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.
Okay.
We're good to go.
Million Dollar Brainstorm.
It's Friday.
Okay.
So right off the bat, three things that are follow-ups.
The first.
Cloud Kitchen thing.
We talked about it.
You called it.
It was reported.
Travis Kalanick raised $400 million from the Saudis, which was pretty controversial, regardless.
It's still interesting.
It's happening.
And I would say that this is not one where I would shy away all of a sudden and be like, oh, because Travis Kalanick just raised $400 million, the opportunity is gone because Cloud Kitchens are a very brick-and-mortar, go city to city and make this happen.
You can do one in Tampa, Florida, and you could do one in London.
You could do one wherever.
And no, I wouldn't even go to the point of saying, oh, it's tapped out.
What?
No, I would say like, it's like, well, if Chick-fil-A exists, can McDonald's not exist?
Just Gen Z, I said this last time, eating out is the thing they spend most of their money on.
Yeah, there's a great chart that shows, like, Wallet Share or Dollar Share over time and how takeout and delivery is just basically going up and up and up, and it's people spending more money eating outside the home, like, eating from restaurants rather than cooking, but the majority of that's coming from delivery, which is kind of like no surprise.
Yeah, it's actually, I think, more cost effective.
Like, everyone says, like, to save money, cook at home.

I think I probably save more money eating out.
All right, I don't know about that.
All right, that's one follow-up.
So Cloud Kitchens, yes, a thing, what else you got?
One follow-up.
I talked about the conference I went to.
I wrote about that in the Trends group, and it got like 200 replies in a few hours.
Did you happen to see that?
No, I didn't see that.
What did you say?
And then why was there...
I said two things that shocked me that had happened over the past couple of weeks.
The first was I went to this fancy conference, met a ton of people.
The most attended session was one about, like, depression and anxiety and how shocked I was that some people who were there were billionaires, and I'm like, man, these people should have their shit together.
They don't.
And that was kind of depressing, but cool.
And the second thing was I had a friend sell a company, and we looked at the ATM slip and it was like crazy high.
Yeah.
He was still stressed out.
$200 million.
And people liked hearing that.
I think it was like, they liked hearing that the people they look up to are fucked up just like them.
The stars.
They're just like...
Which I love hearing, right?
I love...
That's why I like reading biographies.
I'm like, oh, this person I look up to is totally a shit show, just like me.
I have to know the real deal, right?
Like, have you ever noticed if you meet somebody who's met a celebrity?
I don't know about you, but for me, the first question is always, what was he like?
Or what was she like?
And if you think about that, I'm not saying like, what did you guys talk about?
You know, I'm asking what were they like, meaning like in reality, what was their personality like?
How did you get along with them?
How did they treat you?
That sort of thing.
And that does fascinate me.
I want to know what the person's really like.

And that's why conferences like lobby conferences is cool, because you've got to be kind of sitting right next to Tony Shea and all these other people who you otherwise would not know besides what you read in the news.
Tim Westergen from Pandora, I talked to him one time and I was like, have you met your musical heroes?
What was that?
Like, and he said, they're all fucked up.
They're all, he goes, a lot of them are like weirdos or divas.
Right.
This is the founder of Pandora, right?
Yeah.
By the way, if anybody hasn't seen the hustle con talk where he talked, I don't know how many years ago this was.
Maybe this was in 2016.
So a couple of years ago, go on YouTube.
I think it's still there.
Or if you just Google like Tim Westergen employees, hustle con, right?
There was an amazing thing where Pandora was going through some tough times and apparently people loved Pandora so much.
And he was such a strong leader that he was like, look, we're in this dire situation.
And basically they didn't pay people for a year.
Two years.
Two years of deferred payments, basically.
And then he raised 12 million in funding after a few years of the business.
And he said like five or six million of that 12 million he had to give to the employees or back pay.
Well, he was at the conference I went to and I've become friends with him since he spoke at hustle con.
And he tells me stories.
He was like, so that's actually illegal.
Not paying someone.
Exactly.
Even if they agree to it, it's illegal.
And he said, I was going to go to jail.
He got sued and he thought he was going to go to prison or jail or whatever it is.
He was like, I went to the hospital twice because I was so panicked.
I thought I was dying.
Yeah, stressful.
And so I love hearing him talk about that.
It's not a strategy I would advise, but it's a crazy effing story and that's why I say listen and talk.
And it worked.
It won't always work.
It probably rarely will work, but it worked.

