

[Transcript] My First Million / #52 - AI Teachers, Deskless Workforce & The Passion Economy with Zak Kukoff

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.

Yesterday, we asked people to do a thing.

To do a thing.

We asked, we told them that we would send them a like a gift.

I don't know what we said.

Oh, I know.

Any question they wanted to ask, and me and Sean would answer it.

We'll do Q&A.

And in exchange, they had to subscribe, unsubscribe, and subscribe again.

We're trying to game the podcast ranking system.

I love it.

We're willing to have our real listeners kind of click farm it, but we're not just being, you know, paying somebody in the Philippines to do it.

That's our line.

I'm down to do it.

No, I'll do that.

Okay.

Well, so far that's been our line.

We dropped the stew episode today.

People are liking that.

Dude, Christians everywhere are hitting me up.

See, you know, pray reached out.

I was like, hey, dude, read.com.

Yeah.

Let's do because we've been, we've been talking about religious stuff for like two or three.

It's been a theme across a couple episodes and we went super deep on it.

I don't know if you listen to the one with stew and so a bunch of people who are like church tech, a bunch of church tech entrepreneurs reached out.

I had a rabbi email me really about this podcast.

I also had another guy email me saying I'm out of a job and Stu's going to replace me and for the record, I'm great with that.

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I'm totally fine with that.

Okay.

So we have a guest here.

You want to?

Yeah.

What's up?

Who are you?

Hey, how's it going?

My name is Zach Kukoff.

I'm an investor at Emergence Capital.

We're an early stage enterprise SaaS fund.

We're known for investing in Salesforce, Box, Yammer, Zoom, Viva, Gusto, et cetera, et cetera.

It's a pretty cool job to get to meet with some of the most interesting people in the world all the time.

I get to be a dumbest guy in the room, although we'll see after this room at the end of the podcast how I'm feeling on that one.

Right.

Yeah.

You should be the smart guy here.

Yeah.

So edit out all my bad jokes at the end.

Just keep the good jokes in.

Get rid of the bad jokes.

So that portfolio is pretty badass.

You said Salesforce, Zoom, Yammer, blah, blah, blah.

Are those like you guys getting that Series D and you just get the logo or did you like actually invest before?

It was obvious.

So we predominantly invest in Series A. So we do about 85% Series A, 15% Series B. Zoom were the largest investor of Viva.

We were the only...

What's Viva?

Viva Systems was a pharmaceutical R&D, still is a pharmaceutical R&D.

That sounds huge.

Yeah.

It's a huge...

I mean, think about for a second, like 10 years ago, right?

Nobody was thinking about vertical SaaS as an investable category.

The conventional wisdom was, oh, SaaS is a small category, but sort of if you go horizontal across 30 different industries, maybe there's enough investable space there.

And Viva was the first multi-billion dollar hit in vertical SaaS.

It was kind of Salesforce, but just for pharmaceutical companies.

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And they've done phenomenally well.

We were the only institutional investor who loved their Series A, and they went straight from Series A to IPO.

So a huge, huge out from there.

Right.

And before this, you worked at Flexport and then you had your own thing.

Yeah.

Years and years ago, back in 2011, started a company called Trude Today in the EdTech space where we can talk all about that because that was a very fun experience.

Ask us how we know each other.

I asked them how they know each other.

Let's hear the answer.

How do you guys do it?

How do you know each other?

We met downstairs.

He's a funny guy on Twitter.

And I was like, hey, funny guy of Twitter, come on the podcast.

I think the exact response was, all right, go.

Make me laugh.

Yeah.

Dance for me.

What do you mean he's funny?

He's woody.

Yeah.

What do you mean I'm funny?

Please.

Like funny looking?

Like, okay.

I'm going to find one of your tweets that's funny, but...

Like, do you make, like, wisecracks?

Yeah.

He's trying to make a joke.

I would say I make a nice joke.

At whose expense?

My own, mostly.

Oh, that's cool.

There's occasionally some others, too.

And we were talking before we started recording about the recent hot take on whether or not employers should offer equity.

That was pretty fertile ground.

Like, there are a lot of the truth is, Twitter is a weird engine where it rewards people for saying pretty dumb things all the time.

And so I find it funny to comment on a lot of things I think are not particularly well

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reasoned that people sort of just tweet out without thinking.

Right.

Particularly well-known or influential people who you feel like should probably know better and yet instead just constantly say dumb stuff online.

You want to give an example?

I think that equity things are pretty good.

For those who may not have seen, Jason Freed of Basecamp was tweeting about the fact that employers shouldn't offer employees equity in their company, right?

Which I think on the face of it, you think about, like, tech is a wealth creation engine that we were talking about beforehand a little bit, too.

The engine of wealth creation, it's not cash comp.

It's equity, right?

It's the ability to be 27, 28, 30, a relatively young person come into a startup and almost win the lottery in a serious way.

It doesn't mean that everybody who joins a tech company is going to have a \$5 million outcome at the end.

Right.

So what did Jason say?

Jason said people, employers shouldn't offer equity to employees.

Why?

So his take, if I'm Jason, and I like Jason, he's a good guy, I don't know for friends, but we know each other.

He basically was like, you know, what tech companies do is they sort of low ball you on the cash side, offer you this promise of equity, which most likely turns out to zero and you're left holding a losing lottery ticket, better to just pay people, treat them well, give them great perks, give them good work-life balance.

That's how you should compensate people.

Well, so that's his take.

The first part of that is right.

Second part is wrong.

The first part is saying that people low ball on cash and offer equity instead.

Yeah.

Because they don't have money.

I don't know that I...

It's risk adjusted, I think.

Right?

Like...

Here's what I saw.

I saw a take and I forgot who said it, but I'm going to totally rip it off, which was if you think about the number of companies hiring people and you kind of weight that by the equity offered, it's predominantly like later stage companies that are really making equity offers and really a lot of fang companies are making offers, right?

Yeah, but those aren't startups.

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Those aren't startups.

So cut out like anything public.

But even if you just weight private companies offering to start like equity, there are many, many more jobs at these later stage companies where the equity has some defined value and it's unlikely to go to zero.

It may not have exponential upside that's unbounded, but it's unlikely to go to zero and the cash comp is pretty good or at least relative to what you would make working for a non-tech company of the same size.

Definitely an early stage.

You can get low balled on cash and make it up in equity.

I think low balls are not a good...

Yeah, that's his terminology, but...

You just pay less.

Yeah.

Maybe you're making a little bit less on cash.

But if you're working like a series D startup, you're probably making a pretty good cash comp base and you have real upside in the equity portion too.

I think that's the part that's missing.

His other piece was like, oh, because you have equity, hey, you got skin in the game.

You should work your ass off for this and your skin in the game is like whatever, 0.1% of the company and he's saying that's not actually having skin in the game.

So that was his take.

He triggered everybody, which I think is his goal with 90% of these, right?

