

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

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.

What up?

What's going on?

Did we ask people to subscribe and unsubscribe?

Did that work?

I don't think it worked.

We got a bunch of videos of people doing it.

Thank you for doing it.

In my opinion, that experiment doesn't like, it doesn't move the needle too much.

I don't know if that technique is a big technique.

Let's answer the question.

The podcast keeps growing organically, but we didn't see a spike because we asked people to do it.

Let's answer all their questions.

Do you want to answer them today or?

I think next Thursday because I didn't have them.

I got a lot of them.

The problem, and I apologize to people who send me things on Instagram.

I don't check that ever.

Oh yeah, I didn't even look at it.

You know, there's two inboxes on Instagram.

Yeah, Facebook always does that with their show.

I didn't know that that was even a thing, and I had all these nice people sending me reviews.

You find it like a year later.

Yeah, I didn't even know that, so apologies.

I listened back to one of the episodes, which is the most uber uncomfortable thing you can do.

I've not listened to one ever.

Yeah, and I don't blame you.

I listened back, and you know, you were saying you're very self-conscious now because we

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

do the video, and that's how I am about the audio because I listened to it, and I'm like, what the fuck is wrong with me?

Why am I talking this fast?

Why am I breathing like that?

No, I think you've got to actually have a great voice.

I think you have good cadence, and someone at one of the meetups asked me, he goes, do you guys cut out silence?

And I was like...

On the audio we do.

You do?

Yashan does that, yeah.

Oh, I thought we didn't, and he was like, you guys are talking so fast.

Yeah, so he cuts out ums, aas, or big repetitions, like if I say the same thing two different ways for no reason, and then I think he cuts a little bit of the gap between us when he doesn't like it.

He's like a perfectionist.

I told him not to do it because it takes him like six hours to do.

I keep doing that.

Every time.

He's like, it makes a difference, and I was like, I don't know if this shit makes a difference.

I got compliments from it.

Okay, all right.

Well, he's going to justify it now.

That's crazy.

I just thought we were talking fast.

No, people like the...

We do talk fast, but it's the in-between where he speeds it up, and then he cuts out any like extraneous bullshit.

People like it.

You know, I also got tons of compliments from Stu a few episodes back.

People liked him.

People like Stu.

Yeah.

High approval rating.

People like Stu.

He doesn't have to drop out of the presidential race like everybody else.

All right.

What do we got today?

Well, speaking of presidential, did you want to talk about Bernie?

Is that your first thing up here?

I have a thing up there, but I didn't research enough, but I'll talk about it just quickly.

So a bunch of people on Twitter were freaking out because Bernie's proposing this tax on

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

vested shares that you haven't actually cashed in yet, and tech people were like, oh, okay, there goes the startup scene.

If you're going to tax people on vested shares that they haven't actually received the prop, like, this company's not liquid, and so there are some nuances, like it's written here.

It's tax on non-qualified stock options of at least 100,000.

If you have over 100,000 in stock options that are vested and your employees making at least 130K.

So it's not everybody, and it's not all types of things, so it's not RSUs.

It's ISOs, I believe.

Okay.

So I'm not an expert in this stuff at all, and I'm not an expert in politics.

I know what I believe, but I don't know the technical details.

So, well, let's agree to talk out of our ass for two minutes.

I'm not going to talk about that, actually, but here's what I am going to talk about is starting a company and how it worked with us, and this will, because I do know that a lot of people think, like, oh, the rich are doing this.

They don't understand things.

So when we started the hustle, I saved up \$25,000 to start it.

With that \$25,000, I made 60 grand in profit in six weeks, which is pretty good.

And the first year in business was roughly \$380,000 in revenue, and most of it was profit, because I paid myself, I think we were in LLC.

I withdrew \$2,000 a month in salary, and that's how I paid my bills.

My rent was cheap, very cheap, hundreds of dollars a month, and I lived off \$1,200 beyond that.

Beyond that.

I lived very, very, very frugally.

And then we decided to raise a little bit of money.

I raised, I think, \$300,000 from people at a \$3.5 million valuation.

And you had to change from being an LLC at this point, right?

Yep.

Change to C-Corp.

To become an S-Corp, I think.

It was an S-Corp.

Probably a C-Corp.

I don't remember.

See, I'm not an expert in this.

Yeah.

You want to be a C-Corp if you're going to take investment.

That's just like, you don't have to study all the differences between them, but if you're going to take traditional investment, they're going to want you to be a C-Corp.

So we converted.

It cost five grand to do that.

At this point, we probably had half a million dollars in the, \$300,000 in the bank account.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

I don't remember, between \$300,000 and \$500,000 by the end of our first year.

And we raised money at a \$3.5 million valuation.

And then, once we started doing stock options and stuff like that, we signed up to CARTA and they gave us a, what's it called, a 409A?

Yep.

Where we got...

So that 409A just values your company at some number.

Yeah.

So you guys had revenue, so they probably took some standard multiple of revenue.

Yeah.

So they valued us.

And you want it to be low at this stage.

Yeah.

It could have been millions of dollars of range.

I don't remember.

It could have been three and a half, it could have been six.

I don't remember the number.

Whenever these types of businesses are, that's what they value it.

And you want it to be low because that's what your share price is.

That's what your stock options are going to be if you're an employee.

You want to get in at this sort of low valuation.

So when it sells at a high valuation, you get this sort of increase in value.

But if the 409A comes back high, then you're not going to get as much of a lift on your share price.

And at this point, our 409A is many tens of millions, which is nice.

That's cool.

We have a valuable business.

But when we started, it was single digit millions, which was still a lot.

I was 24 at the time.

I said I started with \$25,000 and I was taking \$2,000 a month.

I was not saving any money.

Right.

Okay.

I'm not complaining because it worked out.

But so on paper, I was a millionaire, multiple millionaire.

I had to pay, I think, I forget what this, I don't want to act like I know I'm talking about.

Let's say if I had to pay 20% in taxes on that multiple millions of dollars, I literally wouldn't have had any money to do it.

Even if I wanted to withdraw money from our business account, I would have had to lay people off.

So when people say certain people are hoarding money or something like that, a lot of times it's not true.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

And I have a lot of founder friends that have businesses that are on paper worth hundreds of millions of dollars, and they have tens of thousands of dollars saved.

In the bank account.

Yeah.

They're not liquid.

Yeah.

I think people need to.

And this also happens if you're an employee, you leave a company, you usually have what they call an exercise window, which might be 30 days, 60 days, 90 days.

