you know, 10 times more than that would be like, wow, that's pretty substantial. Like that's interesting.

And uh, oh, you have 50 million uniques like on your website when I go there, it looks like you have less than a million according to this 50 million monthly uniques is also like a top 100 or top 200 website.

I mean, it's, it's huge.

So people start looking into it and they start looking into all their claims.

So they claim they're like, we are Amazon prime's first talk show.

And then you go look into it and it's like they use, it wasn't like Amazon prime commissioned and paid them for a talk show.

They use something called like direct upload, which just lets anybody upload their thing into the library.

And uh, and then they claim that they were the first and then they were using Amazon's name and all their like, kind of like billboards and ads saying it was Amazon's first and Amazon sent them a cease and desist and was like, take our name off your shit.

And uh, and he's like, I stand by our claims.

But you know, of course, we'll take your name off this.

And um, and then they claim that they are the fastest growing talk show on YouTube and that the journalist was like, so how do you know that?

Because you know, we talked to social blade.

They measure this kind of thing.

They said you're pretty like average.

He's like, well, you know, we're the fastest growing premium talk show that's YouTube centric like their own category they made up and we looked and we couldn't find a faster growing one.

And it's like, oh, so you looked and you couldn't find one.

And so you said you are the best one.

And then they look at, if you look at their YouTube videos, they'll have like a million views, but like less than a hundred comments.

So you know, little fishy, uh, little fishy, you know, what's going on here.

And so, um, and by the way, they had like pretty legit investors.

So Axel Springer, uh, Mark Lazarie, who owns the Milwaukee Bucks like Steve Jobs, his wife, David Drummond, who's just like, you know, long time Google exec, uh, they had some pretty legit investors still have pretty legit investors.

And the funny thing is after Goldman Sachs walked away and all this happened, they still raised money.

They still raised, still raised another round.

And so what's your, what, what did I miss and what's your reaction?

Yeah.

So the takeaway here is twofold.

The first is we actually talked about this a few weeks, uh, a week or two ago, we said that you can raise a fair amount of money and pretty much lie.

And most people will not check in on you.

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Right?

Yeah.

Exhibit.

We said the following.

I'm surprised more people ain't lying because it would be so easy and quite lucrative to do so when it comes to the thing.

And we said, most people, us included, don't do a ton of diligence.

And even if you do, it's very easy to get away with the basic diligence.

And we're nobodies.

Right?

We're nobodies.

And then you take these larger funds, larger names and, uh, they still don't do it.

They all got duped too.

You know what I mean?

So it's like, uh, so there is a systemic problem in a way.

It's a feature and a problem.

So the feature is this industry runs on trust and the reason you and I can do deals on a handshake is because we trust each other and we, and there's a lot of founders out there who are, but the majority of people are not trying, are not, uh, duplicitous or lying or committing fraud.

And so that's why Silicon Valley can move at a fast pace because we don't have to take three to six months to diligence every single deal we do.

That's why we can move at a fast pace.

But the flip side of that is it does create an opportunity for fraudsters to, to lie.

Which doesn't happen often, but so basically I believe the founders name is Carlos Watson and Carlos Watson is a very charismatic guy.

I think he was a host or had a TV show or something like that on both PBS and CNN, if I remember correctly, they started about a year or two before us.

And I remember I recruited people from there or, and I had one woman who worked there, who worked for us and, and I would ask them about a, uh, I asked her about them.

And basically they caught my eye because I would use similar web and I would notice that they had very little traffic.

And if you go to sit on their website now, the hustle probably actually gets more traffic than they do.

And we don't even,

I compared you guys have about 10% more traffic according to that than them.

Yeah.

We don't even try to get traffic.

Like we don't like that's not our business is not web traffic, but their business is web traffic.

Ozzy.

Additionally, their website is horrible.

Like it's one of these sites that looks pretty, but you go to it and you're like,

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how the hell do you work this thing?

And like, it's like impossible to figure out what they're like as a marketer and entrepreneur, I can go to a website and I can look at it and I'm like, Oh, the goal is to drive me to this thing.

When I see their thing, I'm like, what are they trying to get me to do?

And so I've always had a red flag about this company because they claimed these huge valuations. They claimed these, this huge reach.

And I don't know anyone who consumed it.

I, when I was in New York, I used to see, um, buses with their logos on it and they're buying all these ads and media companies don't buy ads, media companies sell ads and you're not buying a bus ad of all ads.

And so I used to see this and I knew that something weird was happening because they didn't make sense how they made money and they constantly had to raise money.

And so this was always full of shit to me.

Um, I'm a little surprised Axel Springer invested in it because they're pretty legit, but I'm not surprised that Steve Jobs wife invested into it because she invests in a lot of nonprofit making stuff, so I'm like, well, she just gives money to anyone.

Um, but yeah, this company I think is nonsense.

They also claim that they have these huge festivals and I've never heard of anyone that went to one of their festivals.

So I have always thought that this company was full of it and now there's some proof.

Yeah.

Yeah.

Funny.

I mean, it's crazy how this stuff goes down and then you see people who are, so there's one, I think Mark Lazarus on the board and I think he was, I think they released a statement like, oh, you know, we, you know, a lapse in judgment.

We, we stand by this kind of temporary kind of like lapse in judgment, uh, you know, they are making the right steps to correct this.

Um, I don't even think the co-founder was like, got fired.

I think he, I think he's still there if I'm correct, dude, it's a weird as company.

And they also claim that they're, you know, where they, they say they're based out of is Palo Alto and like you and I have lived here for 10, 15, never heard of them, never met a single employee, never met anybody who reads them or shared an article from them.

Uh, also not where you would start a media company is Palo Alto, so, you know, just strange all around.