Is like to trigger Silicon Valley and then therefore stand out as the contrast, the anti-Silicon Valley.

That's the brand.

And he plays it like a fiddle.

It's awesome.

So let's talk about...

This is related.

Your...

Flexport.

No, before that, he said he raised money and he said it turned into nothing.

But the Flexport one is actually the perfect example.

You worked at Flexport, which was a hot startup.

200,000.

Okay.

So you joined at 200,000.

How did you think about your cash versus equity?

What was the equation you did in your head?

I mean, I think it actually does help the backup a little bit to my startup.

First, we can kind of come back to Flexport.

So think about my startup.

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I started really early.
It was 2011.
I was 16.
Oh.
It wasn't like to be clear.
Like this was not...
Yeah.
This was like...
I'm still fairly young.
I was really young then.
I didn't know I didn't know to a large extent.
So I sort of stumbled into startups.
You want to contrast for a minute, I think the Flexport approach was pretty well-reasoned versus my startup when literally it was a science fair project that I ended up raising some money and going to TechStars for.
I had no idea what was going on.
I was frantically kind of paddling.
Did you drop out?
So I actually left my sophomore year of high school early.
I took AP tests and I was like, peace, I'm out of here.
And I spent the three months in Boulder, Colorado for TechStars.
Back when TechStars was like two locations or three locations.
There was like Boulder, Boston, Seattle.
How old are you?
I'm 25 now.
So I was young then, I'm still pretty young now, I think so at least.
And so that was like very much not a well-considered.
It wasn't like I was thinking about this move and I was like, oh, I've evaluated all the options in my opportunity space and I'm going just for the one that I think has the highest upside in learning or value or whatever.
It was one of these situations where I fell into it and it became a really steep growth curve.
But I couldn't have predicted that at the outset.
Versus Flexport where I was...
How much did you raise for that one?
We raised about \$250,000.
So we didn't raise a ton of money.
And it went out of business.
Yeah, it went out of business.
Did you ever make revenue?
We made some revenue and we had some actually some partnerships that went in.
But the challenge was I was 16 and my two co-founders were 17.
Yeah, so I think it's going to take you seriously.

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Well, actually we were successful.

It was like funded via allowance.

Yeah.

It was my lemonade stand.

It was funny to this.

No, I realized we've raised a little bit of money, but the challenge was we actually had some investor interest and one of my co-founders had just gotten into Stanford and his parents said to him, if you take time off from Stanford to go do a startup, that's it, we're disowning you.

Like we're cold shoulder frozen.

Is he Asian?

Yeah.

He was Asian.

I grew up in an immigrant.

All my Asian friends are parents and the same exact things.

And if you take time off to do a startup, that's it.

My folks were pretty supportive, but at that point, if you're losing one of the two co-founders of a company, your fundraising prospects are pretty good to not great.

And still, by the way, I was 17 at that point, so I was still really, really young by relation.

That's kind of one end of the extreme.

We have these guys who work out here, Andy and Alice, and they have a company that makes, I won't reveal it, but Goods is a great company, a great business to own.

And their parents were like, when are you going to go back to being a good consultant?

They're both have Chinese parents, like from China.

And so I've heard all about the Asian culture this way.

It's just like very, you know, my parents are both, I guess, second generation.

Their parents were immigrants, right?

From where?

From Italy on one side and from Eastern Europe and Argentina on the other side.

And so it's this very traditional immigrant mentality, which is, by the way, been the right, if you were to pick a choice for the vast majority of time in America, the better wealth creation tool was to go to college, go to grad school, become a white-collar professional. That was the successful path for a long time.

It's only recently that kind of playing the start-up lottery for lack of a better term has been the successful choice.

And so for these, you know, my immigrant grandparents, their attitude was they're going to work hard.

You know, my great-grandfather was a factory worker in Argentina, right?

And he worked his ass off so that my mother and grandmother could be school teachers so that their minds, I could go get, you know, a PhD or an MD or whatever, become a professional, and clearly it's not necessarily happening.

But that was like, that was the life plan for immigrant families in this country for generations, was every generation, one more level of educational attainment, which correlates with one more

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level of professional success.

And only recently has that been decoupled.

Totally.

And then so you'd go to Flexport, so you were saying, have that experience?

Cool, you're now 17, 18.

So yeah, did the start-up, like 17, 18, decided to go to college, went to NYU, a really special program there called Gallatin, where you basically make up your own major.

And so the whole school is, it's like build a barrier university is what I used to joke about.

But it's really like, you can do independent study, you can do work study, you can do classes, you sort of like hodgepodge this program together.

That's cool.

So while I was there, I was helping run dorm room fund, which is first down capitals, college university fund.

It's a, but a million dollar a year, actually it might be more than that, I'm not sure now, but a million dollar a year vehicle, just for investing in pre-seed for student founders.

Is this shit a good idea, investing in these young ass kids?

I think so.

Yeah, how's dorm room fund's been around for a while?

How does it done?

It's a fucking horrible idea.

Well, we have the experiment ran.

What happened?

The experiment ran.

It was a pretty successful experiment.

What came out of it?

What was it?

I mean, there have been some, listen, there have been some pretty big hits and there have been some pretty big misses.

You know, I think I had a big hit, like fiscal notes done pretty well at a dorm room fund, Bevy, the beverage company's done pretty well at dorm room fund, Brooklyn Inn.

Wait, those guys were...

Yeah, student founders.

Yeah, Brooklyn Inn, the Linnins company, I'm sure I'm gonna get probably railed on Twitter after for not having come up with a whole portfolio, but I'm sure there are more that

I can't think of.

And then on the misses side, you have like Lillie AI, which is the other, if you guys remember Lillie drones.

Yeah.

Oh yeah.

They raised...

Huge failure.

Yeah, they raised like, I don't know, like 30 million.

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I can't remember the exact number.

They raised a bunch that kind of flamed out.

And that's the counter side too, is you can have people who, and I remember when I was one, who are inexperienced founders, don't know how to manage your company.

What's the one out of Berkeley?

There's another...

There's a Berkeley specific fund, Jeremy runs.

Yeah, the house.

Yeah, Jeremy's great.

And the Peter Teal thing.

Dude, I'm down.

Yeah.

If you're like old enough to be an adult and start something, but I also think that you should just be getting drunk and like hooking up with people and get drunk and kiss some people.

Yeah.

That's our fellowship.

The Sam and Sean fellowship.

I mean, live a little.

Booze and kiss him.

Like, at least that's what the dream was.

Right.

The goal...

I don't know if there was a...

And then give it up.

Go keto and start intermittent fasting after that.

Yeah.

That's the like plan.

You can come at 5 a.m. like a little bit later, but stay up until 5 a.m. at least for your cop.

Yeah, stay up and just roll over to the next one.