Right.
You want to go into an idea first?
Yeah.
If you've never listened to this before, it's called a million dollar brainstorm.
Me and Sam just shoot the shit talking about different ideas or trends that we think are interesting.
It's like off of the hustle trends newsletter product, which is you guys send that out once a week.
And basically it's like super well researched trends and things that are interesting and early and growing and spaces where there's still a lot of opportunity.
So yeah, so it's trends, but it's also it's like we find problems that need to be solved.
Because like I'm entrenched in my industry.
Sometimes I don't actually know what problems exist out there.
So if I want to go and do something, I'm like, oh, that's a cool, that's a validated problem.
And so trends, you know, it costs money, but it's a lot of value.
What we do in this podcast is we react to the things that were in there, things that we found, you know, personally, me and you found interesting from it, or just ideas that we have thought about during the week.
Yeah.
And things that we've heard about because you, we have a big network.
Right.
Exactly.
Okay.
I will start with one.
This is something I would have never said like three, four years ago, but I think it's a really good time to start a movie studio or production studio.
Here's why I say this.
You have all these big companies, Netflix, Disney, Amazon, Facebook that are trying to be, they're trying to all compete with Netflix, essentially.
They're trying to have content that people pay for on subscription.
Apple's another one of them that has their TV plus, Disney plus, ESPN plus.
There's all these services that they're trying to get millions of people to pay $10 a month to subscribe to their content.
Now, the problem is they all bid against each other for like existing shows.
So I think famously people saw like friends got $100 million for one year to stay on Netflix because, you know, everybody wanted to have that piece of property, friends, the office, that sort of thing.
So all these companies started saying, look, we need our own original content.
We will pay to produce this content and then we don't have to bid against each other for it because orange is the new black.
That's ours.
Whatever it costs to make, it doesn't matter.
It'll pay off over time.
So now there's this extreme shortage of talent and content that all these networks are really

hungry to buy.
In fact, this podcast we are talking to Quibi, which is a new one, started by the guy who started DreamWorks.
He sold DreamWorks four billion bucks and now he's got a new startup idea and he's raised $2 billion pre-launch for this thing called Quibi, which is basically like short 10-minute videos.
The rumors that are around that company is that they're paying crazy amounts of money for content.
Exactly.
That's what we plan to talk to them about.
They're interested in having a show around money and finance and startup ideas and so they want to turn our podcast into a show and that's cool.
So anyways, my feeling is that there's a shortage of content.
There's a large number of buyers and the buyers have a big, big business model because they're selling subscriptions around the world.
So they have more money than ever, more money than TV stations used to have or Hollywood film studios used to have.
So I think it's a good time.
The way I would do this is actually like creating Y Combinator for movies.
So I would go down to LA or I think Adam was telling us Humboldt is a good area near LA where they shoot a lot of stuff and I would basically say, here's an accelerator.
You want to create a movie?
You want to create a show?
This is an accelerator.
You come in, we'll give you a small amount of funding and you go shoot a pilot and then we'll have a demo day at the end where the buyers from Netflix and Amazon Prime and Hulu and all the others, they'll all show up and they'll get to see these pilots and you can get funded.
And so I think there's an opportunity to create the YC of movies.
What do you think?
I'm a history guy.
Okay.
Are you a history guy or compliment that idea yet?
But let me tell you the history.
You heard the phrase content is king.
Yes.
Okay.
So the guy, you know who created that phrase or who's a Sumner Redstone?
Okay.
Who's that?
He started Viacom.
Okay.
Viacom owns MTV and a bunch of other stuff.
The Redstone family.