Yeah.

So that's weird.

Um, do you want, can I tell you about a, uh, can I, can I do one real quick?

Okay.

So have I ever told you about, um, uh, newspapers.com?

You told me about this and I remember going to it and be like, Oh, I've never been to like, that sounds like a very common word.

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And I remember going to it and you said it was something cool, but say it again for me because I don't remember another.

So I believe it was owned by ancestry.com.

And so ancestry.com, it's a website where you can do two things.

You can enter in your DNA or you can enter in your last name, like you give them your DNA and they, you know, do 23 and me shit and they tell you who you're related to.

Or you just do, um, you enter in your name and you could track, like, you know, if you came in through Ellis Island and like who your great grandparents were based off of civil war records and all this weird stuff and they own, they bought this archive called newspapers.com and it scans every newspaper they could possibly get ahold of and you could search it and I use it for research all the time.

And if you scroll down on our doc, Sean, I actually gave you an example.

So Dan Gilbert started this company called quick and loans.

He owns the Cleveland Cavaliers.

Is that what he owns?

Yeah.

And he's like a big shot Detroit, whatever.

And he seems like a nice guy and I was curious about his background.

And so I use newspapers.com to learn about his company.

So quick and loans originally was called rock financial.

And I sent you three examples of why newspapers.com is incredibly fascinating.

The first, you can read profiles about people.

So quick and loans went public.

I think in 1997, I found an article from 1996, I think, and you could read that article and it's a profile on Dan and he'll explain, they'll say, Dan Gilbert's office is really funny.

He's got toys everywhere.

And he'll say, well, my, you know, what I'm trying to do is build this fun workplace, you know, whatever.

And so you see like firsthand knowledge as they are building about how their philosophy on business.

And that's incredibly fascinating.

And he'll also say like, yeah, you know, we started the business with \$5,000 of savings and then we scaled this much revenue.

And so you could actually see in real time how they're describing the business and where they came from.

The second thing that you can do, and I do this all the time is I find their ads in classified newspapers where they list jobs.

So I actually listed one of their, their job ads.

So how would you do this?

So let's say you, you're wanting to find this, can you search like everywhere rock financials mentioned or you had to literally go just, let me check this Sunday and check the job section and see if they're there.

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No.

So what I did was I typed in rock financial, I typed in show me all the newspapers within a radius of Detroit, because I knew that's where they're based out of.

And then I said, uh, make it between 1995 and 1996.

And then pay for newspaper, paper.com, this is a paid service, \$10 a month.

And when I, and then I, I could see it says when you're searching, it says which newspaper it's from and which section of the newspaper and who the author is.

So I can very quickly see if this is a profile, if this is like just Dan Gilbert giving a quote on the economy, or if this is a job ad.

And I read the job ads, job ads are actually amazing.

So if you ever want to see what a company's launching, even today, you go to their website and you click jobs.

And if you see like, oh, wow, YouTube is hiring or I don't know, I'm making this up.

Apple is hiring people who have experience in cars.

Amazing.

They're clearly like going into like, so that's like a no brainer, but it's cool to see.

And also on a lot of job boards or websites, they'll say, you know, we're Ozzie media.

We reach 20 million people a month.

We cover this stuff.

And so you see like, it'll actually tell you a lot of stats about the company.

They have to, they have to, they have to sell themselves, right?

If you're recruiting people.

And by the way, super, super sneaky move, go interview at a competitor's company to find out their, their data, because you during the interview process, you'll find out a lot about the company's strategy, about their numbers, things like that.

And that's one way to get competitive intel that I've, I've heard some people do.

Or you can recruit the people who are there knowing that you're not going to hire them.

That's another one.

Well, that one is a little bit harder because you recruit somebody and you put them in a position and some people get really, some people are like, oh yeah, like happy to share nothing, nothing that was confidential, but just, you know, here's my point of view on what I think they care about and what they're roughly the size of the, of this, of this part of their business.

But then some people are like, I can't believe you're asking me to divulge information about my previous.

Sure.

Yeah, you have to be respectful.

You got to go about it in a certain way.

So anyway, newspapers.com.

I use it to look at job ads and I can see like how they described their company back then and like what they were recruiting for.

Sometimes you could see salary.

And so it actually adds a lot of context around it.

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And then finally, I look at ads that they use to get customers.

And so you could see like how they describe themselves, how they got customers, things like that.

You could see, if you look at job ads, you could see how they're structuring their business.

It's actually an amazing tool.

And so the difference is that when you read biographies, they'll tell you like a third person point of view on like analyzing it.

When I do this, when I do it this way, I'm like, well, here's exactly how they describe themselves.

And like,

Yeah, it's different because it's moment in time versus hindsight, right?

Biographies always hindsight.

Now that we've seen it all play out, we can connect the dots in this way.

But when you just go back to the source material at that time, when it went to print, this is how it was seen in the moment, which is, which is really useful because like I've done this with tech companies, you can go read when Twitter launched on TechCrunch, it's a small blurb.

Yeah.

It's like, oh, this goofy thing called Twitter launch is kind of buzzy at this party, but it kind of has no point.

I'm keeping an eye on it, but it's like, oh, pretty conspicuous launch for something like as that became as influential as Twitter.

You can go see this for, you can go see their original landing pages and their original launch press and how they position themselves.

You can go read original like launch announcements on hacker news for Dropbox and other things.

You can go see the five minute video that Drew Houston put up demoing Dropbox and the comments of people being like, dude, no one needs this.

And you know, here we are, you know, \$20 billion later.

And for the modern stuff, like a Dropbox and Twitter, there's two ways you do that.

The first is when you search on Google, you, there's right underneath this, the text bar, you go all the way to the right and you click search tools and you could change the date.