I mean, listen, there's like an important socialization element of college, which helps you learn emotional maturity and learn how to deal with people.

And it's tough if you don't have that.

I don't know when you make it up.

I certainly don't make it up by moving straight out here.

I'm working really hard early.

Plus, you don't make friends.

Dude, you don't make friends after you graduate.

Your friends are who you met in college.

And then the rest are just...

You just go to work and then you go home and you're like, wait, where do people make friends after that?

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So no more friends.

I'm like Uncle Rico.

Like, I think of college, I'm like, oh, I would kill to go back.

Yeah.

Give it all up.

Yeah.

For sure.

Like, Sean, who produces the podcast, he's always like, oh, well, you know, you know, he's like 2021.

He's like, well, you have, you know, experience.

You have capital.

You have this network.

You have...

I'm like, dude, I would give all of it up just to be right back where you are in your position right now.

Like, I'll trade you if we can do some Freaky Friday thing.

I completely agree.

We...

Remember that young guy?

Oh, you were there.

We met a young guy at our meetup and he was like 21 and he flew up and I'm like, wow.

So like, if I was 18 and I lived and I went to NYU, I would be not be in the door.

I would only do the dorm room fun if it helped me and me girls.

I mean, if you're in SoHo and you're 18, that's the dream.

I don't know why you was a really fun college to go to and certainly had a really fun time there.

But here's the flip side of it, right?

Like, I see the other side of this, which is it does feel today like they're compounding effects both reputationally and professionally.

So working and exposing yourself to like some kind of real tangible ownership of work really early.

And earlier you can do that, whether it's like a startup or working for a large company in a significant role or building some reputation, even if it's just tweeting dumb jokes on Twitter, like that compounds over time.

And if you wait five years, you can both have fun and build compounding professional returns at the same time.

It's sort of the argument I would make here, right?

You can do both.

Yeah, you can do both for sure.

For sure.

For sure you can do both.

It's not as fun as just doing the fun.

It's not as successful as just doing the success, but a lot of folks try to walk up.

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So you'll end up way ahead of the curve because most people are just having fun and not doing anything that like builds their sort of like career foundation, ironically, when you're in college.

Okay, so you do all this stuff.

And by the way, when you said emergence, you really emphasized the C at the end of it.

Is it because people think it's emergent capital?

I think people, there's a couple of things.

One is people think it's emergent capital.

People think it's like emerge capital.

I've heard like five or six different issues at the name.

The other thing is our website is EMCAP.com, like when I first joined, I was like, oh, it's MCAP.

And people were like, oh, the letter M and then the, you know, C-A-E, I probably have.

Yeah, you need to rebrand.

Not up to me, but I probably had like six months of emails that I didn't get because people were like, oh, this jerk gave me like a wrong email address of that party.

Yeah, it's bouncing.

I was screaming, MCAP on the top of my lungs, people were like, oh yeah, like Zach, MCAP. MCAP.

Right.

So if it were up to me, it'd be a different URL.

All right.

So let's get to some of your ideas.

Yeah.

Also, I promised you a funny guy and I found a tweet from you.

Oh, perfect.

Okay.

So bird, did you hear about this bird launch bird pay?

Yeah.

Bird scooters launch bird pay.

Zach comes in on Twitter says, when you make scooters, but then you see four fintech companies get acquired in one week.

You make this pivot.

Yeah.

I put a laptop in afterwards so it sounds like the.

Turns out tweets aren't that funny when you read them out loud later in public.

The room is like dying.

No one can hear it, but the room is dying when you read it.

How big is the fund?

Yeah.

But I have a half a billion dollar fund.

And what size checks do you write?

It's a good question.

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We are less constrained by individual check size and so just from our perspective.
Just come on.
Give me the answer.
This is the answer.
This is the real answer.
I've been here about a year and a half now.
I've seen us do everything from like 2 million up to like 15 million.
Okay.
There's my answer.
So when you're coming from this perspective, are you going to come from this, these ideas of you think that wealth creation is in raising money or in owning all of it?
It's a tough.
I don't know that dichotomy really makes a lot of sense from where I'm sitting, but I'm also going to top my own book.
And it's a false dichotomy.
I agree with you.
Yeah.
I'm going to top my own book, but whatever.
I guess what I would say is this, like most businesses probably shouldn't raise venture capital.
It doesn't mean you shouldn't raise outside capital at all, but like when you raise venture capital, there's a very specific growth trajectory you are signing up for.
And the challenge is that can be ever, it's unbounded upside, right?
Like there's a huge opportunity if you do that well.
And if you don't do that well, it can go to zero really easily.
So it's a high risk, higher reward sort of life to be in.
If you're trying to build, if you're thinking like, I just want to optimize for, I don't know, like what number is, I can retire, but I'm not going to buy a yacht, whatever number that means to you.
Maybe it's 7 million, maybe it's 10 million, whatever.
Like it's likelier to get that by building your own small business and growing sustainably and slowly rather than having a venture sized outcome, whether that's positive or negative.
Yeah.
I'm going to throw out some bullets.
You sent me some bullet points beforehand.
I just, I don't know what they are.
I don't know what they mean yet.
I just have the headline.
So deskless workforce.
What is that?
Yeah.
So that's one area we think a lot about an emergence.
And so think about like where do venture capitalists invest, right?

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Think about like what are the biases that VCs have?

Most VCs invest in things that are pretty easy for them to find, like things that are around them.

And so I think about like every VC I know, where are their investments?

It's, you know, it's SaaS tools for white collar workers.

It's a social consumer social tools.

It's like CPG products that have like really pretty subway ads in New York.

That's kind of the areas.

Coastal.

Yeah.

Like 100%.

Like, like yuppies who like have disposable income.

Right.

You get it really quickly.

You see it.

You know, it's like, oh, I viscerally understand this.

Like people who live under this shit.

Right.

Anybody who's thinking is.

Yeah.

All you yuppies out there.

Yeah.

Yeah.

I'm going to get dragged by chapter later for that one.

But yeah, like anybody who's like an upper middle class yuppie is solely in the demographic of venture.

And you think about the fact that 80% of workers don't work behind a desk every day.

And that doesn't mean they're all blue collar, but it means they might be like a nurse.

They might be a doctor, might be a teacher, don't desks.

Right.

There's a huge segment, particularly an enterprise or in a B2B SaaS, a huge segment of folks who fall into that category.

And right now 1% of venture funding goes to companies that sell to that category.

Can you give me an example?

Of a company that sells that category.

Know what you're thinking about.

So like an example of a company that does it was like a rig up or something like that.

Or like whatever, earn in or something like that.

Yeah.

Upkeep is one of ours too.

Just down in LA.

Just like facilities management.

Like any company selling software to a bit, like we have another one.

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Yeah.

Give some.

So what's one that you think could exist?

Okay.

That doesn't.

Got it.

Got it.

Got it.

I think there's a lot of innovation still in manufacturing itself.