They're some of the richest family in the world.
He's about to die.
He's probably 93, 94.
They own dozens and dozens of media properties, hundreds of media properties that you definitely know about.
And so the reason he started it is I believe his father owned a movie theater and he said, oh, there's these pipes we have to give content.
Right.
So he created the phrase content is king.
He went into the studio business, I guess you could say, or creation of information business.
Okay.
Another person, Ted Turner.
Your favorite.
My favorite.
One of my heroes.
I have a poster of him.
I think that's a poster of him right there.
Ted Turner, the way that he came to be was his father created a billboard company.
He took the billboard company over.
They extended into radio.
Then he extended into the TV.
Then he said, let's create a 24 hour news network.
Right.
So he created that 24 hour news network as well as the other networks that he created which came to be CNN and as well as Turner Broadcasting Group, hugely popular.
He bought the Hawks and the Braves because he needed content for those networks.
He also bought MGM.
You know what MGM is?
Yes.
The studio company.
He bought that because he wanted their library of content to put through his pipes.
He paid north of a billion dollars.
And then finally, there's actually one more of these, but I can name tons of examples.
So this idea of people need content has actually existed since the beginning of modern media.
The question is, is the demand higher now than it was then?
I don't know.
I'd like to see those data.
But historically, what you're describing is incredibly lucrative if done correctly.
What I'm saying is I think there's new pipes, right?
There's definitely new pipes.
Netflix, Amazon Prime, Disney Plus, Apple TV stuff, Hulu.
Those four and around 10 years ago, most of them, those are largely new services, especially their content spend.

I think Netflix is putting up $12 billion in the next year or two.
Just Netflix.
And like, I heard Prime Video is spending $100 million just to produce Indian TV shows like Bollywood TV shows because they want to go bigger in India.
They're like, all right, $100 million, create some new Bollywood shows that are exclusive to us.
Now, where are they going to get this?
They need basically a bunch of talent to create the content.
And you kind of have a no risk proposition because if it's not one network, you have the opportunity to shop it to five, six, seven, eight other buyers.
So I think these are new pipes.
I think they're big pipes.
They're not.
They're coming up.
I agree with your tone.
It's not new.
Probably more.
And then here's another example.
You know, Endeavour.
The WME.
They own the UFC, who we were just talking about.
They just pulled their IPO.
They were about to go public.
They pulled it probably because of the, I don't know why actually, I think the market conditions are kind of bad.
Yeah.
Also, their situation was kind of speculative.
It was a little bit shaky.
It wasn't a slam dunk case.
So it's like, well, let's go back out when there's good timing.
However, I was reading the paperwork.
Huge company.
Right.
Like they had some losses because they've been growing and they took private equity money, but huge business, like billions in revenue or close to billions in revenue.
Huge EBITDA.
Like, so really interesting.
Right.
Way bigger than I thought.
Sounds like a pain in the ass to work at, but huge.
Yes.
Okay.
Cool.
And you know, the other thing is that even if you're not producing the actual content,

if you created a like Lambda school where you're training people for the trade.
So how do you get people who know how to do digital animation, sound, lighting, editing, all those things?
I just think that there's a talent.
There's demand for the talent because there's demand for the content.
And a follow-up thing to that is, do you remember how you were talking about religion and media?
You know who Mark Burnett is?
Yes.
Do you see what he launched recently?
No.
What is it?
He's in the process of raising $100 million for a Christian streaming service.
Ah, he gets it.
So if you're in the business of creating Christian content, he's going to be looking for more.
I can only assume Mark is a listener.
That's the only conclusion I can make from that.
Likely.
All right.
What else you got?
Okay.
This is not necessarily an opportunity, but something that I think was incredibly interesting.
Okay, so Jason Lumpkin, who I think will be on here soon, owns this thing called Saster.
Saster is a community for SaaS companies.
It's also a huge conference.
It's like a $25 million a year conference business with only like six or eight employees.
It's really small.
But he created Echo Sign, which could have been much bigger than it was, though it was quite big.
It was a good exit for him.
It was basically DocuSign and it could have been DocuSign.
And he has a blog where he talks about SaaS.
So he said something really interesting this morning, which was, if you're at 10 million ARR, growing at 100%, so you're doubling or you're going to double.
If you have net revenue retention of 150% and a lot of your leads are coming in viral, as well as an NPS of 50, you already have a unicorn.
And the reason why this is intriguing to me is, A, these numbers are actually lower than I thought, but he's incredibly bullish on creating B2B SaaS companies.
And he goes, you could actually tell really early on these five signals, high correlation with that.
And that's exactly what it is.
And so I saw this tweet and I was like, Oh man, this guy has seen everything.
Here's the signals for huge growth.
And he always says, if you get to a million in revenue and you have high retention, it's inevitable that you're going to get to 10.