So you change the date and so you make it.

So let's say Twitter launched in 2009, you type in Twitter and you take out the E because that's how you remember they spelled it.

And you do like year 2005 to 2010, I forget when they first launched.

And you actually see it, or you go to webarchive.com and or waybackmachine.com, I forget, just Google one of those and then you can actually see the early landing pages.

So anyway, that's a cool hack that I wanted to show you about.

It's pretty amazing.

By the way, this print ad, I just want to read, I just put it in my swipe file, but like this ad for them, they go, it says everybody's talking mortgage first.

And then there's a quote from a customer says, we found out that the banks pre approval is just a piece of paper with mortgage first, we got a firm commitment and locked in a low

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rate.

There's no easier way to shop for home.

So that's like the print ad headline.

And it's just cool to see the copywriting of these, like these types of products.

So, you know, it's not, it's not the sexiest type of product to send, to sell as, you know, a mortgage.

And that's exactly my point.

So here's the point.

When you're starting something, you say to yourself, I want to be like quick and loans or I want to be like, let's say you have a clothing company, I want to be like Louis Vuitton.

I want to be like Gucci and you have to, I want to be like Steve Jobs and Apple.

And you have to remember that it's always on nine out of 10 times, it's not glamorous early on.

And so you can go and look at early Apple products and you're like, oh, wow, they're, they were shit just like I am.

Like they were still trying to figure out, they weren't that great.

And what they said then, like, I can't connect.

Like it's hard to imagine that this thing became this end thing, right?

That this early ad or this early profile, like I never would have guessed that.

If you go to RocketMortgage.com now and it's like, you know, this diverse crew of like white, black, Asian people sitting on beautiful couches and it says Rocket Mortgage is the home loan experience designed for you.

You're one of a kind.

Your mortgage should be two.

Start an application to see what's possible, right?

Like a very different type of ad.

And so if you wanted to be the next them, don't copy what they say now, now that they have a brand equity and that they have a sales force, all these other things.

Go copy what they did at the beginning when they had zero brand awareness and they had to like explain what they do quickly to people in a more literal sense rather than these like kind of like fancy marketing brochures.

Exactly.

That's exactly my point.

And so I think this is incredibly helpful tool both intellectually because you can get ideas but also emotionally and you could see that like, oh wow, they weren't always like kick ass.

They sucked like me or, you know, they were only okay or I never would have predicted that they ended where they start based off where they started.

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

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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 from 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.

Okay, I got one for you.

Can we switch?

Yeah.

Which one are you going to do?

You had a lot of really good ones.

I'm going to give you my blue collar side hustle.

Okay, great.

This is the blue collar side hustle segment for this week, which is basically a way you can make money, not a ton, but like thousands or tens of thousands of dollars, maybe \$100,000 with just a little bit of sweat and creativity.

That's the blue collar side hustle.

Okay, so what is it?

So we're about to start October.

And this last quarter of the year is holiday season.

It's the biggest shopping season of the year.

People are ready to spend.

Coming into the holidays, there's one little side hustle that I always thought was interesting and I started looking into it.

And it's this business of mall Santas.

So have you ever like, have you ever done this?

You don't have like a little kid.

So you may not have ever done this, but like last two years, since my daughter was born, you know, come Christmas season, Sonya always wants to like go to the, go to see the Santa and have us take a family photo with the Santa for like the memories with our like baby sits in Santa's lap.

Take a photo.

And what, which is, when you think about it, fucking weird, that is, it's so weird.

Like, why does like this young couple who like, if you're an immigrant or you're like, in your case, you're an idiot, like just believe that you got to get this picture with this fat old white dude who, by the way, barely looks like Santa, right?

So the one I'm going to.

And also kid cries 100% of the time, right?

Cause you put him in a stranger's, a stranger who looks like a monster's lap surrounded

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by dwarves, surrounded by dwarves and other strangers looking at you and then you're like, give me a smile.

And they're like, nah, I'm crying here.

So, um, okay.

So this little business.

So what is this?

So let me tell you how the current system works and then what, what you can do.

So I'm all Santa will make between 10 and \$25,000 in about a five week sprint here.

And all they do is they go, they, they buy the outfit for about \$300 and then they get hired by these like photo companies is like this one company called iconic that does this iconic.

What they do is they pay, they hire all these mall Santas and they have 300 malls in America that they're partnered with and then like a hundred like babies are us.

No way.

And they'll be like, Hey, I need them.

I need a Santa in Charleston.

You're going to make, you know, you're going to make \$20,000 over the next five, six weeks.

They're like a model agency for fat white guys.

Exactly.

So then they send you the dispatcher, you just go sit there on a chair for like six hours straight and a kid gets in your lap, you say, Oh, what do you want for Christmas?

Take picture.

See you later.

And you just do that.

It takes zero.

What do they use them for the rest of the years?

Like a diabetes commercial?

Like, what do you got to do with these guys?

So let me tell you.

So, okay.

So, so that's the first part.

So then, so they have about 6,000 Santas that they hire just themselves.

They showed that they get into the malls and get prime real estate because they showed the malls that having a Santa there will drive about a million and incremental revenue because you get increased foot traffic into the mall because families like us come to the mall to get the photo done with the Santa and you're paying like 50 bucks per photo and you're doing a photo, you know, every, I don't know, minute.

And so like, you can just add up the cost per hour that other sort of revenue per hour that iconic or the person hosting this is doing.

So I thought this was kind of cool.

Then I was like, where do these people come from?

And basically there's been a spin off cottage industry of Santa training and Santa costume like businesses.

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So there's like Santa costume business, a little e-commerce popups like, you know, Halloween popups where it's just selling certain part of the year and it's the boots and the glasses and the beers and the hats and the robes and all that good stuff.