Like if you think about the line of manufacturing, we have one bet that helps people learn how to do our seasonal manufacturing better.

So like there's a lot of manufacturing that's just put slot A into portion B and it's sort of wrote over and over again.

And there's a lot of manufacturing that's human driven, where it's you actually have to know some skill to build the thing, right?

And so we have a bet in that space, when you think about like the rest of it of a warehouse or the rest of the factory beyond just the line itself, optimizing how everyone moves, optimizing where you store things, optimizing the actual process and workflow, I think there's a huge opportunity there still.

I was in the ed tech back in the day, I think there's a lot of opportunities still in ed tech.

That's a huge one that's considered.

Can you go back?

Go back to this first one.

Yeah.

What's an example of a factory who would use this?

So you could think about, okay, I know you guys have a lot of like to fill by Amazon guys in the show, right?

You could think about any factory in like Shenzhen, that's making a bunch of tools.

If they could have like a 5% more efficient factory that's probably creating some real gross margin if that doesn't exist before, it probably gives them some leverage on labor costs they didn't have before.

So any factory that's making commodities probably wants to optimize their ability to work quicker because the pricing is an area where they can't really increase the cost.

Who's the leader in this space now?

A lot of this is Bluefield, a lot of this is like there's not anybody making software for it.

Today, it's like I have a factory manager who might have a clipboard who walks around and says like, okay, step one is do this thing.

Step two is do that thing.

And they're on foot saying, hey, make sure you're doing this at this time, teaching a process.

And so the question is in the same way that like Salesforce for sales managers created

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optimization and workflow for those folks to understand the actual levers of their business, is there like a similar opportunity in manufacturing or you can kind of sit at this higher level and do that as well?

Which industry would you start at?

This is interesting to me.

That's a good question.

So while you think about that for a sec.

So there's one which is what he's talking about, which is a software tool for to manage the actual work that's being done.

Then there's all the like sort of robotics and automation that's going into these factories to improve them.

So like for example, I was looking at a video of this printing factory.

So basically they print, you know, if you're wearing, you know, none of us in this room are wearing a pattern, but like, okay, Adam's wearing a striped shirt.

So that fabric has to get printed.

And basically it gets printed on these like, you know, football field yards of fabric.

And then they literally have a guy and that guy's job, there's a machine that unspools it really fast.

And he's just looking for defects.

So he's just staring at it, not blinking.

And he's just looking, does the, does the, do all the stripes look right in China?

And so I was just thinking like, this is something that a camera with computer vision does way better than a human who's got to stand there and be like, is there any defectors that are defected?

Like QA, right?

Quality control.

So he's literally just staring at this thing as it unspools the whole role.

And then he's like, yep, look good.

Or if he, if he sees something, he has to hit the button, rewind the spool and be like, oh, no, it was fine.

Sorry.

Continue.

Have you seen on the, did you ever watch that TV show, how it's made?

Yeah.

I love that show.

And you see it all the time, like whether they're making candy and shit in Hershey's.

Right.

They're just like staring at it.

Yeah.

Machine picks.

Oh.

It's the same thing.

It's how it's made just on Twitter.

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Machine picks.

You can scroll through and see like thousands of really cool examples of machines you never thought about.

So I think that's like one opportunity.

The other thing is if you particularly think about like really high margin goods, I think about an iPhone for a minute, right?

Like iPhone, iPhone is a big margin patch to it.

Every component Apple has like some simply upsell they're paying that manufacturer for.

That's the kind of situation where that may be humans who still do a lot of that work because it's too much finesse for a robot to do effectively.

It's not the stare at this like thing unblinking for five hours until your eyes give out.

Right.

You can peel this, put it on the backside, put it back together and push it forward.

It's delicate work in a lot of ways and so people do that and it's expensive to have people.

People are hard.

And by the way, people get tired.

They're not optimal.

There's a lot of challenges if you have a company that's built on human labor.

And so if you can help people be better at their jobs, A, you can ideally up level them to more intellectual roles, but also B, you can increase the output of the whole factory entirely.

So you're not thinking about a collection of individuals, but you for the first time

I've been looking at an entire system at once about distinction makes sense.

Right.

What else?

What else we got?

Can we scroll down a little bit?

So your stuff's at the top right now.

So passion economy.

Yeah.

I think there's...

Oh yeah.

This is kind of something I'm thinking a lot about.

And this is a term that...

Dude, you're speaking my language.

These are all boring ass topics.

I love boring.

Listen, maybe it's not like five listeners, but I love boring stuff.

No, people like that.

We talk about that a lot.

That's my...

Listen, emergence, everything we do is boring.

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It makes way more money.

It's...

I think so.

Yeah.

These are things that do really well.

And by the way, boring is good.

The more like sexy, big press and tech crunch stuff you get, the more competition you have for that slice of your market.

If you are boring under the radar, like a Viva, great example, right?

No one knows who they are.

Multi-billion dollar company that only raised one round of funding in a huge like big whale hunting market.

Yeah.

That's magic.

That's the kind of like...

That's the dream scenario.

Because then you can really walk that tightrope of raising money and still owning a ton of your business.

How much did they raise?

They put in seven.

I don't know.

I think they only in total raised like 10 and then one public on that, which is a seemingly capital efficient.

That's crazy.

I haven't even heard of this.

What's their market cap?

I want to say it's like 20 bill now.

What the fuck?

I feel like I know of all the cool shit.

What's this thing?

It's not...

Sam's upset at himself.

How can I let this get by me?

What do they make?

Sorry, say again.

What do they make?

In like revenue?

No.

The product.

Yeah.

It's think about like everything sales forces for sales managers.

It's a CRM or CRM-esque tool just for pharmaceutical companies like for research, for clinical trials, for managing new drug development pipelines, like all this kind of wonky, gory stuff that

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no one from the outside looks at that is hugely lucrative.

Did the founders work and they had to have worked in that industry?

Yeah.

It's a good question.

I believe...

Actually, I should know stuff off my head, but I believe one was from the industry and I believe one maybe even came from Salesforce or had some Salesforce background beforehand too.

Because how do you even find that that's a problem that you have to make?

I mean, it's always helpful when you can come from the industry you're tackling because not only do you know where all the boring, gory stuff that's not public visible is, you also know which of those are good business ideas.

A lot of boring stuff that is impossible to go after or we're not possible unless you have millions of dollars to burn, which is less attractive.

So this idea of like passion economy, think about for a minute, all right, there's like a long tail of people who are building really small businesses.

Some cases like...

Podcasters.

Podcasters are a great example of that, right?

Podcasters, newsletter writers are kind of the classic examples.

Anybody who's on Patreon, like there's a huge long tail of these folks and...

Streamers, YouTubers.

Streamers, anybody on Twitch, right?

Anybody...

Writers.

Newly fans, right?

There's like a literally a huge tail of these people.