I think the normal is 90 days.

So that gives you three months to come up with the money to buy your options or you lose them.

People don't have that money because they leave one company, it's a startup, and now their shares are worth 80 grand or 180 grand, and they want to go do a different job.

And now they need to come up with 80 or 180 grand to buy out their options.

That's not still a guarantee that that money's coming back, and often people don't have that money sitting in the bank, so they'll forfeit their options, which is a true bummer.

Some companies are being cool about it, Pinterest, a couple others I don't remember, maybe Stripe.

They increase their exercise window to seven years or six years.

So they're like, look, we know this practice is a little bit crazy.

It's hard to come up with that cash, and you worked here, you earned your shares, so we're not going to try to take this back.

You have the longer window because we might be private for longer, which is kind of a cool trend.

So my company should do that.

My W-2 income, so at this point, I make money in eight or 10 different ways.

I got loads of things that just has added up over time, and that's great, and I still pay myself a salary.

I pay myself not that much.

I'm not the highest paid person here.

And I, but my W-2 salary, we're going to be four years old.

I've been working on this as a project since 2014, we're going to be four years old officially in April.

Oh, next month.

My W-2 salary in year one, I think was \$24,000.

Year two, maybe 36, and then year three, then I started going higher.

Right, because the business was established at that point.

But my W-2 income historically has been low, quite low.

And so when I saw this, and I saw people getting mad at rich people, I'm like, I bet people thought I was rich.

But I wasn't.

You know what I mean?

Yeah.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

And you wouldn't have qualified for this because it says you have to be making at least \$130,000. But if I had to pay 30% tax on my stock now, it would be...

Painful.

...fucking hard.

Yeah, you'd be in a really tough spot.

So, you know, Bernie, I like Bernie, but this is a little bit crazy.

This will really screw up the way the start-up ecosystem works.

But it can also adapt.

I'm not even going to think of staying up.

I think it's crazy or not.

I just am giving a perspective of my business.

And I think I have a lot more cash than even most people who have companies that are huge.

What's your biggest regret in the way you set up or organized or structured the company?

I wish I wouldn't have raised money, and I would have just owned it all.

And why's that?

Because I would be greedier and richer.

You didn't end up needing that capital.

It's hard to say because it worked.

It worked.

If I wanted to start fresh again, I would have been able to do it.

I can start now.

What about advice?

A lot of people think, oh, this person's so successful, right?

You raised money from a bunch of cool, smart, successful people, either in media or not in media.

Yeah, so that was helpful.

Was that truly...

Like, so did you get your sort of values worth on the advice component?

Yes.

Because I'm not sure that typically plays out that way.

But I think you did.

Fuck, yeah, it worked.

Our network is so fucking powerful.

Me and you, our network is so powerful.

I have, I think, 35 investors ranging from Tim Ferriss, the founders of NerdWallet, which is, who knows what that's worth, billions of dollars, the founder of The Chive, founders of Bleacher Report, who else?

Just look it up.

A lot of people.

And I text them.

I just text them.

I'll say...

You get a lot out of them.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

And I'll tell you two things that you do that gets a lot.
First, your investor updates, which you send, you used to send more frequently.
Now I send them quarterly, but before I...
Monthly, right?
36 months, I send them every single month.
Every single month.
And it was so well organized, it was basically like, hey, here's all the key metrics.
You don't beat around the bush.
It's like, there's not much cash we got in the bank, there's not much we made this month,
there's not much the email list grew, there's not much our open rate was.
Boom.
That's number one.
Number two, and what was your second sort of section?
The way that I send up, I go, numbers, I go, here's the numbers.
There's no interpretation.
Right.
All right.
Let's get into it.
Numbers.
Boom.
Okay.
Then I go, and then I do things that are going well.
Things are not going well.
I need your help.
Ask.
Yes or no?
Yeah.
It was great.
And you sent that to...
So you did the work to keep them engaged and stay top of mind.
Do not underestimate this if you're doing your business.
If there's people who are willing to help you out, you got to find a way to stay top of mind.
And part of it is you share frequent updates.
And there's a very good sign if you're an investor, if you're one of your companies,
stop sending their updates for a bit.
That company is about to die, or they're on their way to dying, and they go into a shell.
And Paul Graham has this great post, which is just like, as an investor, when you see that, you know it's time to go check in.
And as a founder, ironically, that's when you need the help the most.
So don't go quiet when you need the help the most.
That's when you need to be talking and asking.
And maybe you actually won't die if you could keep that going.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

What other mistakes have we made?

So I always regretted the, I think that the normal way that people give out equity is a little too founder greedy.

So I wish I'd given more equity to my team.

And so like, you know, basically, I wish I just negotiated it better between what do I get?

What do the investors get?

And what does my team get?

I think it was in balance.

I think some of what the investors got, the team should have got, some of what I had, the team should have got.

Because really like the people who are there as person four, five, six, really they're taking just as much risk as you are in a way, like they were there when it wasn't obvious that this was going to work.

And so for the All-Stars, I wish I had given more.

And next time my next company, I'll do just that.

I will make sure that core four, core five people, I'll make sure it's not like, like typically in a company.

How big would the pool be?

So I don't know exactly what the pool be, but let's say, let's go with what's typical.

So typical company, two co-founders, you start 50-50, you're going to raise some money.

They might end up taking 25 to 30% of the company, depending on how it goes.

First call it 25%.

And so as the founders, you've diluted down, you're at, I don't know, my math's bad.

But let's say you're both at, what is that, 30 something, 35% each now.

And so that's where you're at.

And then your team, the option pool, they typically say is like 10 to 15% is your sort of option pool.

So the first few employees might have like, the key person might get like one to 3%.

And then everybody else is below that, is below 1% essentially.

And I just think that's like a pretty hard skew.

So I would try to get multiple people in the sort of one to 4% range.

I would try to have like my core, my core team all be in the over 1% range for sure.

And whether that means I take the haircut or investors take the haircut, that's what I would do if it's a tech company.

I think this is very different if you're not a high growth tech company.

Would you start it in San Francisco again though?

I'd start it wherever I live.

And so if I wanted to live here, yeah, I'd start it here.

If I wanted to live somewhere else, I'd start it somewhere else.

Now you can start it definitely anywhere.

So it's just about your preferences.

If I was going to start again, another thing that I would do is I would go and get a job

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

somewhere and just make, like when I started, I didn't, I was always self-employed mostly.