So you'll end up spending hundreds of dollars just to have one of these outfits.

I own one of these outfits because we wanted our at home photos to also have me in the Santa outfit, so that, you know, brown Santa sitting next to the tree.

I have a bunch of photos like that from last year.

Dude, your wife is amazing.

This is all her idea.

She's like an Instagram mom, basically, without the followers.

So all of the work of being an Instagram mom without any of the influencer money that we should be getting out of it.

So, so, so she does, she really cares about photos.

And so like, she wants her memories and she wants cute photos.

So I have to do all this bullshit.

So, okay.

So then what happens?

There's these schools that will charge you up to a thousand dollars for Santa training.

And what does that mean?

It's like, tells you what to say, tells you how to groom your beard and your hair to look like Nick and then helps you get a job as a Santa somewhere.

So that's like a whole little cottage industry.

Now what do I think you could do with this?

So I think this can be done in a whole bunch of different ways.

So I think you could kind of independently do this in your neighborhood.

So we've talked about like, how do you do door to door in neighborhoods?

So I think you could go door to door in any neighborhood and say, Hey, tomorrow Santa's going to be here.

If you want a Christmas photo, just come to the front of the neighborhood by that tree and you're like mixing up a throne.

This is like a pedophile's dream.

Like Santa meets ice cream man.

This is weird.

The parents go with you to the thing is incredibly safe, safer than a lemonade stand, my friend.

So this is the lemonade stand we do in the winter, which is you do a pop up Santa photo thing and if you were going door to door, you could go door to door dressed as the elves saying that Santa's coming.

All right.

So that's one way of doing this.

The other is you could partner with really any place that has foot traffic.

So whether it's a mall or it's kind of like an outdoor eating area, it's a farmer's market.

It's, you know, like you just need to find foot traffic and if you plop yourself down, my estimate is that you're going to be able to make \$50 per minute doing this thing.

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That might be a little high.

Let's say \$30 per minute because people don't always opt for the big photo pack.

So \$30 a minute.

Yeah.

Add an hourly rate, bro.

Okay.

So hourly, that's \$1,800 an hour and you're going to be there for let's say six hours.

That's 10 grand a day.

You can print doing this thing and all your costs are, you know, Pat Santa for, you know, hopefully that's somebody that's you or somebody you know that you can get to do it.

You buy the out for \$400, another \$1,000 of props and decorations and the chair and all that stuff.

The photographer might cost you, let's call it \$1,000 for the day and so that's sort of your cost structure going into this.

I think the rest of it is pretty much free because who's going to really kick out Santa?

Who's iconic?

Iconic is the company that does like photo experiences and stuff like that.

Are they big?

I think they're big because this isn't their main business.

So I think this is like, you know, part of their business.

If someone, okay, so I agree with you that someone could pull this off.

I would be, I'm just saying, you want to make 20 grand for the holiday season?

That's nice.

A lot of people want 20 grand.

I would be amazed if someone is willing.

You got to have so much courage in order to pull something like that off.

That scares me.

This scares me.

Why?

What scares you about this?

So it's kind of like, whenever I think of business ideas, I'm like, anything that involves eating something.

I'm like, ugh, that's a, that's a, you got like, it's like a big burden, right?

That's like a big burden.

If you're like, if your product is going to be eaten.

Oh, you mean selling something other people are going to eat?

Yeah.

I'm like, well, you can't bullshit that, right?

You got to like, you got to nail that right away.

And then like a tear down, I'm like, well, anything involving children, I'm like, oh my God, like you got to nail that too.

You can't have anything weird going on.

There's no risk here.

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It's literally a Santa with the parents standing right there next to you and you sit on their knee for one second and take a photo.

It's so low, low risk, it's not like a daycare or something like that.

Daycare is up there too.

I mean, this is, I would be, I would be very curious if anyone's going to pull this off.

This isn't like you're just going to the street and like break dancing.

Like you're going into the street and like having your kids sit on your knee.

I just think that, uh, I'm going to, I'm going to do this for the, uh, for my, for, you know, we were talking about for a YouTube channel doing some, uh, some little business stunts.

I'm going to do this as one of them this holiday season.

I'm going to do this.

I'm going to hire a Santa.

I'm going to find a foot traffic area and I'm going to make like 10 grand in a day.

No way.

There's no way you're going to be able to pull this off.

I bet you \$500 there.

\$500.

Okay.

What part are you doubting?

Okay.

Maybe the 10 grand a day is the ambitious part.

No.

Maybe it's high.

Okay.

I'll be very curious to see if you could pull this off.

This would be amazing.

What do you think is going to happen?

What do you think all the risk is?

There's no risk.

I don't think there's that much risk.

I just think there's a huge amount of fear that I have about doing this and but anything involving.

If Sean gets lazy and decides not to do it, that's the only risk.

That's the only thing preventing me from successfully doing this.

Well, let's see.

If I was you, if I was white, I would be saving myself the \$1,000 I'm going to have to pay some Santa here to do this because nobody wants me to be the Santa.

So, you know, I'm already working from a disadvantage.

Dude, are there ever black Santas?

That is kind of interesting.

We got it.

We got it.