Right.
Don't quit.
Don't sell.
And if you get to 10, it's inevitable that you're going to get to 100.
Now he's like way optimistic, right?
So who knows?
But I just thought that this was a really, really good insight because it kind of gave like perspective on what's possible.
Yeah, I like that.
When he's on the podcast, we will have him break this down a little more detail.
What I would do then, if I wanted to create a huge SaaS company, I'd be like, All right, what can I build that fits this criteria?
Do you think you can come up with an idea that way?
Like, you know, isn't that like saying, if you have checkmate, you're going to win.
It's sort of like, can you just say, if I had a company with 10 million annual recurring revenue and high retention, how do you back out from that to an idea?
You got to start with pricing.
So it's like, okay, so what's the pricing to this?
I actually did try it back.
I was like, as I thought I exercised, so you'd probably want to charge more than five grand a year.
So you can get a sales team.
You've got to create something that can have ancillary products and need more seats at a company signed up than before.
I mean, there's like a bunch of like interesting things.
So like that would rule out like perhaps small, medium business stuff.
I think there's a bunch of implications there.
It's just like interesting because you say, how do you build something worth a billion dollars?
That's incredibly challenging to think about.
So this breaks it down into more.
Yeah.
So creating something that's 10 million in revenue, that's only 800,000 a month in revenue.
That's a lot of revenue, but that's not that much revenue.
That's easy to work backwards too.
Speaking of revenue, I tell you an idea that I think is going to have high revenue.
Yeah.
Okay.
So this is a company I saw yesterday that I was like, oh, this is really interesting.
It's really smart.
Okay.
So I'll tell you what it is.
The company's called First Base and what they're trying to do is, so they're piggybacking off of the remote work trend, which we've talked about on here.

Now, when most people go after, oh, remote work is going to be big, I think that's probably a general statement right now that most people would agree with, especially in tech.
I've never been more bullish on it.
So a lot of people are bullish on remote work.
Well, most people are trying to do is trying to build these like tools for remote work, like Slack is a tool that helps people to work remotely.
There's people trying to make like Google Doc type of competitors that you can use remotely to work on projects together, Figma is another company.
Some people are trying to tackle the problem of like, hey, when you're remote, you're not connected to each other.
So here's some social things you could do together.
All right.
That's all interesting.
This was a totally different take that I hadn't really thought about.
So here's what these guys did.
They're basically trying to take your work desk and they're trying to make it so that you can have that at home.
Right?
So if you're going to work remotely, you're going to work from home.
What these guys do is they say, all right, at HQ, you're the office administrator.
When somebody comes to work at their office, you give them a laptop, you give them, you know, maybe a pair of headphones.
They have a drink station over here that they can use.
They have a desk.
Maybe sometimes it's a standing desk.
They get a chair.
That's what you get if you work in and off.
What these guys are doing is they're making it so that you can get all those things at home.
So as an employer, you have a little checklist.
What are all the things you want to provide?
Like a welcome box.
It's a welcome box.
Awesome.
For a remote worker.
So it's like, what are all the things you want to provide to a remote worker?
Cool.
You're going to work for a month and you can have this type of office chair and it'll be sent to that person.
And so you just provision.
What's that called?
You push first base is the name of the company.
First base.
First base.