I wish I would have worked somewhere maybe for a little while.

Before you did it?

Or you mean do something as a side hustle?

Before.

Oh, you just get the experience.

It would have been nice.

And to save money.

That's interesting.

I wouldn't have thought you'd say that.

I think it would be helpful to understand how things work.

I think if you did it for three months, you'd be like, okay, I'm done.

It would have been nice.

I got it.

Back some money away.

Yeah, that's fair.

Hey, it all worked out.

You want to talk about some stuff?

Yeah, let's talk about some ideas.

Okay.

Okay, let's take a quick break and let me ask you a quick question.

When did NOAA build the ARC after the rain?

After the flood?

No.

After the rain.

So as an entrepreneur, quiet light brokerage wants to remind you to prepare before you want to sell your business.

You don't just sell it right when you want to.

You plan your exit for six figures, seven figures, or eight figures.

Quiet light brokerage is a group of trusted advisors that can help you not just survive the tides, but exit on your own terms for the price you want at the time you want to the buyer that you want.

As you chart your way towards an exit, you got to first start by understanding the value of your business.

If you want to see a 25-point checklist to see how well your business scores across the four pillars that they have seen drive value for all the sales that they've seen in their portfolio, you can find that checklist at [quietlightbrokerage.com slash myfirstmillion](https://quietlightbrokerage.com/myfirstmillion).

That's quietlightbrokerage.com slash [myfirstmillion](https://myfirstmillion.com).

Check out the free assessment.

See how your business scores.

If you want, you can get a free consultation for your business as well, but no pressure, no gimmicks, no sales pitches.

Quiet light is an entrepreneur-led organization.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

The founders have built and sold businesses, bought businesses before themselves.
They're not just quick fly by the night brokers.
They advise you to use the best data to help business owners like you reach your financial goals.
Grab the free guide.
It's over at [quietlightbrokerage.com slash myfirstmillion](https://quietlightbrokerage.com/slash/myfirstmillion).
Support the pod.
Go check them out.
Run the world.
I'll start there.
Cool.
Perfect timing.
Perfect timing.
Obviously, before this, two, I think, female founders, and what this is, is it's a digital conference, especially with coronavirus, and you've had major, major conferences shutting down.
So Facebook's F8 conference done.
Sales flop canceled.
I believe GDC has done.
I predict South by Southwest, but this episode will air in a couple of days.
I bet you they're going to cancel.
Yeah.
So tons of these conferences are closing.
This is a great experiment because I've always wondered, why aren't there more digital conferences?
Now, we built a product called Blab that was sort of like this.
People used it this way.
A bunch of podcasters threw a conference on our platform, and I just thought, hey, this is cool because you could be remote.
You could be anywhere in the world.
You can attend this thing.
What does the conference have?
It has speakers.
Cool.
You can stream that online.
No problem.
It has exhibitors.
Cool.
You could do that online if you want to do.
And it has the networking, and that's a little bit harder to do online, but you could do that as well.
It's missing the biggest component, though.
Which is what?

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

Serendipity.

Yeah.

You have to engineer that serendipity into the product.

That's the biggest part.

So these guys claim that they sort of have recreated all of that.

I don't know.

I haven't used it yet.

But the cool thing is we're now going to find out because with all these conferences cancelling, Run the World is taking advantage, and they're going to all the conferences as they're saying, hey, hosted on our platform, we make this really easy for you.

They have a cool model where basically it's no money in.

They just take 25% of the ticket sales.

Whose computer is up here?

When you Google Run the World.

Yeah, pull it up.

And so they've raised a bunch of money from Andries and Horowitz this week.

Yeah, a lot of money.

They announced it.

And it's funny, Henry just Googled Run the World, and the Beyonce song came up, which is hilarious.

My friend had a company called Little Things, which is the.

Is that another song?

It's what's the boy band with Harry Styles that.

Oh, it's a, what are they called?

Five?

Something like that.

That's all right.

You could talk, Alan.

Yeah, Run the World today.

Run the World dot today is the URL.

So live events worldwide.

Anyways, I think this is cool.

And we're going to find out if this is like, they've been dealt the best hand for their product right now.

And we'll see if they can pull this off.

That's interesting.

Do you think that the.

Like, I think we should do one of these for the listeners.

Like just like you do the New York meetup, I think we should just try just to take this for a test drive.

I think we should just do an impromptu one and hang out with people get let everyone meet each other.

I'm down.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

I.
Okay.
If we had to make predictions, if this is going to work.
I would say the safe bet.
The safe bets always know the safe bets always know.
Okay.
But if you had a hundred million dollars, would you invest two million into this business?
I don't know who these people are.
And I haven't played with the product.
So that's the caveat.
Let's say I met the people and I played with the product and I felt like they did the thing you said, which is it wasn't just a live stream of content or a chat room.
Like there was some way to engineer the serendipity of a network of the networking in a conference or the discovery of new products, right?
Like, so if I felt like they did something different besides just a teleconference, like live stream, then I would buy it.
But I got to feel the magic.
That's a stock photo.
So there's a Henry's pulling up a photo right now of a mug that says hustle.
We use that photo.
That's from Splash that.
He was like, yeah, he thought that they stole it.
Yeah.
Henry was writing up a cease and desist like during the podcast.
That's great.
Okay.
Run the world.
Internet conferences.
Hmm.
You're in or out.
I am going to say 51% in.
Okay.
All right.
We'll take it.
So what here's what we'll do by the time this airs, I'm going to have set up the run the world conference.
The link to it is going to be in the show notes and we'll we'll figure it out.
So go in the show notes right now if you're listening to this and get a ticket to attend our conference and we'll try this out and then we'll let everyone decide is this cool or is this like one of those ideas that sounds good in theory, but it misses the magic and never works.
Henry, go to godaddy.com real quick, pick a URL and we'll send them to that URL as well.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

I hate going to the show notes.

Okay.

Either way, we could just put it on our myfirstmillionpodcast.com.

Myfirstmillion.com.

Yeah.

Myfirstmillionpodcast.com.

Okay.

Myfirstmillionpodcast.com.

Yeah.

It will be a conference.

It will redirect to this.

Do you want to charge for it?

Yeah.

Yeah.

The tickets will be whatever.

I don't know.

Pick a number.

Okay.

My first million podcast is, what will it be?

We'll invite our friends.

So we'll invite some of the people that we think are the most interesting.

We'll do a talk on, hey, how do we build, you know, we'll do the things you do in the conference, right?