And today, there's a lot of work that there's some software that's starting to be developed to make their jobs easier.

So I don't know what you guys use to distribute this podcast, like Substack for Newsletters is kind of a classic example of this, right?

Yep.

Patreon for creatives in general.

I just think that's a horrible business.

I like that you call it Patreon as well.

Yeah, I call it Patreon.

It's nice.

It's nice.

Patreon.

Like a patron.

Patreon, Alex.

You know, I feel like that makes a lot of sense when I talk about it.

That's right.

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I know I'm learning in real life.

Welcome to the passion economy.

Yeah, the passion economy is so...

That's the password to get in.

I'm talking about...

Patreon.

But like, it's interesting because some of them are not good businesses, but some of them, the whole business is just collecting payments and having a huge margin on top, which is a really great...

You know, fund me is a great business because the whole thing is cash comes in, you take your margin on top and you distribute cash out, so it's a really easy business to run.

Anyway, you think about, okay, there's a long tail of these folks, and there's a lot...

The people who have been doing the long tail to date have been focused mostly on creatives, like a lot of people who produce or create new products or content.

I think there's a similar long tail emerging in a little bit of professional services.

So think about anybody who's like a one or two man consultant shop, anybody who's like a tiny little law firm, kind of middle of nowhere, anybody's like a two or three person accounting firm, and think about the fact they're probably very good at running their specific business.

They're probably great at being a local doctor, a local accountant, a local lawyer, but they're not great at all the stuff around running the business, like collecting invoices on time, having docs and setting up documents in a secure way, generating documents you use 30 times a month, and I think there's an opportunity to build a pretty low capital efficient business that just rolls up like five or six features around these, and then picks their vertical and just sells aggressively into this SMD long tail of them.

What features?

Probably, like some of what I was saying, like invoicing is a kind of classic one where you can just collect cash flow, build margins, send cash flow back out.

Document generations are really good ones, so if you're an attorney and every week you have a new client who comes in and they have to submit the same like five pieces of information, maybe some of them use DocuSign, but DocuSign is expensive.

If you're like a true manager, you know, a law firm in like Idaho, you're not going to spend a thousand bucks a month in a DocuSign subscription, so you can have your four clients a month throughout a form, right?

And so the generation of the form that's filling it in, again, these are like boring features.

This is not a tech problem that needs to be solved, but there's a massive distribution opportunity in the long tail of this.

Here, let me catch up in on this.

Yeah, go for it.

Okay, so I'm a co-owner in a small software company that makes 50, 60, 70 thousand dollars a month, and it's a checklist software.

We tried, so here's what we did.

Checklist doesn't like to-do list.

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Yeah, to-do list.

And what we did was, I bought it, and we tripled prices, and that's all we did, and we just made a lot more money.

I mean, do you hear the guys at Tiny?

He's my friend.

Yeah.

Okay, so that's, I'm telling you things you already know, like that's a great model.

Yeah, that's what we did.

We bought a company for a single digit, hundreds of thousands of dollars, triple or quadruple the prices.

I think we're talking like \$2.99 a month to like \$8.99 a month, no big deal.

Then what we tried to do was, we learned that selling things that are \$8 a month is really hard.

And so what we did was, we looked at who uses us, and we went to-
Hard in what way?

What do you mean by that?

It costs, it's really hard to acquire customers, so you can't spend on, if you're acquiring someone for a \$5 a month product, that means it's \$60 a year, and it's really hard to spend money on advertising to get a customer properly for \$60 a year.

You could blog and build a brand, but that's a little bit harder for guys like me who are just buying companies that only make money and not like making it like a personality driven thing.

And by the way, it's hard too because you can't invest in customer success then too.

So if you're having to churn somebody, there's like, there's not a mechanism in place, you correct me if I'm wrong, but I don't see often mechanisms in place that capture those folks in a profitable way if you're selling \$10 a month software.

Yeah, it only works if like you're a buffer and you could like pick your face behind it and you'd be like, oh, this is, I buy it because this guy, I saw this guy on Twitter for us, we were just buying them, it was just a cash cow, it still is, a miniature.

And so what we did was we looked at which industries use it the most, and for some reason this one company that was a dentist had a lot of their customers on it.

And so we, our vision was let's talk to them and build something for them where they, any job that has a to-do list, let's build something just for them and see if we can do like a dentist to-do list.

Yeah.

And we did it and what we found was it was really hard to go after these small businesses because even then when we raised prices, it was prohibitively expensive to go after these small to medium sized customers.

It was very expensive and very hard.

And so my opinion with that is that an idea like that that goes after these people only makes sense if you're going to, if you have an interesting way to get your product into their hands.

That's exactly right.

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This is not a tech problem, it's a distribution problem.

I think you said it really well.

And people typically don't understand that.

They say, well, I've created this interesting thing, therefore everyone will buy it.

They're actually unfortunately wrong.

I think that what I always say is if you have amazing distribution in a shit product, you're going to win.

If you have amazing distribution in an amazing product, you're going to dominate.

Yeah.

And so it's kind of like Kylie Kar-Jenner.

Kylie Kar-Jenner, Kylie Kar-Jenner, Kylie Kar-Jenner, Kylie Kar-Jenner, Kylie Kar-Jenner, Kylie Kar-Jenner.

Dude, it doesn't matter what the fuck she sells, it's going to crush it.

Right.

She has a huge distribution channel she owns, but this is a relationship with millions and millions of people.

And by the way, that's what I think about my startup back in 2011.

We fell into the trap.

You just said a second ago.

We built a really great product.

They've spent so much time and effort on product and we had no idea how to distribute it to this long tail of like schools and teachers are trying to sell to, right?

It's like the hardest people to sell to.

Oh, impossible because a person who buys is not the person who pays.

It's like, you have this crazy cash crunch every month where it's like, oh, even though I have committed ARR of, you know, 100 grand, whatever it is, 100K, I in fact have real ARR of zero because it goes through like provisioning, goes through the accounting cycle, like in the district is you don't get the money for six months after the actual time of contract and you die and that's six months.

Yeah.

But this is generically, this is like what they call the SMB problem, right?

And some people crack it.

And when you do crack it, it works like even in education, I really want to have the guys from mystery science on because I feel like they actually have cracked this problem or more than anybody else I've seen in that space where they said, you know, 50% of elementary schools use mystery science and that's an amazing penetration.

There's a calculator that you can use to do this, but you could, my opinion, I'm going to launch another software, or I'm going to launch a software product one day.

What I'm going to do is make sure that it costs enough money that I could hire a sales team.

Yeah.

And I think that number is the minimum would probably be five or 10 grand a month or sorry, a year.

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There's this trend right now where it's very sexy and fun, say we're bottoms up adoption and we're growing bottoms up.

Oh, fuck that.

Well, let's look at, I'll go through the S1's of all these major tech companies have gone public in the last two years.