And so it's, they send you all the stuff that you need.
They send you all the stuff that you need.
The company sends it to their employees.
So the employee gets like a branded like, okay, cool.
Like, yes, I do work for this company.
How big is this company?
This is legitimate.
It's brand new.
Like, like they're just, and they're applying to Y Combinator right now.
If I had time and I didn't care about these people, which I don't know them, but I don't want to completely rip them off, but I would just rip that off.
Okay, well, the fair, fair, somebody wants to do that.
I like these guys.
I'm going to meet up with them and try to help them.
It sounds awesome.
I would get on that.
The founder of zoom yesterday said if he had a start over again, it would have been all remote whole company.
Whole company.
He said San Francisco is too expensive.
Zoom is like the hottest thing going.
It's prohibitively expensive.
It's impossible for him to go from not remote to remote, but he would have done that remote is one of those things where if you start with it, then it's okay because you build all your processes around the fact that everyone's going to be all over.
We're going to that process now where we're starting to do more remote.
It's hard when you start with everybody in an office and you start adding remote because then it's like, oh, you're in the meeting room and you're like, oh, somebody, oh, we should call in in case somebody's here and we'll never talk to them on the screen.
So here's something that's interesting.
Facebook Messenger or Facebook portal.
You know, Facebook portal.
I have a portal.
I'm thinking about getting rid of our conferencing and buying one of those for every employee.
So similar to the first base thing.
It's $100.
That's with this in perspective.
I'm going to say it anyway, but I don't know if we're allowed to say it.
Our contract for our conferencing system.
Well, I won't say the name of the company is $24,000 a year.
A lot of money.
That's almost $1,000 ahead.
Very expensive.
And now that we're about to end the contract, they're asking for the hardware back.

Apparently we've been leasing it the whole time.
So it would make way more sense to buy these Facebook things, but you can't do a giant call with that.
Right?
Like portal is one to one or just like a group of four.
So that'd be one limit.
That's the big, the biggest downside, but it's only $100.
And it's a one-time cost.
So that's incredibly interesting.
Okay.
Here's one real quick.
Yep.
Did you see the launch of digits.com?
Digits.com?
Yeah.
Yeah.
I know.
Okay.
So I've always been, I've been asking this for a long time.
So tracking, a lot of people don't realize this, but did you do the finances at a?
I did not.
We had a CEO who would take care of it.
I don't know if people notice this, but there are whole premises.
You started a business to solve problems, not to operate the business.
What that means is you have to do a ton of like upkeep and finances.
Closing our books takes about one person, like 10, 10 days.
So I don't get our revenue and our expenses until the 10th of the month.
Per what?
Per how many?
Per what?
Per month?
Per quarter?
Per?
We close our books every month.
Yeah.
So in order to get our profit and loss statement every single month, that takes 10 days.
Insane.
That's one employee has to do that whole time.
And it probably is one and a half employee because she has to ask everyone.
So, but these guys, I don't exactly know what they're trying to do yet because they're being really stealthy, but I don't think people who aren't in the mix know how challenging it is to track your revenue and your expenses.
Yeah.
I'm pretty bullish on this because A, I agree with you.

That's a big problem.
B, these guys are both serial entrepreneurs.
They already sold the company to Twitter.
Yeah.
Wayne and Jeff, I think their names are.
Yeah.
I think they sold multiple companies saying that.
Crashlytics.
Crashlytics.
Yeah.
Twitter has.
So they're really good at design and product.
And so like, if you can make financial software, like, you know, payroll software and whatnot.
Did you rely on QuickBooks?
We used QuickBooks.
So do we.
And it's okay.
But I have an alert on my phone and it tells me every time there's a credit card purchase above $400.
Yeah.
And so I kind of, but like, I don't know what our profit and loss is until too late.
So what's the date now?
It's today is the eighth.
I still don't know how much profit we made in October.
Yeah.
That sucks.
And so it's actually a huge problem.
Right.
Okay.
So you, so you like that?
You like that company?
I like that company too.
That's good.
I like that space.
I've always wanted, I'm like, just tell me, like, why is this so hard to, to create our P&L statement each month?
Right.
Right.
Okay.
Tell me what you think about this idea.
I saw a company called So Far Sounds.
Have you heard of this?
No.
Okay.