So a couple speakers, a fireside chat, and then networking where people can meet each other.

Okay.

And we'll limit it to 100 people?

Yeah.

Okay.

100 people, some amount of money, myfirstmillionpodcast.com.

Yeah.

We'll try it out.

All right.

Tweet, what else we got on the agenda?

Oh, I have one.

Scroll down.

You want to talk about some book club stuff?

Yeah.

When I moved to San Francisco, I started a book club called The Anti-MBA, and I did it because I didn't go to an elite Ivy League school, but I was always envious of those people because when I moved here, I didn't know a single soul.

And I felt, I always like stereotyped people as like tall, beautiful white teeth with Patagonia's and they had like lovely networks.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

That's what you saw all around?

Yeah.

Just like these like rich white people who, that's how I, I was like, that's how I imagined it.

It kind of was that.

And I was always envious of that.

So what I did was I created a book club meeting where we would meet every week and we would read one book a month and I would convince an expert.

How'd you convince people to join this?

Where'd you throw it up?

On your blog or what?

I'm just a cold email guy.

I just learned how to cold email people and I, I did it online.

So each week we would have 30 people show up and I probably had an email list of 5,000 people who would.

So this was not in person.

This is all online.

30 people in person, C.A.V.A.

Yeah.

A lot of my best friends.

I met this way.

30 people.

My friend had an office and he let me use it and we would just meet up and I would, and I would read a week ahead of time and just make notes and lead discussion and sometimes we would have an expert.

Okay.

And then I would send show notes or meeting notes to the list and people loved it.

I made close to no money off of it or I don't think I made any money off of it.

I just did it for fun and it was very success, successful.

And a lot of people said that we should make it a thing.

I think it's a stupid.

I thought it was a stupid idea, but book clubs are actually kind of interesting.

So there's this business called Book of the Month Club.

It was started, I believe it was started in the 1930s.

At this point, it was owned by Bertelsman, which is a large publisher, a multi-billion dollar publisher, and then recently a private individual bought it for single-digit millions of dollars.

In the 40s, 50s, and 60s, this was massive.

I mean, it was millions of people paid for it.

So it was quite a large business.

It was hundreds of millions of dollars, probably in the 60s and 70s.

It's gone away once Amazon came around.

A guy bought it a couple of years ago and it's quite large still.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

And what they do is score down a little bit more than two cents.

So this is 90 million users?

What the hell?

No, that's good reads.

Oh, that's good reads.

And so Book of the Month Club now has 100,000 active paying customers, which means they're in the revenue range of 10 to 15 million a year in recurring revenue.

And the founder said in an interview, his goal is to grow five X a year.

Five X a year?

Nice.

For the next year.

Not consistently.

I don't know if that's, I think that's bogus, but Book of the Month is kind of an interesting thing.

I suspect, I've always thought that it would not work.

Now my opinion has changed.

So Goodreads has 100 million users.

There's this thing called Wattpad.

Have you heard of Wattpad?

I've heard of it, yeah.

Wattpad.

A lot of people don't know about it.

It's owned by a guy in Canada and they have 400 employees.

It's a multiple hundred million dollar year business, I believe.

It's a book club for, it's not a book club.

You write on it.

You write original stories on it.

Yeah, but it's, their category is middle, middle America romance novels.

So if you're a 40 year old woman, you probably have heard of Wattpad and you're saying that's the most popular category or it's pretty much all they do.

Oh really?

Okay.

So it's a woman who, it's like men do video porn, romance novels is woman porn.

I mean that's basically what it is.

And so, huge business and now I'm quite bullish now on these book clubs.

Yeah, Reese Witherspoon has a book club.

My wife uses it.

My sister uses it.

So many people.

Have you heard of this?

No.

I haven't heard of that one.

What's it called?

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

It's called Sunshine.
Some fucking thing.
Oprah had hers, but hers wasn't on paid membership.
But this is really smart.
Like what you're describing, I'm like, oh this is good.
And I think you got to have, probably not got to have, but it's advantageous here to have a brand like Reese Witherspoon or whoever, Jennifer Aniston or Gwyneth Paltrow or whoever.
Or like the hustle could do a book club, you could do a book club.
Like I think that you have to have a bit of cachet to organize people around to get the energy going.
That initial energy you need.
So here's one angle.
You buy the rights for the book, which is expensive.
Yeah, why would you do that?
Well, because I think the margins and books are quite small.
I've talked to Tim Ferriss about this.
He told me that he didn't tell me this, but he told me, I mean, I think that he does about a million a month in revenue off his podcast.
And he told me that, this is what he did tell me, he has made 10 times more money off the podcast than all of his books combined.
So I don't think people get paid a lot of money for books.
So the margins are just...
So it might be a cheap asset, you're saying?
Yeah, I think it's quite cheap.
So my goal would be to buy the rights to the book and make it popular.
You know who...
Have you heard of...
There's this company that owns...
The company that owns Proactive.
It's called...
I know what you're talking about.
It's the skincare.
It's a direct marketing company.
The guy who owns it, it's a quite large business, he got his start because he bought the rights to thinking real rich.
And he helped make it popular again through infomercials.
So that's what I would do.
I would want to buy the rights to all the books.
And there's another company called MentorBox that does this.
And Ty Lopez is one of the owners, so it's incredibly scammy.
I mean, you sign up for like \$20 and then it rolls into like a \$400 a month thing.
It's like fucking stupid.
But book clubs are super interesting to me.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

So would you do this...

Like if you were going to do this now, how would you attack it?

What would you do?

So you'd buy the rights to...

No, if I wanted to bootstrap it, no, you can't...

How would you do it?

So what I would do is I would look at what vinyl me please.

Vinyl me please is my friend's business.

It's probably a couple million bucks a month subscription thing.

So what you do is you give them \$50 a month and they send you a vinyl once a month.

And so I would do that, but for a particular type of category.

So what I would do is I would create a Facebook group and I would say it's \$30 or \$50 a month and we're going to read one book a month.

I'm going to get one expert to come and talk about the book each week or each month.

We're going to do it in a Facebook group and I'm going to send you notes about the whole thing.

And what category do you think you choose?

Would you do the romance novel or would you do business or would you do self-help?

Just because I have such a network and business that I could just crush it right off the back.

But romance novels, I know this from experience because I've invested in these types of things.

Romance novels have the highest liquidity as in people consume them the most.

So I would...

They're like voracious readers.

Five times the number of books read.