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Like, are there ever, I've never seen a non-white Santa at a mall.
I'm sure, I'm sure there is, but yeah, maybe that's the underserved market that I need to go for.
I think people want the classics.
I think with holidays, people throw all the A quality out the window and they want the classics.
Wait, do you celebrate?
What religion are you?
Are you anything?
I'm not religious, but I do celebrate fun days like Christmas.
Yeah, I didn't.
But I know you're not religious like in terms of like a God, but like a culture, like, you know, I'm Catholic.
I was raised Catholic, but do you do anything?
Oh, no, I celebrate all the fun holidays.
If you know, oh, Dia de los Mertos sounds great.
I'm, you know, I'm Hispanic for the day.
Well, let's do that.
Like, I'm any, any, any culture has a fun holiday.
I'll play.
Why not?
I'm looking for more days to celebrate.
Yeah, we got a, yeah, once I started like meeting my Jewish friends, I started celebrating Shabbat.
So, we could pick some holidays.
That's great, dude.
I love Shabbat.
Yeah, give me some more Shabbat.
Yeah.
It's really good.
Do you want to do this royalty free music one?
I think this is amazing.
Yeah.
Okay.
So here's the idea.
So I saw this on product hunt, kind of forgot the name, but there was basically a product that launched yesterday or today and it's a AI generated royalty free music.
Okay.
So for anybody who's ever had to make a commercial or like create a video or you're an agency or a freelancer, the music makes your video like 10 times better, but it sucks to have all the music you know is copyright protected.
So you'll put it up on YouTube, it'll get muted or taken down or DMCA notice.
And if you want to use it to sell products or promote your company, you really can't

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do it.

It's illegal if you use copyright music because you don't have the permissions.

And so there's this whole like genre of royalty free music out there.

And there's all these big websites like pawn five that exist that will give you royalty free, you know, either stock footage, stock photos or stock music.

And this whole like stock industry is pretty big.

And so what I thought was cool here is take a business like pawn five.

So I don't know if you've ever used pawn five.

No.

Do you know pawn five?

No, no, no, no.

I've used so many times in my life.

It's great.

It's like the best place to go if you want like stock music for a thing.

Is it free?

And so how does it work?

No, you pay you end up buying the music you like.

Like while you're listening to the sample, it'll be like the really good music and it will be like, pawn five in the background.

Like just as a watermark, like every two seconds so that you can't steal the thing.

You have to buy.

So here's how I know this company crushes.

They raised one round of funding in 2014.

It was a \$60 million round, which means they already had a bunch of traction before then.

Since 2014, they haven't reported any other raising of money.

And I know they're still going super strong.

So that's like, you can sniff that and be like, what's the opposite of Aussie media?

It's this.

It's a company that raises one mega round.

It doesn't raise again for the next seven years.

Probably means it's super profitable, just spitting off cash.

And they probably sold when who they raised \$61 million on.

They probably like, it was probably they just sold a bunch of their shares.

Yeah.

It's probably to get some liquidity because I think they started in 2005 or 2008 or something like that.

So it was like many years into the business that they did around nerd wall at same thing.

Right.

They started, they ended up raising \$100 million, never touched the \$100 million.

Like their bank accounts never been less than \$100 million since then.

It's like, these are companies that are lean, mean and just super profitable.

We should talk about nerd wallet.

Do you have Intel and nerd wallet?

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You probably have more your buddies with the guy.

So I don't have much, but we should have them on.

I was talking to his partner and he was saying, you were saying, oh yeah, you should have them on.

And I thought that was a good idea.

Well, he, I heard they were considering going public or something like that.

And so he couldn't talk too much.

But if I don't know if that's the case anymore or not, but we, you know, when you're about to go public, you can't say too much.

And so it's hard to get.

They're not good interviews.

Well, I can tell you one anecdote I heard, which is just on how they kind of got started, how they made it work.

So early on with nerd wallet, what nerd wallet does is it's a blog for like kind of like personal finance.

So it just kind of gives you information you need to know about, about managing your own finances and their money maker is that they rank really high on credit card suggestions.

So if you say, what credit card should I get?

Nerd wallets, like at the top of the list, and then they'll break down in a pretty objective way.

Here's, you know, the best credit cards, depending on your goals, depending on who you are, pick this one.

It's basically nerd wallet.com slash best dash credit dash card.

That page, I think that page likely makes like 80% of the revenue and the entire company exists to make sure that page shows up number one on Google when you search best credit card.

Right.

And I think when we say 80% of the revenue, I don't know the revenue.

If I was guessing, I would guess that the revenue is \$100 million or more or more or minus 50%.

Yeah.

Yeah.

Definitely not minus 50%.

Okay.

So maybe plus 50%.

So that's pretty impressive, right?

Because when somebody clicks that link to go buy it, they get an affiliate kickback.

And so they'll get, I don't know what it is, like \$2,000.

It's like very lucrative to refer a credit card, \$2,500, something like that for a credit card referral.

So they make a lot per customer that hits that page.

So early on, because that incentive is so big, every website in the early web days was just like, who's going to give me the highest kickback?

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Fantastic.

You are my recommended card.

And so it was kind of like, it wasn't objective, right?

They were just, they were in the pocket of the credit card companies and they were just printing shitty content to try to get you to click that link to go through this.

Which is how Red Ventures started.

Red Ventures is a company that makes north of a billion dollars a year.

They basically started doing that with both credit cards and dish TV.

Right.

Right.

Yeah.

Satellite TV.

And so, so these like high, high margin, high subscription products, you know, they'll pay a lot for affiliate.

So what Nerdwall was doing was they were just two dudes sitting in their room and they would just write blogs, like high quality blogs.

They're like, we're going to write higher quality stuff because these other ones are just kind of content farms, trying to generate clicks.

And year after year, they were just like writing these things and it really wasn't going very far.

And it was like, not that impressive.

Now you tell me if I'm wrong on any of this.

It wasn't really, it wasn't taking off.

It took two, basically in the first two years, there was, I don't think there was a month where they got more than a thousand people visiting their website.

And if you Google Nerdwall at Hustlecon, you'll see a talk where he shows their traffic.

And it was like, you know, it was a shitty year.

It was horrible.

Yeah.