So So Far Sounds, what they're doing is they're taking the Airbnb model, but instead of saying they're taking basic people's houses, cafes, lounges, extra space, but instead of saying use it to sleep in it, they're hosting like small musical concerts.
So it's like an intimate musical concert thing.
So you don't, it's not Coachella.
It's like 50 people in a room with cool lighting, alcohol and food or whatever.
And so you buy, you can look in San Francisco and you can basically see that someone's hosting it at their house.
This other person's hosting it like it uses his office if you wanted to.
People put all these unique venues up there.
And as a person browsing, it's just like, do you want to go to like a little mini concert and you get to meet the other people, you guys should get to talk to each other.
And then you get to see an artist, usually one that you've never heard of, but it's like a local musician.
Are you bullish on this?
I'm asking you what you think of it.
Horrible.
Don't like it.
Why do you like it?
I would run if I was asked to be part of that.
What don't you like?
I would say I'm wrong most of the time.
I hate it.
I just think that it's not really a problem.
That's like, what's the problem that's being solved?
It sounds like a fake problem.
I think so here.
I don't think it's a problem.
I think it's people like going to concerts.
In fact, like live music is like growing.
Yes.
It is growing.
I don't think anyone has built a big thing in that space.
So, well, the musicians are benefiting, right?
So, the musicians, this is now their main business model is like live music performances because the album sales and streaming royalties are like so low in comparison.
So, they make all the money like touring and doing shows.
And so, this is for the person that wants to go to live music but doesn't want to go to banger, right?
So, they're there.
I don't think that's a problem.
I'm using this phrase.
When you play a game with a stupid prize.
Okay.

Like that is not, I don't think.
Sounds good.
Okay.
If you agree to disagree, I want to know.
Tweet at me and tell me what you think.
At least it's not a venture funded thing.
Right.
I have another question for you.
So, this one comes from the trends email.
In this email, there was a reference to type of alternative milk.
I forgot.
Oh, milk.
Tiger nut.
Which we covered a while ago.
Oh, milk, almond milk, soy milk, whatever.
There's all these alt milk.
Tiger milk.
Was that, it's from India, I believe.
Okay.
So, this is what the trends blurbs says.
It says, in the alt milk market, tiger milk is relatively unknown but the drink is highly popular in Nigeria. Sorry, Nigeria. It's only beginning to touch the shores of the US and the UK. It's a super food, super rich in vitamins and vegan friendly. And then there's the like signals over time chart that's like showing it going up into the right. And people are using nuts to create dairy alternatives for milk, for butters, for sour cream or cream cheese, whatnot. The question to you is say you saw this and you're like, yeah, I believe that this is an opportunity. How would you actually go about it? What would you do if you saw this tiger nut butter trend or milk trend? How would you actually go about digging into this opportunity if you were a reader or a listener? First thing I would do is I would find out who the biggest players in the space. I imagine there's a massive conglomerate in Nigeria that is doing this.
And you're really good at finding their financials. Where do you go when you're finding all these companies financials? If they're public, you go there. I do a few things. The first thing that I do is go to the website and I scroll all the way to the bottom and I look at the trademark.
I find out the trademark, then I search that with quotation marks in Google. So for example, my company, this company is called Hustlecon Media Inc. It's not called the hustle. Right.
Loads of companies are like that. Your guys probably weren't pigs in flight, even though we be both our company name. Cool. So if you search pigs in flight, you're going to go and see a ton of different stuff. You'll see like when they filed for different trademarks, if they do have to file any paper or the SEC, you'll be able to find that really easily. That's typically what I do. Okay. The second thing I would do, so I would go on LinkedIn and I would find out as many people, see if I'm connected with any one people, then I would email them and become friends with them. And under the idea of this is really interesting. I want to learn more.
And I would appeal to their emotion of help an up and coming young person. Right. And they're just going to spill the beans and maybe I'll partner with them in some capacity or just learn.