We're going to look at Zoom, we're going to look at PagerDuty and Slack and look at where their revenue comes from.

I think it's like Slack, like five of their, or maybe it's another one, but in many cases five of their customers have like 30% of their revenue.

It's super, super concentrated in just a few huge customers and so the bottoms up motion can actually can work in early days and it works for a little bit, but when you get big enough that you have a billion dollar outcome, you need big whales to actually pay for the whole company.

I didn't want to, I was like that, I was like, I'm not going to hire a sales team.

And we did it and it was like putting a match on the fuel.

Yeah, 100%.

And normally with BD, you said something like five to 10K per year because that's too low because like if you're going to actually have a sales force, right, like a fully loaded sales person, they're like, you know, 200 grand or whatever.

Well, I guess what I mean is there's actually a stat that shows like the companies that achieve 100 million ARR, there's like a dead zone.

So you either need loads and loads and loads of customers at a really affordable rate of like \$100 a month or you have to start minimum five Gs a year.

But in order to have a sales team, I think that for software, what's the sales quote of \$500,000 a year?

So David Sacks, who was the founder of Yammer, put out a beautiful post or maybe it's a YouTube video that says how to build your sales team.

He's like, look, I didn't know this when I got into it.

We started Yammer.

We thought we're going to get this bottoms up adoption that we needed to make money.

They did actually get bottoms up adoption, but they didn't make bottoms up revenue.

And so they got the product in and then they go to the CIO and they're like, hey, every you know, 20% of your employees are using this.

Don't you want control over this?

And so then he just walks through, he's like, look, this thing, you don't need to be a genius.

Like just follow the playbook, don't try to deviate and invent your own sales system.

And so he was, so he walks through it, I don't remember all the top of my head, but he walks through it on YouTube, he's like, look, here's how you calculate your comp for your sales people.

Here's how you calculate your quotas.

There's these two options are either going to go with this path or this path depends on the price of your product.

And here's how you need to think about it.

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Here's when you hire, you know, sort of a sales manager and here's what you have.

Here's how you compensate them.

He literally just lays it out and it's like, oh, this is if you're somebody who's in that who's, you know, building your sales organization and you kind of don't know what you're doing, just Google David Sacks YouTube, how to build your sales team or whatever.

And you'll find this YouTube video with like a hundred views, but it's great.

Sacks is the best.

He's super smart on this.

He's obviously done it a bunch of times.

What I think is interesting is, you know, Sam, what you said earlier, like when we come into companies, one of the first things we help them do is just triple prices.

And that does the same thing if it's a 5k ARR, just say a 5k ACV, same thing if it's

a-

Doesn't matter what it is.

Yeah.

You almost always can price things significantly higher than you think you can.

And generally the companies we work with, you want to see them at a minimum, like 25k ACV.

So if you're having, if you have 25k accounts, like that's \$25,000 accounts rather, that's where-

A year.

Yeah, a year.

That's where you start to see some real leverage from running out of sales team.

If you, if you're a little stuck to that, it can be a little bit tough to break even on the team.

Here's a little trick to make money.

I don't think it's the easiest way, but this is a small trick.

Find a business and you could buy these businesses for cheap.

Find a business that's engineering led.

So someone who made the software built it, okay?

And you could buy these companies for as cheap as \$10,000 or all the way to billion.

I mean, it doesn't matter.

But you could buy, there's all these quite like brokerage who sponsored this, it is one of them.

You could find these widgets or whatever.

You can buy them for one times revenue.

And if it's too expensive for you, you can put a small business loan and you could put only 10% down.

So you could buy \$100,000 business that make that for 10 grand.

And if it's engineering led, the likelihood that the pricing is wrong is high.

Yeah.

So you literally just need to buy a product, okay, and just change the number on...

Command F, find the price.

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Yeah.

Command F dollars.

Boom.

You're a coder now.

Price.

Okay.

And put a zero.

So if it's like \$1 a month, you make it \$10 a month.

If it's \$10 a month, make it \$100 a month.

If that's all you did, people will bitch and complain to you, customers might bitch and complain to you, the numbers will likely stay the same except for the revenue will change.

That is like, most people are shocked by that.

No, it is always surprising the price elasticity of most customers.

Like if you have a good product, not even a great product, a good one, an average product, most people will pay so much more than you think.

But engineers in particular are always guilty of this.

Absolutely.

And by the way, that's the same thing too.

If you are even a decent marketer buying one of these businesses, it's a huge opportunity for you.

Because A, you could just jack up prices, you're so aptly pointed out.

B, if you can even get like 1% more efficient at acquiring customers between that and higher prices, you basically built yourself a substantial flywheel that can really be a multimillion dollar business.

One of the best Twitter guys to follow if you want enterprise stuff is this guy, Chatham from Benchmark.

Yeah, yeah, he's great.

Just follow this guy, it's C-H-E-T-A-N and then the letter P. So Chatham P.

I actually know we're talking him on the show and I'll listen to it.

Yeah, he's great.

Good guy too.

Really he'll just summarize the whole business in a tweet and you'll learn a lot about how these enterprise businesses are structured just from following this guy on Twitter.

And so that's good.

What are some of the sort of different companies you wanted to call out?

So what's Guru?

Yeah, so Guru is a company that we're, I'll talk my own book, we're investors.

I have two here I listed.

I like that phrase, talk my own book, I gotta, I'm sorry, using that.

I love, listen, any opportunity I can, 25, I'm talking to someone, look at 25, look at this guy.

No, it's okay, here's what I'll say.

So Guru is, we have this broader idea that there's like a whole bunch of AI companies

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that exist, people are investing in and a lot of the AI businesses that are out there are centered around replacing the ability of people to do their job.

We think there's money in that, there's a lot of money in that.

We think there's a bigger opportunity, much larger in not replacing people but augmenting them to do their job better.

So for example, I think for a minute, if you have a tool that could write sales emails for you, right?

Maybe it does a pretty good job, maybe it's not perfect but AI is, there's a long way to go before we get to true AI and so probably is like doing the job of your fourth or fifth best SDR, not your number one salesperson but your middle of the tier salesperson.

We think the promise of these AI enabled businesses is they can learn what is the best salesperson your business do that's different from the 30th or 40th best salesperson in your business and then you help teach those 30 or 40th ranked people to act more like the top one.

How the hell did you do that?

Well, here's the idea, you can listen to, almost everything is quantifiable, so you can listen to a conversation.

I'm talking to you and you're a prospect and I'm trying to get you to buy my product.

Maybe you have an objection that you bring up, you say, oh, it's too expensive or oh, we use this thing as an integrate with whatever and I flub it.

I have no idea how to handle that objection and the call goes really poorly and you're like, I'm never going to open this company at the end, we're done.