Multiple years of staying the course, even when the evidence all said, this doesn't work because they trusted their gut and their belief system that if we put the highest content, highest quality content out there, eventually we will get the traffic.

And if we build it, they will come.

And it actually worked.

Right.

So like, you know, there is a counterpoint to every, every piece of advice.

I would, if there was, if they were a startup doing this right now, I'd be like, guys, look, two years, no traffic, less than 10 grand a month you're making, how long have you been in this apartment?

When's the last time you left this building?

Guys, like, look at this company.

They're just shilling out shitty content and getting way more traffic and paying for it and just trying to arbitrage.

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Like, do that.

That's going to work.

That's working.

So like, do that.

So my advice would have been horrible here because this was a tortoise in the hare startup story that actually worked.

And so finally, there's a Google update, Google updates a search engine and it punishes the low quality blogs that went out there and nerd wall, it jumps in the rankings.

And so all of a sudden they, they go from making, you know, \$0 a day to like seven grand a day of revenue.

And that's from the, the traffic that's coming here.

And then a few months later, there's another update and it goes to like 70 grand a day.

And, and they sort of never look back.

They've always been kind of like near the top or at the top for this kind of thing since then.

And that was pretty remarkable.

And, you know, I could have had that same idea.

I would have never stuck to it the way that those guys did and they deserve every dollar they make off this.

Yeah.

It's a, it's a pretty monster company.

What, but what about pond five?

Okay.

So back to pond five.

So pond five, my research tells you this is quite a big company.

They, at one point they reported 60 million a year in revenue.

That was like 10 years ago.

So I'm pretty sure that, yeah, so I'm pretty sure that they're doing a hundred million dollars or north of a hundred million dollars off this.

Most stock websites will do, you know, a hundred million dollar plus, but they get consolidated.

So like, you know, I stock photo and all those things, they all get owned by the same company.

So anyways, what's the idea here?

Well, pond five, they have their value because they have a big library so that when you're searching for upbeat energetic music for my commercial, that's 60 seconds long.

That doesn't sound cheesy.

I got to find that, that, that thing on your website.

And so how do they get this library?

Well, they don't make it themselves.

They let any creator, just like a stock photo site, you upload your content and then if someone buys your thing, you get a rev share, you get 50% rev share.

Well, here's the cool thing about what's that like, there's been a change where AI has gotten a lot better and you can auto generate music now.

And so what this product was doing was you put your video in and it knows, okay, your

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video is a one minute and 23 seconds long.

So that's how much music you need.

And it can even look at in the future, it can even look at, you can mark maybe key markers on your video.

You say, this is where the climax happens or where my product reveal happens.

Like I need a beat to like, I need an uptake here, right?

And then it will auto generate an infinite number of music, amount of music for that, that's custom fitted to your video track.

And you can just say, I want it to be playful.

I want it to be energetic.

I want it to be serious.

I want it to be foreboding.

I want it to be mysterious.

And then you just hit generate, it'll give you one.

You say, next, next, next.

Just like Tinder, you can swipe through and they're going to keep 100% of the revenue.

So whatever, whoever does this, I think they're going to have the biggest library pretty much from day 10, because they're neural net will have generated such a vast amount of stock footage or stock music or stock photos.

So I think they're going to crush the existing stock, stock sites, because they're going to have 100 times more content.

And then they're going to crush it in terms of economics, because they're not going to have to share any of it with any content creator, and they're going to keep 100% of it.

So I would love to invest in one of these companies that's doing this, that's got the right marketing mojo to get this out there, because the fundamentals tell me that however big I stock photo and those guys are, the AI version of it is going to be maybe four or five times bigger.

And those today are like multi-billion dollar companies.

I would imagine though, the key to this business is not the AI generated music part.

I would imagine the difficult part here is getting customers, because the stock photos and stock video and stock music in terms of search traffic, it's impossibly challenging.

Like it's like, I bet you it's almost as hard as credit cards, like best credit card.

So that would be the hard part is how to get customers, you know, a business is basically like three things.

It's like convincing people to work or I guess it's four things convincing people to work there, convincing someone to give you money or figuring out how to get capital to do it, making the product and then getting the sale.

This one falls into that fourth bucket where that's the hard part.

I would imagine is getting people to go to your website consistently for at least cheap enough.

I would simplify it.

I think business is get customers, charge them enough where you get to keep some profit and keep customers.

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Right.

You got to do those three things and get customers is usually the hardest one.

And it's the hardest one in this case.

So that's why I said the founders that have the right marketing mojo, that was the key part of what I said, because you have to have a way that you're going to like get traffic for this.

And over time, I think they will out compete their old school alternatives because they're outdated now.

So here's my other half of this.

That 50% that goes to creators, you could maybe spend on acquiring customers.

Exactly.

And, and you can give away a lot of the content for free initially, right, because of that.

So here's my hack for this.

This is also a hustle.

This is maybe my big co-side hustle.

This is you're a PM at Google or you're a product manager at DuckDuckGo and you're a search engine.

Well, the search engines have one way that they cheat, which is when you search for something, they can just give you their result as the top result always, right?

That's like Google with their one box thing.

If you just say, Hey, what's the best holiday, they surface the best results in a box.

So you don't even need to click and go to a website.

Or if you go to Google images and you search for icon of this or stock photo or royalty free, whatever, they could just serve you the Google results for this and they have all the AI talent in the world to do this.

And this could become a product line that generates, you know, nine figures a year for these companies.

So if you want to, you know, if you're inside one of these big companies, that's another pitch you can make to your boss that says, Hey boss, how does this sound?

We use our AI talent on something that we're already getting millions of searches for a year.

And it will generate, you know, \$100 million plus in revenue within three years.

Can I work on that project?