Romance category is probably one of the most...

It's probably the most popular category on Kindle.

Yeah, I bet you it is.

So me personally, I would start here but if I even slightly was interested in romance novels, I would...

And I like what this guy did, buying the rights to the Book of the Month Club for some popular asset that's sort of decayed over the last 30 years and see if you can revitalize it on the cheap.

I think these are interesting businesses.

There's so many books that I love that are written in the 60s and 70s and you try to buy them on Amazon and they're hundreds of dollars because they've just been forgotten and they don't reprint them.

I just try to buy a book the other day that someone mentioned on Twitter and it was \$900.

What book?

It was...

So I just tweeted about Agora that's the scammy company which we can talk about if we want but it was all about copywriting.

It was \$900.

Wow.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

Okay, yeah.

Let's talk about Agora.

Okay.

You want to hear about Agora?

Okay.

So Agora is what?

It's a B2B paid newsletter company that has absurd revenue.

Go to my Twitter account.

Okay, so here's another interesting company.

I know this because I'm in this world and it's directly related to us.

Yeah.

Just...

Yeah.

Just the Sampar.

Yeah.

Whatever.

That's fine.

Okay.

So Agora.

Crazy interesting background.

So Agora was started by this guy named Bill Bonner in the 1970s.

He was a publisher.

He had a magazine about money and investing and things like that and then he decided to start changing how he did his marketing and he created a newsletter that became quite popular.

At this point, you'll see it, it's the most popular one.

No up higher.

At this point, they make...

It's rumored to be one and a half to \$2 billion a year.

And the way that they do this, there it is, they own 20 to 40 different newsletter publishers.

And what they do is, is they buy a ton of traffic to their funnels, their marketing funnels and right off the bat, they'll sell you a \$50 product.

And once you buy that \$50 product, they now have a large database and email list of qualified buyers who are interested in a particular topic.

And they typically lose money on this first purchase.

So let's say that they have a book that's \$50, they'll spend up to \$200 to acquire you.

Meaning they'll buy a ton of ads and they'll lose money on you.

But they'll make it up because they call it a back end.

On the back end, they sell you a \$2,000 paid newsletter.

And this company in particular, they even sell supplements and shit.

Now, some people think that they, some people love them.

And when you own 20 or 40 different brands, you're going to have some legitimately great products.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

Right.

What's their best product?

MoneyMapPress.com.

Yeah, MoneyMapPress.

So this is for hedge funds, for financial traders?

No.

Who was this one?

Yes.

Their typical audience is white men between 50 and 70 who are conservative and believe in the government's going to come and take your money.

So I sign up some of their funnels.

And there was shit like, if you go to Breitbart.com, you'll see an ad that says Nancy Pelosi's coming for your money and things like that.

And you sign up.

That takes you through one of the Agora funnels.

Uh-huh.

And it's a \$5 book.

And then you'll go through these funnels.

Now let's just get rid of the whole unethical part because you can learn from everyone.

Who cares if it's unethical or ethical?

It's fascinating regardless and you can learn from it.

What their experts at is copyrighting.

And everyone in Silicon Valley, not everyone, but you know, you get the point is all about design.

It's got to look good.

It's got to be aesthetic.

Their websites are a blank page with text, not just text, but like fucking 5,000 words and a buy now button at the very bottom.

It's crazy.

It's fascinating.

That is fascinating.

And I think you're, you know, you know that Peter Teal quote where it's like, what's something you believe to be true that if you would agree with you on, I feel like, you know, you might have many, but one of them would be copyrighting over design any day.

Copyrighting over design 100% and most people, I remember when I learned the word copyrighting because I was like, what is, what is, what is copy?

Why does everyone keep saying this?

And like, I literally was at work and people were like, Hey, can you give me some copy?

I was like, coffee?

She just asked me to go get a coffee for like, I had no idea what the fuck she was talking about.

And then I sort of learned, Oh, copy means text that's going to go on the website.

And then through you, I realized, Hey, wait a minute, the text that's on your website

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

is essentially your salesman and sales gives you the money, I should probably learn how to do this.

And then I went deep on it.

It's the most important skill you can learn because I've spent years learning it.

If you just give me a blank page, I will, I will make money till I die.

Right.

I will always have a job because I could do that.

Now, what I could do is do really unethical shit and scam a lot of people really easily.

But if you know how to copyright, do you know how to persuade via the written word?

Yeah, I would say persuasion is the most important skill.

Whether it's through the written word, verbally, you know, I don't know if there's some other copywriting variation, copywriting is just the form in which you learn it.

Now the way that I describe it is if you're a good copywriter, you understand what motivates people.

And if you understand what motivates people, you can create products that they'll want that will appeal to people.

Yeah.

And then if you are caught, that is, that's the, when you do copyrighting, you just learn what motivates people and then you just happen to use the written word to communicate.

Yeah.

And when, when you mentioned the boron letters and then I just went deep on that, that was like my foray into this.

So we'll do a whole section on.

Did you read the board?

Yes.

And then I started like doing all the things in it because I got obsessed.

So the boron letters, if anyone's curious, Gary Halbert is his name.

He's dead now.

He died of a heart attack.

It's actually kind of hard to find.

But there's, there's one link.

And if you get to it, it's like chapter one, two, three, and it goes to 19 or whatever.

It's this copywriter who's one of the best copywriters of all time.

And what he would do is he was such a good copywriter that he kind of turned into a crook.

And so he would write these sales letters to buy like encyclopedias or and buy like fucking anything.

Just shit.

So the boron letters are the way it starts.

It's like, he's writing to his son.

He's in jail.

He's in jail writing to his son.

And he doesn't start off by being like, here's how you copyright.