Okay. So I would do that. And doing that, I would find out exactly how they make the thing or where they make the thing. Right. Then I would go to the distributor and find out what the minimum
order number is in order to get their attention. After I did that, I wouldn't create it yet. Typically what I would then would do is create a website. So like if that checked the box of the manufacturer's minimum order supplies within like within reason for what I'm willing to shell out at first, I would create a website and I would act like it was real. I would probably go to 99 designs and pay someone a thousand dollars to create the design and build the website. Yep. I would drive traffic to it and see if I can get sales to it profitably. Okay. Then I would go and make the damn thing. And what do you do for the delay? Like start getting your first. Oh, I would refund the money. I would say you caught us before we are ready where we apologize who's a refund and a 50% off code for the future when we're ready. Right. Or I would say we're sold out. And now you have that person's email address. So as the order stack up, you can go back to all of them and say, Hey, it's ready now. That's what I would do. Some people think that's unethical, but I would have, I would do that and I would refund all their money. So no one is out anything. And if anybody's listened to the episode with Moyes from native, this is the exact playbook. Yeah. And just so you know, with Moyes, we shared an office when he started native. Right. I saw this whole thing. Right. So it worked. Okay, cool. You got anything else for me? Yeah. Here's something that's interesting. I went to a UFC fight recently. Manscape was one of the sponsors. Have you heard of Manscape? I saw them as the sponsor, but I didn't know, I don't know much about this. They advertised with us and they spent a lot of money. And on that UFC thing, that must have cost, that could cost 50 grand. And I don't know if I drove any sales. We'll see. Okay. I don't have any inside information other than what I just said. That leads me to believe that their revenues are huge. But here's why they're interesting. Manscape, it's a razor for men's pubes, right? It's just a freaking head clipper. The power of repositioning things is amazing. I bought a dog trimmer the other day for my dog's nails and it was a normal Dremel, but they put a dog's paw on the logo and they tripled the price. And so what I'm fascinated by, and I want to find more examples of this, is people who take the same thing, but switch the positioning and are able to find product and market fit easier and make more revenue along the way. Manscaped is one of them. If they just sold that as a hair clipper, it would have been nothing. But now because it's called Manscape, it's like, it's an intriguing thing. Loads of pet things are like this because you could say like this pet thing is for a pit bull or a cat or it's like, well, it's all the same shit. One time I needed to buy a piece of plastic for like some building supplies that I was using. Turns out I bought a 199 cutting board, like a fiberglass cutting board, because I needed a piece of fiberglass. And I was like, oh man, if I just change it in my head to just like cutting board, that's actually the exact same piece of fiberglass or like whatever the material I needed. Anyway, what other things are there like this where they've just switched the positioning? So I like what you're saying. I want to think more of them. It's not perfect, but believe that this is how orange juice was made. Do you know this story? No. Okay, so I don't know it perfectly. Somebody can correct me, but from what I've heard, from what I understand, orange juice happened because we, there was this extreme plus of oranges one year in Florida or wherever it was. And they were like, fuck, we can't sell all these oranges. What do we do? It's going to be this like colossal failure because so much of this food was going to go to waste. So much of the economics were going to go out. And so instead, they started just like smashing them together

and created juice out of it. And then they started marketing that as like a premium product. It's sold for way more than just the orange juice. You know, that's how Kingsford charcoal came to be too. I believe we started out a Ford Motor Company because they took the leftover wood, like ash that they had and they just like, well, what can we do with all this extra shit?
And they just mashed it together and they go, well, this will burn for a long time. Let's create coal.
Right. So you're talking about like using like leftovers. I like that.
Yeah, exactly. And the cool part was it became a premium version of the product like orange juice sells at this like much higher price. Yeah, just like this repositioning. You know, another guy who did that really well, and this is actually a copywriting technique. So I think that's why I know the reason why people should study copywriting is, for example, have you ever heard of a watch that says it's got like quartz movement? Okay, so I'm not a big watch. Okay, so amongst watches, like if someone says, oh, it's a quartz movement, that's like means like prestigious or a little bit more than not having it. Well, most every watch has that. But Joe Sugarman, this wonderful copywriter was like, tell me everything about this watch, like a figure out what to write about it. And they're like, it does this, it does that. He's like, oh, quartz movement. So it's got like a space age aluminum with quartz movement. And he's like, and they're like, yeah, but every watch has that they're like, yeah, but like, no one's saying it, no one says that. So let's like position it this way. And he did. And it worked wonderfully. That's like, isn't that the mad men thing? It's like our filters are smoked, not whatever. Yeah. And they're like, well, every, everything's like that's like, yeah, but like, no one says it this way. Right.
So this whole idea of repositioning is something I've been thinking about. And I think this happens on menus in restaurants. So if you notice, like, basically, the more words are in the description of an item, the higher you can get away with the price. So it's like, if you say local handfed, you know, pasta, raised, blah, blah, blah, beef, like that means more than just a beef. Right.
And so we did this when we owned our sushi restaurant, we were trying to boost sales.
And so we were like, okay, how do we get people to order more? Let's, you know, let's discount the price a little bit. And, you know, discounts work. That's how people sell.
And as soon as we discounted our orders dropped, we were like, what? We're giving you more value.
And we had this advisor whose name is Dan Ariely. He writes predictably irrational.
He's like a famous dude for that guy was your advisor for your restaurant.
Yeah, because I was at Duke and he teaches at Duke. And so that's wild. So we went to him and he was like, within five seconds, he's like, yeah, nobody wants cheap sushi. We're like, what? Yeah, because that means like it's spoiled means he's like, with sushi, expensive means valuable. And you will actually he's like, watch. And so we doubled our prices of our sushi and our orders doubled too. And so we got this 4x like benefit on our in revenue because of how we did that. And what he told us was he goes, you guys need to follow what the wine industry did because early on with wine, wine was this sort of like low perception product is like, but as they educated people into the different flavors, the word, they created a whole language and industry around becoming essentially a wine snob. And he's like, because of that, they could get away with charging way more for certain types of wine. He's like, do that for sushi and you guys will make a lot of money. And so we would do that. We would teach people and we would create, you know, we would create all these little distinctions so that if you wanted to feel more intelligent and more savvy about your sushi, we gave you the opportunity to do so. And then you felt good about paying for that because you knew the difference. That's awesome. It's kind of like a