The idea of like a lot of these businesses is you can hear what is the top ranked salesperson do, how do they handle objection really well and no sales coach or sales manager can sit in on every sales call in your business and actually understand the way that you respond to every objection, but an AI tool can sit in on every call in your business.

Is that any good?

So what's the broad concept?

Guru?

What's the URL?

Yeah, Guru.

It's not getGuru.

No, it is getGuru.

Oh, it is getGuru.

Yeah, what I was describing is like the thesis broadly.

They just use that to teach dudes how to meet girls.

Sounds really like this college, you know.

My thing with business is like the best product to help people get laid helps them make money or that's probably it.

Made, paid, laid.

What is it?

Made, paid, or laid.

What's made?

Famous.

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So fame, money, or get laid.

There, okay.

I mean, it's raised for it.

And so when I hear getGuru, I think, okay, cool, you're going to teach companies how to get more sales.

Love it.

Yeah.

But like, I just think that all, this is like an early stage thing and it's like on the cutting edge.

I just think that the sex industry is at the forefront of everything interesting.

Yeah.

So the internet.

So listen so you have sex.

What?

And listen so you have sex and then it tells you some tips.

Maybe you want to last a little longer.

Let's cut that for that.

Like video streaming, DVDs.

Yeah, no, it's true.

Those all porn, I think that Oculus, if they let the porn guys get a hold of it, it's going to make it way better.

That's what I would do with this.

Yeah.

If I was just like.

I mean, no, it's true.

Listen, you can think about a lot of consumer applications.

Obviously, the sex industry is a big one.

Another one's like the example I always think about is you want to learn to play guitar, right?

You're kind of limited because A, you're going to learn from whoever the local guitarist who can teach you is.

And maybe they're not a very good teacher, or maybe there's frankly not a very good guitar player.

And so at some point you're going to hit a wall where you can't learn anything more from them.

But if instead you could learn from an AI that's been trained on all the best guitar performances in history and all the best teachers in the world, wouldn't you learn better and faster how to be a good guitarist?

Ideally.

By the way, who knows.

Here's an idea that's like that.

That is working.

Elsa AI.

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Are you familiar?

Yeah.

Yeah.

Elsa.

So correct me if I'm wrong because I only know the surface level.

Elsa is basically for English language learning.

So there's a lot of people, you know, especially in Asia who really desperately want to learn English.

And so what Elsa is, they don't want to just learn English to read it.

They want to speak it.

Right.

Like if I want to learn English, it's because I want to speak English.

And so what they do is they have you, you speak into the mic of your phone and it basically corrects your pronunciation.

So it's like a really smart insight.

Like my mom's, you know, her insecurity with her English when she was, you know, first movie to America was not, do I know the vocabulary, but does it sound right?

Do I?

And so these guys were making, you know, a while back.

Yeah.

So they were, they had crazy stats.

So I think, I think Vietnam was their biggest market at the time.

They were doing like, I forgot what it was, like, like six million a year already annual from their just like in app subscriptions of people paying for their pronunciation coach, their AI pronunciation coach.

And I was like, when I saw that, I was like, this is a genius idea because there's, I don't know, I don't know the exact number, but there's in the hundreds of millions of people who are trying to learn English at any given time.

And this is a sort of novel take that I think resonates because pronunciation is so important and so hard to come by.

Yeah.

That's a really good example.

And so you could imagine like basically infinite applications of the same type of tech and guru was one of them.

So how do you build this guru?

Like if I'm building this, if I want to start this from scratch, what do I have to do?

Yeah.

It's a hard business to build.

What you need is a data set to learn from.

And what you need is not just the data set to learn from that static, but one that continually evolves over time.

So an example of guru, they do kind of the sales, uh, example I was talked through that's similar work, but for customer success.

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So you could think about it sits and your knowledge base becomes your knowledge base. And as your customer success or customer support agents are responding to inquiries, it actually knows what they need to say back in the content from your knowledge base. They need to reference and then brings it up to them in real time. So they're not sending five minutes searching for an article in JIRA that was written 10 years ago that may or may not describe the actual scenario they're dealing with. So they'll like read your email. It sits, it will, it sits alongside like usually it's, yeah, it can be email, it can be customer chat. It sits alongside the method of interaction. But your companies are all companies. Ah, good question. So it sits in the, uh, in your company. Internal. Yeah, internal. So that would only work then if you had a huge. You need repository of, of like a corpus of data. That's pretty cool. It's an enterprise tool. So then if I wanted to start with these companies, I would look at something that has a lot of information. So what are the examples you think? So we have another language is a great one. So like, for example, you need, you need a big, you need training data. Uh, so, so the tools for this have all become pretty democratized. So like Google and whatnot, Facebook, they've basically open sourced a lot of their ML stuff, the models and whatnot. So now, you know, people on our team, um, you know, who were, let's call like, uh, they're not PhD and machine learning or AI, right? They're just like engineers, capable, smart engineers. They are able to, in a couple of weeks, take stuff that's off the shelf, ML tools that are off the shelf, customize it for this application. Like when we did it at Bebo, we wanted to say, Hey, watch this, watch this video game stream. So watch a video, um, game video and tell us what's happening when somebody gets a kill, when they win, when they lose, when they die, whatever, right? And we were able to train a computer vision system within, I don't know, two months to be able to detect in real time what's happening in a game as if somebody was watching it. And then we used it to score eSports and do like refereeing and scorekeeping and all this. We automated eSports, which is like a goofy application of it, but it was so easy given where the tools are. So for example, if you had a corpus of data, like, I don't know, like all the YouTube videos that are out there for like some topic or whatever, um, you can train, you can train

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your systems off of either data that you have or just public data that's out there, books and whatnot.

It just depends what you're, what the applications you're trying to do.

So for language learning, you, you need a whole bunch of people who are speaking and then you have to go in and label it and correct it and say, okay, when this person said this thing that was incorrect, here's what it should be.

That's hard.

But, uh, but once you build that data set, you can sort of get the flywheel going.

And that's where the opportunity is.

The opportunity is having either a unique data set or a unique take on that data set.

Like the challenge, the reason why it can be hard to build this kind of business is you have to have some set of data that everybody in the world doesn't have because as you said, the tools to make use of the data are publicly available.

And so whether it's like, we have another one in our portfolio called Textio, which is similar.

It's kind of the same idea for job posts, right?

The idea is if you were writing a job post, you might have seen it.

You write a job post and it tells you how to make a better, how to make your job post better.

So it started like that.

And now what it does is you can just say, I want to hire a junior web designer and it writes it and it writes the whole thing for you.

So that's so smart.

Yeah, that's so smart.

That's so smart.

So what most people do anyways is just go copy their competitor's job postings and use it anyway.

One other thing that you could do is, I think Axios is doing this and now I understand a little bit why.

So Axios, you know, they're like us, or I guess we're like them, they start first and they have a bunch of newsletters.

And what they're doing is they're building this technology that optimizes your newsletter, your internal company newsletter for best practices.