He's just writing to his son and it's one by one and each one's a teaser.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

Every sentence teases the next sentence and every letter teases the next letter.
And then by the time you get 20 deep, you're like, this guy's a master.
It is awesome.
So read that.
All right.
What do you got, Sean?
A couple others.
Okay.
So here's an idea.
So I was talking to my cousin and as we were talking about like one of my cousins, he's young.
He goes on dates, uses the apps, boom, boom, boom.
And then like our aunts and uncles are always like, oh my God, look at him.
He's just swiping left and right.
He goes on dates.
It's like really foreign concept to them.
And so that was one data point.
Okay.
Just kind of noticed, wow.
My aunts and uncles, they really don't get it when it comes to this online dating thing.
Data point two, I'm watching the debate and it was, I watched so much shit online that when I watched traditional TV, first of all, it's so slow.
And secondly, I start to see the commercials and I'm like, oh, this is what's being advertised to mainstream America.
Like cars and drugs.
It's very fascinating.
Noom was on there, which is like the diet, like nutrition plan thing.
They do really, really well and we'll should break them down later.
They advertise.
But the other one was some, it was this gray hair woman comes on the, on the screen and she's like, oh, online dating.
Where do I start?
And then it's like, well, open up your browser type www dot and then your role.
It's like, and then start clicking around.
Like that was literally, that was the ad was like, how do I even get started?
Like here's how you get started on my dating.
I don't remember the name.
Oh, come on.
It wasn't like a match or, you know, I'd never heard of it before.
So I started thinking and I was like, you know, there's so many people that are sort of in my sort of extended family and whatnot that are divorced and they're alone.
And so I was thinking about them.
I was like, you know, it'd be great if they found someone, but the reality is they don't

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

do a lot of online dating because it's so scary and foreign and it's not the online part that's scary.
It's the expectation that you then need to go meet somebody.
And so like, let's take my uncle, for example, my uncle's, I don't know, 65 years old.
He is divorced.
He gets lonely.
His kids are all grown up.
Everyone left the house.
And you know, he doesn't want to actually like, it'd be great if he met somebody who was awesome and they could just like be companions for the rest of their life.
But he's sort of like, dude, I don't want to get out there.
Like last time I went on a date was 40 years ago.
Like I think I'm just out of the game.
It's easier to be lonely than it is to put yourself out there.
So anyway, long preamble for the idea.
The idea is a service that's for older people.
Just to make it just 50 and up as a rule.
And it's called just talking.
And the expectation is you're going to go on here with other people who are like you or sort of single, might be alone, looking for companionship, but it's just talking.
You can't meet.
It's not their real names.
It's nothing.
It's just somebody you could log onto the computer and just talk to either through audio or text and you could talk to them continuously or you could switch and pick somebody else and talk to them.
But it's just companionship as a service for and it's not dating.
You're not going to start going out with this person.
You're not trying to get remarried.
You're just getting the reps in.
You just don't want to be lonely at home anymore.
And honestly, you can have a virtual relationship through this.
And it's because I was also watching Love is Blind.
And I was like, dude, somebody should make an app that's just this now off the back of the show.
Such a good idea.
And so anyways, these are sort of some ideas.
Let me learn about it by love it.
I love it.
Winner.
That's a winner.
What I would do is I would go and do research on the sex hotlines that you see exist that probably don't exist anymore.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

Right.

I'm going to learn how they work.

I bet they crushed.

So I'll shout out some tangentially related sex hotline related, but obviously masterpiece for sex that killed it.

Then there's one startup out here in San Francisco called Papa.

Have you heard of this?

Papa?

Yeah.

No.

Papa is grandkids as a service.

So it's just young people that will just come over to your grandparents' house and just do stuff for them and talk to them, but also do their laundry and take out that trash.

Are they doing well?

I don't know if they're doing well or not.

They just launched, they raised a bunch of money because there's this huge aging population of the baby boomers.

So there's this wealth of opportunities that are for the largest generation of people ever in America is now getting old.

I forgot this woman was calling it the gray new world for gray hair.

She's like, the gray new world opens up all these possibilities.

One is Papa, which is grandkids as a service.

One is honor.

I know honor.

There's a huge shortage of caretakers for the elderly.

And so honor is an on-demand caretaker platform that is dispatching.

But you're getting off track here.

Are you going with caring for old people or helping people get laid?

I'm talking about just talking.

That's my idea.

But I was just tangentially saying there's some other businesses that are trying to help this same population.

How about Relationship Hero?

What did they do?

You never heard of that?

No.

Jack invested in it and he says it's going well.

It's called Relationship Hero, Relationship Hero.com and they teach you how to do online dating.

Oh, okay.

Yeah.

Can you go to Relationship Hero?

Yeah, pull that out.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

That's how it started as.

It might be a little bit different at this point.

Yeah.

This would be for younger people though.

It would be for whoever.

I think it could be.

I think if you did just talking and you ran a bunch of Facebook ads, you could get a lot of people to pay to be a part of a community of people where they can have these online relationships.

I love it.

Expectation is you do not go offline.

I think it's great.

It's safe space.

You know why?

I think it's great is because the way that you're positioning it is as a market.

Marketplace, those are notoriously hard to make, but once you have them, they're great.

The reason why I like this is you can kind of fake it at first.

Yeah.

So you can just hire people.

You can have some operators.

Yeah.

That are providing that companion.

I think it's a great idea.

You could seed the marketplace with the operators.

Yeah.

I think it's awesome.

We talked about OnlyFans.

Yeah.

That's trending today on Twitter.

Is it?

Yeah, worldwide.

Because of what?

Some shit must have gone down.

I didn't get the joke.

I clicked on it and tried to understand it and I didn't.

Right.

I didn't get it.

One out of three Twitter trends.

Yeah.

Don't fucking get it.

It was a top.

OnlyFans, which we talked about, OnlyFans is a great business, but I love just talking.

I think that's a great idea.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

Thank you.

Thank you very much.

No, I think that's a winner.

All right.

I have a question for you now.

Before, last week, I think maybe it was when I was with Stu, but I shared this anecdote or this sort of advice, which was if you're offered a seat on a rocket ship, don't ask which seat.

Just sit down and buckle up.

This is just career advice, which is if you're not going to start your own company.

You got flack for it.

Did I?

Yeah.

Oh, I thought people loved it.

What do you mean?

What was the criticism?

It was a nice-sized audience.

Not everyone's going to be happy.

What was the criticism based on?

It wasn't even controversial.

Just stuff like titles.

It was just comments, like people saying titles are important.

How much you get paid is more important.

Things like that.

That's crazy.

Disagree.

Hard disagree.

Okay.

So anyways, the question was sort of that led to a different question, which is what are the rocket ships of today?

And so somebody, by the way, took that idea and made a rocket ship newsletter for jobs or whatever.

And you have Johnson.

But beyond that, I was just sort of thinking, just my thought experiment, what companies that today are worth one to five billion, do I believe will be multi-hundred billion?

So just as a way of phrasing it simpler, what five billion dollar company today could become a five hundred billion dollar company in the future?

I say this because we have friends who bought Facebook secondary stock back in 2006 and 2007. When Facebook was valued at over a billion dollars.

And today Facebook's like whatever, a five hundred billion dollar company.