reposition idea. And similar to pricing, I think most entrepreneurs, particularly early stage people and particular people who are engineers, I've noticed suck at pricing. And interestingly, I'm a part owner of a software company and we bought this company from this engineer and all we did was we more than doubled it to like $5 and 99 cents a month. And the sales quantity remained the same, but revenue increased by however much we increased it by.
And you had even talked to the engineer about like, dude, you should increase your price, right? He was what? He was afraid. They're like, well, I want everyone to be able to use it. And it's like, well, do you think that there's a difference between people who will spend $1.99 and $5.99 like definitely not. So it doesn't actually price people out. Yeah, it doesn't price people out. And also, I think the biggest thing is fear people who they're afraid. I also call it this. We've talked about this, the peanut butter and jelly theory, which is like, when my mother made it, it always tasted better than when I make it. Because I see how simple it is. And like, people think like, well, I just threw this thing together. Therefore, I shouldn't charge that much. The amount of effort or money that you've put into something that has nothing to do with how much you charge customers for it, how much you charge customers for it is dealt with the amount of value it provides them. So it's like Picasso could just take five minutes and draw something on a piece of paper. People are going to want it no matter what. It took them five minutes, but that's that's the value that someone derived from it, right? So anyway, the idea here is like, your pricing should not do with how much you paid or how much effort you put in something, but how much the value was. And so anyway, I don't know how we got on this, but the whole pricing thing, I think you should charge more than you actually think.
It's always easier to go down. It's almost impossible to go up.
We can wrap up. I also want to do a Q&A episode next week. So if you're listening to this and you want me and Sam to answer a question that you have, we did one at the end of season one, and it was great. People really liked it. And so we're going to do another one now. In the notes of this episode, you'll see my email. It's just puri.shan.com. I'll put it in the notes, just email me your questions, and then we'll answer it next week. Anything else we'll leave them with before we go? Listen to that last episode with quite like Brokerage. Joe Valley, that's right. I think that a lot of people will be surprised at how you can build a really cool company by doing by acquiring a very small business. And there they'd be shocked at how they can finance it. So you can finance it by getting a loan by getting a bunch of stuff. I think that that is really interesting. Right. I think it is the fastest path to having a successful business because you're buying a already somewhat successful business. You can buy it with very little money down. And by the way, I'm not selling you anything. I don't get it. Well anytime you say little money down, it's like you're selling. No, I had to catch myself. But like this is the truth. This is why I think it's interesting is because like you don't need a lot of money to enter the game, which is good for this one guy named Ryan. I think it's Ryan K. U. L. P. I saw he released a cool course called Micro Acquisitions. And it's all about buying these hundred thousand
to five hundred thousand dollar companies. It seems really cool. But last thing I would say is listen to that because I think that's interesting and like something one percent of people know about.
Right. Okay. Good. We're done. We got to go back to our day jobs. You got to go run the hustle.
I got to go to Twitch. Let's get out of here. Sweet.
How do we do that.