So if you're fucking Salesforce or Morgan Stanley, to be more concise, right?

Yeah.

And you're the head of HR and you need to make sure that all 10,000 of your employees understand this new policy.

I'm a believer in that if, dude, if Grammarly can be as big as it is, that shows how much people care about the quality and the sort of looking smart and being smart in their writing.

And so if you can help people be more concise, dude, look at how much I'm talking to imagine if I could be more concise, that would be amazing.

I think this actually, that actually could be a big business, which is it.

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So it would be all about making people concise, just making people understand information faster via email.

Right.

That sounds so small.

And then I'll make it even smaller in niche, which is the HR company or the HR department, make sure employees understand new policy, internal emails, know what the coronavirus and what they have to do.

And then what I, here's what I would build is I would build a basically a MailChimp for internal companies.

And at the bottom, I'd be like, to confirm that you read this, click this.

And then if you didn't click it in 24 hours, you didn't click it.

I like this MailChimp internal thing that is actually really smart.

That's one of the better ideas that's come out of this podcast.

I would build that.

If someone wants to build that kind of thing.

Yeah, you should build that.

I think that is a great idea.

And I would charge.

Forget the AI.

Just MailChimp for internal companies that has the feedback loop.

What you can do is you can crawl all the most successful emails of all time, which there's data sets for that.

Like for example, my company, I have, how many fucking emails have we sent?

We've probably sent half a billion emails.

I could, I could, I have all that saved on Sengrin.

Fuck, I would work with Sengrin.

I'd be like, Hey, let's talk about this.

And that's really smart because again, you have that proprietary data set that nobody else has that they haven't built out years and years and years of emails that are sent.

Yeah, you can be in that book of business.

I'll talk my book.

Let's talk book real quick.

Just check this out.

At my company, we've created all these sales training things and I've written all these long blog posts and I'm like, no one's going to fucking read this.

Dude, I send your how to write better, your writer guide.

What's it called?

Your copy guide or your writing guide?

I don't know.

I sent that to people on my team for many years.

I've been doing that.

Really?

Yeah.

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You also have this tweet that I love that's basically, I don't think you didn't do this, but you stole it from somebody.
I think it's like, it's like a paragraph.
It's like, look at these sentences.
Every sentence has five words.
So I've been preaching that shit forever.
It's how to make your writing say.
So that is something where you can just do a Grammarly style analysis over the over somebody's email and be like, Hey, suggestion, break it up this way.
Because now look how punchy your email is.
Because a lot of people don't risk this.
So here I'll tell you there's a science to this.
Keep sentences below 25 words, average paragraph.
You want to be three or four sentences.
You know, vary up your sentence in a certain way.
If there's a comma, put a period instead.
No adjectives or no adverbs.
No adverbs.
Like there is totally math behind this.
Yeah.
I mean, I would love to get better at it because again, it's not, I also want to get not a skill you get from talking.
You can talk a lot and be a terrible writer because none of these rules are obvious or at least to me, they're not obvious.
Come out of writing.
Right.
And you have, you're not realistically, most people, even when they read this, like, Oh yeah, that's cool.
That paragraph is better.
How do I, yeah, how do I use it to get better?
How do I use it to get better?
I want to buy that company and deploy it in this way and make way more money.
Yeah.
Hemingway should be built into your email client.
It should be built in, right?
That's the problem with Hemingways.
It's a separate standalone app.
You gotta check out Textio because that's where they live now.
You can stick and stick your emails.
I was talking to the book already.
I thought it was my book console.
I can't help myself.
So far, this is the most, this is going to be the most lucrative episode for me personally.

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And this is like the great founder fit for you is like helping people send better email.
Okay.
Anything else that we should talk about before we go?
We are sort of over time.
I think we are.
Yeah.
We're, we're, we're, we're at the hour.
Anything else that you loved?
Listen, these are all really good.
One of his notes says a microwave that doesn't beep at the end.
That's mine.
That's mine.
I wish.
I wish I was fine with that.
So, so, so this, so I stole this from my homie farza and his Instagram story yesterday.
He goes, guys, I got it.
A microwave that doesn't beep at the fucking end because it is so annoying when you're microwave started beeping at the end.
Just a silent farza.
So he has more weed.
So he actually has a great, a great little starter.
We'll bring it up actually.
It's sort of related to what you were talking about earlier.
I was going to bring it up then.
So he was like, he's looking into homeschooling and we might actually bring him on and do an office hours with him because he needs some help, uh, like coaching in his business, but he's a young guy.
He's interested in homeschooling.
He wishes that he was homeschooled and he's like, more people need to be homeschooled.
So he's like, okay, homeschooling is on the rise.
I think it's at like, whatever, let's call it 3%, uh, which is bigger than you'd expect, but why isn't it bigger?
And so his philosophy was it's not bigger because if you ever tried to start a homeschool as a parent, there's all this like complexity of like, oh, I got to file this paperwork and every state has different rules.
And then I got to take a photo of my kid every day, blah, blah, blah.
So he's building Stripe Atlas for homeschooling.
Push a button, you spin up your homeschool.
Compliant in your state and it sets you up for success in two minutes.
And so like the idea a lot.
We're going to bring him in.
We'll do an office hour.
How much money has he raised?

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Uh, just from his, uh, couple of friends and family he's raised.
I like that.
The only problem is you got to deal with, are you homeschooled?
No.
All right.
You got to deal with fucking people.
Like, I like how you checked.
If he said yes, what were you?
He would have still said.
I would have said no, but I don't want to deal with like,
no disrespect to people who are homeschooled.
But like,
That'd be dope if we just had a huge homeschooled audience.
It's like,
If parents are just having their kids listen to this.
It's like deal with vegans, right?
Like I'm not against veganism.
I just don't want to like hang.
It's like, I love going to an improv show.
I just don't want to hang out with a bunch of nerds who do improv.
You know what I mean?
I like the same.
Just at the end of the episode is like empties the clip of like,
you know, controversial opinions.
Hold on before we go.
All right.
Where should people find you?
Where do they follow you?
Follow me on Twitter at ZCK.
So it's nice and short.
ZCK.
ZCK.
That's a good handle.
Yeah.
I don't know like 20,
2010.
When he was 14.
Yeah.
First business.
It was my embryo that joined Twitter for me.
Not a good handle.
And honestly,
I mean, listen, you DM me.

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I tell you that in touch.
And I love when people DM me.
If you're starting a great business,
particularly if it's in the spaces we're talking about,
I would love to hear from you.
All right.
Thanks for coming.
Thanks for listening.
Anyone's hand coronavirus is out there.
Like or subscribe and unsubscribe and subscribe again.
And record this on your iPhone.
You can do it by swiping as if you're doing a turn a Wi-Fi on and off.
Send Sean or me on Twitter a video of this and ask any question.
And we'll answer it.