And that, you know, it was clear it wasn't going to zero.

It was clear it was a thing.

And the question, but you could have invested then and got a phenomenal return.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

And I have several friends who did.

I had a friend, Alex, I don't know, sorry, Josh Buckley, who's a good guy, founder and British guy.

Yeah.

He's a British guy.

And so he was telling me we were just hanging out one day and he's like, yeah, I'm buying secondary stock of Stripe as much as I can get.

And I was like, oh, like, what do you mean?

Like, I'm not doing that.

Why are you doing that?

I should do that.

And he was like, yeah, I just think Stripe's a great company and there's secondary stock available and I'm just buying it.

I'm like, well, what's the valuation?

It's already like a two billion dollar company.

He's like, yeah, but it's like Stripe's going to be big.

He's like, I think Stripe's going to be huge.

So I'm just buying up secondary.

And now, so Stripe's valued now at like twenty billion dollars.

So he took essentially like a no risk bet in my opinion and 10Xed his money on a private company that was, it was already a unicorn, but wasn't yet on the stock market, wasn't doing like 10% a year.

You know, that's a 10X appreciation.

So long story short, what companies do you think have that potential that are in the single digit billions today or less that you think could be a Facebook, Google, Amazon of our generation?

So a few years ago, I answered this question and I thought it was Atlassian and I went in on that and it worked.

Okay.

Tell me about that.

What do you mean it worked?

Back then it was.

So you just look, look, go ahead, Henry, look, go to Atlassian stock where you're busy today.

I invested in Atlassian stock.

I mean, it's not like I like, yeah, at last Atlassian spelled with an A.

AT.

AT.

There it is.

Yeah.

And then go to all time.

I bought at last max on the far right.

I bought it when it went public.

So what did it go up by?

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

It's like a 3X already.

So I 3X my money.

So I bought Atlassian because I read their annual report and I was like, oh, these guys are great.

Right.

So their market cap is now \$35 billion.

Yeah.

So I bought it right when it went out.

So that worked out well.

What do you think it gets to the over \$100 billion?

It's very hard to get over \$100 billion.

How many companies are worth over \$100 billion?

Very few.

Especially if you think about tech companies.

So some of the tech companies that made it, Amazon made it, Google made it, Microsoft made it, Facebook made it, Uber did not quite make it yet, but it's getting there, Tesla made it.

Like, I think I invested in Tesla when it was at about this number five, five to eight billion.

Oh, really?

And now it's almost \$100 billion.

And so that's a big lift of a company that, it's out there.

It's not a seed-saved startup you're taking a bet on.

It's a company that's out there.

And the other way to take the bet on it, even if you're not an investor, is to go work at one of these companies.

So Airbnb was a good candidate.

Now it's value too high to qualify for this.

Airbnb is like that, I don't know, \$35 billion or something like that.

We'll see what happens with this.

But it's not in the single-digit billions anymore.

But when we moved to San Francisco, we could have done that.

When I moved to San Francisco, I had a job offered Airbnb when it was worth a billion.

One billion.

Maybe less.

I don't know.

There was only, no, it was less.

It was a dozen, 12.

Right.

So let's just say it was at a billion, which it wasn't, but let's say it was.

Yeah, I would have made \$10 million, I don't know.

So it's 35X.

So even if you had just gotten a sort of standard stock package, which was like over four years,

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

you're going to get \$200,000.

Yeah, I would have made \$5 or \$10 million.

Yeah, that's insane.

And I got fired before I even showed up to work.

So some other candidates that I put up here, Flexport, I think is a candidate.

Maybe.

Oh, you got some inside intel?

That sounded like a juicy maybe.

Well, Ryan told me he thinks it's going to be massive or it's going to go bankrupt, which is like how you're going to be when you're here.

Yeah, that's how you're going to be.

That's how you're going to be.

So this was harder than I thought.

I also tweeted this out.

So the most popular answers I got was Airtable and Carta.

And I pretty much disagree with both of those.

I don't know.

And I asked, these are smart people replying.

And I was like, Carta?

Why Carta?

I think Carta is sponsored this podcast, by the way.

Yeah.

Why are they not sponsored?

I don't know.

You guys see a sponsor.

And I'm going to, I don't give a fuck if people sponsor.

I'm going to tell you the truth.

Carta, it's the best option out there, but it still needs a lot to improve.

Right.

I use it.

I give you guys five grand a year.

I'm happy that I give you the money, but it can improve.

Yeah.

So Airtable, Airtable, it would have to basically replace Excel in the corporate world for it to do this.

Otherwise, it will not be a hundred billion dollar company.

How about Gusto?

Gusto is a good one.

So I think there's a lot that are in the sort of either HR tech, just you need to be in huge spaces.

I like Gusto and Rippling.

Yeah.

Gusto, Rippling, I think, I mean, a hundred billion is a high bar, but yeah.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

So other ones that I put up here, so Stripe, but it's past this point.

So Coinbase, only if the Bitcoin, if Bitcoin actually becomes, like if Bitcoin actually is the thing, it becomes the global reserve currency, then the largest Bitcoin sort of company, the large Bitcoin brand would be, I think, a hundred billion dollars.

Yeah.

Can it become Bank of America?

Can it become Wells Fargo?

Yeah.

But I think Bitcoin has to become that relevant for Coinbase to be.

Yeah.

I buy it.

I buy that.

Open Door is another one just because residential real estate is so big.

So if they actually have a working model, they could become a hundred billion dollar company.

I don't buy that.

Because what?

Because Zillow and Trillia aren't that huge.

They don't do what these guys do, though.

Zillow and Trillia, they sell leads to brokers.

They're now trying to copy Open Doors, and now they offer what Open Door offers.

But Open Door is literally buying and selling the houses.

The flipping house is at scale, which is pretty crazy.

What else?

This was tough.

I don't know.

That's all I had.

But I put this on here.

I wasn't going to talk about it initially, but I'm like, I want to bring this up.

I want people to tell me what I'm wrong about, or what companies I should be considering in this.

But I think it's a really important question.

Because for me, I'm going to go try to buy secondary stock in all these companies.

Okay.

So I don't.

And if you're working, you should go work at one of these companies.

A hundred billion is, that's impossible, but I won't even, I'm not even going to try to predict that, because only a few hundred people, a few hundred businesses have ever probably done that.

I don't know the number, but that's really hard to say.

But if I had to make a prediction, I do think that there will be some new search engines.