And then the answer will be, yes, and why haven't I promoted you already?

Dude, I went, so I've got two stories.

I went to a conference and I met this woman who was, she was part of the crew that managed this.

So basically Google makes 95% of the revenue from one thing, but they're constantly trying to launch all this other stuff.

So they've probably done stuff that you don't even know exists, and they'll like buy stuff and try to run it and make it bigger.

Like in one example is Zagot.

You remember Zagot?

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Yeah.

The restaurant reviews, is it right?

Yeah.

Google owned it.

A lot of people don't even know that, but Google owned it.

And I talked to this woman whose job it was to help manage the CEOs of the projects and decide what's interesting and what's not.

And she told me that they have some products that would scale to a hundred million in revenue and only a couple of years and they would kill it.

And I was like, why'd you kill it?

And they go, well, two reasons.

One, the people who we get to run them, they're oftentimes paid so much money that they don't give a shit.

Like if you're just like running your own startup, you're like, this has to work because this is where 95% of my net worth is.

Like I would be screwed.

Whereas the people who work at Google, they're like, dude, I make so much money each year.

I don't really want this to succeed that much.

I don't have to work more and still get paid.

And so she told me that.

And second, they're like, Google is so big that even though a product makes a hundred million plus in revenue over the course of a few years, which could be worth a couple billion dollars, it's just not worth it to us.

We just have so much better ways to spend our time.

And I was flabbergasted.

And I knew this other woman who ran this one thing that was doing over a hundred million in revenue and they killed it because they're like, this just isn't big or interesting enough.

And it's just, it's pretty wild to think about that.

Yeah.

It's insane.

Actually, I did this when we got acquired by Twitch.

I had, in one of the meetings I had with Emmett, I was, who's the CEO, I was talking about like, oh yeah, if we, like this could actually make this much.

And I noticed he didn't like react in any way.

Like when I say something that I think you're going to get excited about, you don't get excited.

I'm like, hey, I thought you would, I thought that would like register for you.

It looks like it didn't tell me why that didn't.

And he was just like, he's basically like, look, we make this much revenue over here.

So to move the needle on revenue, you have to be like the size of the price has to be six, and like trying to make revenue brings in all this like legal complexity, business ops complexity, and like potentially stands in the way of user growth.

And so like, we either want something that hits this threshold on revenue or make it

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free and just optimize for user growth.

And I was like, oh, okay, so like not interested in like, you know, this kind of like eight figures plus, you know, of revenue a year, it's like, no, I was like, good to know.

And I didn't take it as, I was like, thank you for teaching me that.

Because yeah, that makes sense.

My startup brain was wired where that's a big number.

But now that I'm at a big company, I need to like rewire it as a small number.

Dude, when we sold to HubSpot, we went, we sold in, I forget, like mid to late January.

And so we went into the year 2021 with many, many millions of dollars of advertising revenue booked and contracts signed and everything.

And this year, we, you know, we would have made many eight figures in revenue.

And when they sold, when we sold, they go, look, we make this much money.

I think what's HubSpot make a year like 1.2 billion a year in revenue and it's growing quick.

They're like, you're a little \$20 million.

It doesn't really matter to us.

We rather you not focus on that.

So we gave all the money back like we, we had to call them and we had to be like, hey, this company, I know that you booked like \$500,000 in advertising, sorry, we can't do it anymore.

And we gave it back.

I was heartbroken.

I was like, oh, you're killing me.

And they just, and they're right.

I mean, it's smart, but it was crazy to think about that.

Dude.

Okay.

I want you to just don't type hands up, hands in the air.

Guess Google's revenue last quarter.

I would imagine that they do, I don't know, \$30, \$40 billion a year.

So let's divide by four and let's just say round number, \$10 billion a quarter.

Good guess.

That's actually what I would have guessed.

They did \$61 billion last quarter.

So four times that is what, the 24, 240?

We don't do public math.

Yes.

Dude.

What?

That's what I'm looking at.

Unless I'm looking at something that's wrong, but I'm looking on a statistic right now.

It's, it came up in my, in the first Google search and I was like, no, that can't be right.

That's annual, not quarterly.

And then I looked at another place and says it's second quarter revenue of 2021 was \$61

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billion.

Okay.

Now, how long have you felt like Google's a juggernaut, like an absolute juggernaut that's already like peaked.

It's already like at the peak of its power since the beginning of the internet.

How many years ago did you feel that way?

Let's just say like, at what point in time, if I was like, hey, Google's revenue is already like, you know, just absolutely monstrous, not too much upside left.

Like five years ago, would you have said that?

Yeah.

So like in 2015, which was six years ago now, if you told me just to like invest all my money to Google, I'd be like, why would you, why would you, why would you ever want something that's already so big?

It's not going to grow that much.

Yeah.

So since that date, that same quarter in 2015, this quarter was three and a half times revenue, times more revenue.

So it went from 17 billion to 61 billion in that five year span.

And I think of that.

So there's like, I used to be all about Facebook.

I actually think that if you told me, this could be like crazy wrong in 10 years, if Facebook and Google are not like, I think they'll exist, but if they're not like the big shots, I actually, I'll be surprised if there's still the big shots.

Would you agree?

So that can mean many things.

Is it like there's the big shot, like Microsoft is still a big shot, but, and it was always a big shot, but like Facebook and Google kind of like took all their shine for like a decade plus.

Um, you know, as Microsoft was either flat or kind of declining, but it was still big, but it didn't have the talent.

It wasn't growing as fast.

Stock's not appreciating as fast.

So is it that where it kind of stagnates or you're like, it's actually going to go down?

I think it's going to go down.

And here's why.

Have you ever met anyone that worked at Google or Facebook?

Yes.

Um, like they currently work there?