I also think that some of the new Chrome replacements could be quite large.

So Brave is one of them.

What's another one?

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

Replacing the browser?

Yeah.

I think that are replacing browsers, I think, are kind of cool and could potentially be that big.

I think there's going to be a lot of browser.

I think if any company nails AR, they will be able to do this.

But that's a ways away, I believe.

How about a Zeus?

Is that what's called?

Zeus.

The self-driving car company.

Yeah.

Yeah.

So that was the other I considered all the self-driving car companies, because I'm like, if one of them becomes a successful self-driving car company, the market leader will be worth over a hundred billion.

It's just more likely.

I believe it's more likely to be Tesla or one of the incumbents.

They'll buy one of these companies, rather than that company independently going from where it is today, which is \$1 billion to \$100 billion.

How about this?

What companies are public now that could grow that much?

So I was talking to Moise the other day, and we were looking at Stamps.com.

Yeah.

They were crazy undervalued.

And the next day, we were like, let's buy this.

And the next day, we didn't buy in time.

It...

Went up 50%.

Went up 50%.

Yeah, I love that.

It was coincidental.

I saw an interesting stat.

Over the last 10 years, if you had just bought the Fang companies, Facebook, Amazon, Apple, Google, in the 10 years, it outperformed all VCs, or sorry, it outperformed even the sort of top expected returns of venture capital.

So the public market, if you just bought the five most popular tech stocks, you did better.

It was a 24% IRR over 10 years.

Okay.

Well, what's public now that could...

I don't fucking know.

That's a great question.

That's hard.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

You've got to really bet on industries.

What do you got?

Whatever it becomes the leader in sports gambling, it's going to be...

Sports betting.

Good.

That's good.

Whoever is the number one, whatever that is.

And if the legislation keeps opening up...

That's a good call.

I would do sports betting.

I would bet on that industry.

That's a great call.

Okay.

We ventured off into stock tips, so I want to get back because we don't know shit about the stock market.

That's not our promise.

Let's tell them something else that we find interesting.

What else you got?

You want to do one more?

I'll mention one of the cool company that's related to stocks, actually, publiccomps.com.

So publiccomps.com.

Yeah, I saw a guy show this in 2012.

He's just breaking down S1s for companies, which a lot of people like to do nowadays, but it's just a good...

You don't have to do the research.

This guy does the research for you, and he publishes it.

I like it.

Let's wrap up with Made Renovation.

You talked about this in one of our very first podcasts ever.

Yeah, exactly.

I was like, hey, I saw this ad, and I think this is awesome idea.

What it is, if you don't remember because you're not a diehard, what it was is it's a turnkey bathroom renovation.

So the ad was just a dope-looking bathroom, and it was like, if you want this bathroom, it's like five grand, because what happens today, you have to hire a contractor, you have to come up with a vision board of what you want it to be, you have to choose all these different materials, then he sources it, and then it turns out, and then it's like, that's a one-off.

So they have like four designs of bathrooms.

You just pick which one you want.

You want the old Victorian, cool looking one.

You want the modern one, or you want the middle of the road one?

Yeah, I always said, which barbers for like.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

And here's the price, and you just push the button.
Yeah, it's like, actually, some barbers do this.
You go up on the haircuts.
Just do the number three.
Yeah, I'll take the number three large, you know, no problem.
So that's what these guys are doing for bathrooms.
I thought that was really smart.
So it turns out, this was not just like some random startup, this was Roger Dickey was starting this, and he started Gigster.
He's done some cool stuff in Silicon Valley before.
So he's not a sort of joker.
And they raised \$9 million, and they came out of stealth.
And I was like, I give myself a little pat on the back.
That's a good one.
That's a good call.
That's a pretty good call.
I still think it's a very cool idea.
And I also think that anybody could compete with them, because this will not be win or take all, because you have to be doing local renovations in different cities.
They announced it this week.
Good job.
Can I give myself a pat on the back?
Yeah.
One of my first angel investments, Lucy, Lucy Nicotine.com, I think, or I don't even know what the URL is, to be honest.
Explain what it is.
People don't know.
But it's huge.
It's like replacing jewel.
Yeah.
So I invested in all your friends at school.
All your friends are buying Lucy?
People are, yeah.
Oh, fuck yeah.
Money the bank.
Okay.
So one of my first angel investments, I don't remember when this was, three years ago, the founder of Soylent, Dave, who's my friend, Dave Runtown, Runtenn, he started this thing.
And it was basically a Nicorette.
So it's new age Nicorette, Nicotine gum.
And he told me about it and I was like, all right, well, Dave, you started Soylent.
So you're pretty smart.
You scaled that thing up.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

I knew him well.
He's a good guy.
And it's a big market.
It's Nicotine.
So I'm like, okay, well, I mean, this is.
Retention is going to be good.
Yeah.
I'm a Nicotine user.
I like the gum.
I chew the gum and I like to chew Nicorette.
Yeah, I like that.
I prefer lozenges.
So I'll put them in my mouth.
And but you don't smoke.
So you just do this just Nicotine.
I like Nicotine.
It's I don't drink and I don't smoke.
It's it's it's my that's my vice and and it's a monthly subscription.
Yeah.
I was like, yeah, of course, you'll fucking knock that one up the park.
Really smart.
And they just raised a lot more money.
And so on paper, which is completely useless on papers, not going to buy me a house or pay my rent.
But the valuation went up significantly.
So I got a little.
My corner store guy has it at the front by the register and I said, okay, whatever's at the front by the register, that's what's selling.
That's what this guy does.
We'll make him money.
Is it really?
I sent Dave a picture.
I was like, no shit, Henry, although the guy, the guy that I asked him, I said, how well does this sell?
He's like, it's pretty good.
It's not Jewel, but it's pretty good.
Of course.
It's not Jewel.
The kids are buying Nick Lucie.
Oh, fuck.
Yeah.
Money.
Congratulations.

[Transcript] My First Million / #53 - Nicotine Gum, Dating Apps For The Elderly & Tax on Vested Shares

Yeah.

Pay the taxes on it.

Oh, fuck.

Money in the bag.

I think that's a five or six X so far.

I'm proud that that would be a.

That's a good investment.

I like that one.

That would be a good one.

I think we're one of the first folks in on that one.

Fucking egg.

I hope it works.

And just for the while it is awesome, I it is totally luck.

So I'm not going to take that much credit, but awesome.

Thank you.

Give us a review and share with your friends.

Yeah.

Tell your friends.