Yes.

I think that Google, so Google is interesting.

Point one is that it kind of succeeds in spite of itself.

They basically invented this one thing that hasn't changed that significantly and it's always been amazing.

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Okay.

So they kind of have that going, which is good.

But the second thing that they have is that people, I don't think particularly like working there.

Like it's not cool.

I think to say you work at Google is like five years ago saying you worked at golden.

It's not really that particularly interesting.

And I also think that the people who work there, unlike Goldman, whereas Goldman will explicitly say, we're going to work your fucking, we're going to work you down to the bone.

You're going to grind.

And most of you aren't going to work here in five years.

Google is the opposite.

They say, we care about you.

We do this.

We do that.

Right.

And can I fold your laundry?

Can I do, would you like a foot massage while you, while you program, you know, this code right now?

And because they do that, they create entitled babies who protest and get angry when anything bad happens.

For example, I think last year there was this big event and I don't actually know what happened. I don't know the reason.

It could have been justified.

Who knows.

But they had a walkout.

So a lot of the employees just like walked out for the day.

And when I saw that, I was like, Oh, this is like the beginning of the end.

Because if you think about Google, do they do things that maybe you could describe as evil or you don't agree with?

Definitely yes.

But as an employee, are they overwhelmingly like a soft place to work that you get paid significant amounts of money, barely have to show up and they pretty much are like,

Oh, yes, honey.

Like you need anything?

Of course they are.

And if people are willing to protest that and walk out, then they're soft and they're going, they're going to die soon.

That's why I think that.

They're going to die soon, you know.

Right.

It's going wrong.

There's like a, there's like a phrase.

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What's it?

It's a hard time, a hard times, no, difficult times to make strong men, strong men make easy times, easy times make soft men.

And that's like what's going on right now at Google.

So that's why I wouldn't be surprised they don't exist.

I had a friend who worked at Facebook and they would send me, there's an internal Facebook group for employees and it's basically just a bitch session where they just vent and bitch about everything that's happening inside the company.

And he would send me screenshots of what the topic would be and it'd be like the most petty, trivial, like, Hey, I noticed that the orange juice has moved in the cafeteria.

Like, you know, I like to eat salads and when it was by the salad bar, it just really complimented my healthy lifestyle.

And now that it's over by the meat, I feel like I've been vegan for two years.

And now that it's by the meat, it's like a microaggression against my vegan.

It's like, dude, these people were complaining about the dumbest stuff and they would have hundreds and hundreds of comments, which means just hours wasted fighting in the Facebook comments amongst Facebook employees.

And it was everything from the parking garage layout to the milk choices to the wording and the email that was sent out to listen to the softest of the soft.

So for the longest time, and I think he still does it, but when my wife worked there, he was definitely doing it.

Zuck and Cheryl Sandberg, but I think for sure, Zuck or definitely for sure.

It was either every Friday or one Friday a month, I forget, Zuck would do in all hands and you could show up in person and you could ask him a question.

And it was mostly empty.

Like, you know, Facebook at the time had 15,000 employees and like a hundred people would be there.

And to me, that's crazy, right?

That's like, imagine like going back years and years and like, you get to ask Andrew Carnegie or John Rockefeller, like any question or Henry Ford, like any question, like that's it's like pretty amazing.

I'd be there every Friday and I used to tell my wife, I'm like, man, if you keep asking interesting questions, he's gonna get to know you and he's gonna be like, you know, Sarah, that's a great idea.

Come and talk to me.

I was like, you got to just be there every time.

And one time I heard this story about this person.

He raised his hand and they're like, yeah, what's your question?

And he goes, look, we have a huge problem at Facebook.

We don't have tampons in the men's restroom and it's like discriminatory and Zuck was like, he said, like, is this really what you want to spend your time discussing or can we discuss this after?

And they're like, look, we have to talk about and he's like, all right, head of HR or head

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of, please come up here and like address us.

And I swear I heard this story that someone asked that during their time with Zuck.

Is that crazy?

I feel like we should end on this.

Just like a minute.

It's like, is that really what it's like, five minutes of silence for like where everything's at in the world?

Just like, is that really what you want to spend your time having a conversation about?

Ex-Google is a better look than current Google plate.

Totally.

Isn't that amazing?

It's such a stronger signal that you're ex-Google than current Google.

I completely agree.

Do you agree with me?

Do you think that they're going to go down?

No, I think they're kind of juggernauts, but I do think like every, they become less and less relevant over time.

I think they've, I think Facebook particularly has done an amazing job fighting off the relevancy. Like tooth and nail.

Zuck knows and therefore, like he goes to war for it, but they just have all the, there's the natural like father time is undefeated or whatever, like basically over time there's a natural decline and then there's a talent drop off at people that are going to go work there versus go work at new, exciting, high upside things.

And then there's the like, you know, like anti big tech company backlash where now if there's a, if there's a new social network that takes off like Instagram did or like WhatsApp was doing Facebook can't buy it anymore.

So the next one that takes off Facebook can't buy and that will because of antitrust.

And so they're just going to lose their stranglehold because that was their previous way of like extending their lifespan was to acquire the next best social thing and bring it into bring it in house.

So that's gone for all the tech companies.

They can't do that anymore.

I typically hate discussing big company shit like Google and Facebook.

I find it to be incredibly boring and I'm like, who the fuck cares?

Like this doesn't actually impact me at all.

And I think that takes place or that exists for a lot of our listeners.

So I'll be very curious to hear if they even remotely cared about this discussion.

So let's see what they have to say.

Yeah.

Tweet at us.

All right.

I'm out of here.

We're done.

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I feel like I can rule the world.

I know I could be what I want to put my all in it like no days off on a road less travel never looking back.