

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.

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I'm ballin' smart, man, can admit when something's changed and is wrong, so I am humbling smart.

Hold up, Sam.

How are you doing?

Hi.

You got a sweatshirt on that says, it's only money.

What are you trying to say?

I'm trying to say that when I look at my portfolio and look at my losses, it's only money.

It's only money.

I met this guy once and he was like, I don't know, doesn't matter.

I met a guy and we were talking and I'm easily excitable.

So if you start talking to me and you start talking a little bit of sense, I get really excited and I will triple down and make some kind of commitment that I don't want to make.

But I did that with this guy where we were both talking about money and we were like, you know what?

Fuck money, right?

Like, we need to fuck money.

And we agreed to do a money burn in San Francisco.

We were like, okay, \$1,000, you bring \$1,000 and we're just going to burn it.

God, that's so stupid.

And of course, exactly.

Does money burn?

Yeah, it's paper, right?

It's not paper.

It's cotton.

What?

Yeah.

So there's a, it's like a riddle.

What weighs more?

All the money printed in a year or all the trains that have ever passed through Grand Central Station?

And the answer is they weigh the same, which is they're both weightless because trains don't pass through Grand Central Station and money isn't made from paper.

Ah, okay.

Good.

I love riddles.

Thank you for that.

It's cotton.

So in fact, it does grow on trees, but I'm pretty sure money burns.

I think I've seen this in movies, unless they're using fake, fake paper there.

But anyways, we didn't end up doing it because I pushed out because I was like, do I really want to burn \$1,000?

I don't think I do.

And also I was like, this is going to get so much blowback and no one's going to care about the intentions behind it.

It's just going to come across as a douchey thing to do.

So I didn't do it.

So I'm sorry to my friend.

I backed out of it, but I do like the idea of sort of letting go of the attachment to money, but anyhow, it's only money.

It's only money.

And I paid \$50 for this hoodie, \$80 or something.

I bought it because Dave Portnoy, have you seen what he's done?

What do you mean?

Which part?

The founder of Barstool.

Founder of Barstool is trading.

He put \$3 or \$4 million into an account and has been day trading and filming the whole thing.

I think he's down 600K right now.

And it's awesome.

It's so good.

It's really exciting to watch.

And he wore one of these.

So I bought it.

Nice.

His plan is going according to plan, I think.

I love it.

He's losing a lot of money.

You want to get into this?

Yeah, let's do it.

Okay.

I think I have two or three interesting things.

Have you read what I wrote?

I've been looking at it right now.

So are we talking, okay, we talk about three things on this podcast, right?

Ideas.

So like kind of, you know, interesting ideas based off of trans observations, et cetera.

We talk about people that are doing interesting things or living interesting lives.

And then the last one is that we talk about, you know, just cool stuff we saw or stuff we're trying ourselves.

And so which one, this first one, which one is this?

One I have, I have number one and I have number two.

So the, the, there's two of them.

The first is let's do the Japanese one.

Okay.

So one of my favorite things to do, and it's kind of a nerdy thing is I love looking at, and I've told you this, I love looking at what other countries do and figuring out why it's interesting and why we don't have it in America or the other way around.

And the, the Japanese and Chinese cultures, which I know close to nothing about, I don't entirely understand if they have anything in common.

Like I don't know if like the similarities between Japan and China is the same as America to China.

Like so I don't know, but what I've noticed that both the Chinese and the Japanese are wonderful at monetizing news apps and one, there's a few reasons.

The first reason is in Japan, I don't know if this is true in China, but in Japan, it's still quite common to buy newspapers and to subscribe to news.

That's still common.

In China, I don't know why it's so much popular, but for example in China, the people who have podcasts like this, they monetize significantly better with subscriptions.

So like there's like, for example, Serial was one of the most popular podcasts whenever it came out.

It had I think 56 million lessons or something crazy like that.

And it only made like a million dollars in ad revenue shit, whereas multiple creators in China will make five, \$10 million a year and with a significantly smaller audience.

So anyway, I got really interested in these businesses and the, the one that I think is most interesting is called user base.

Have I ever told you about user base?

Okay.

So the only way you will likely know about them is because they bought courts in 2018 for about a hundred million dollars.

So the interesting thing about user base is they're public in China.

So I could, I went and found a lot of the reports, which I love doing and I looked at their decks and I also learned all about them.

So long story short, not sorry, Japan user basis, Japanese, long story short, user base is before the corona thing happened, they were publicly traded at \$826 million market cap.

And they only raised \$5 million to start and they're about 10 years old.
So they raised a significantly, a very small amount of money for how big they got.
And the way that they may, they make money is they own a handful of products, but three of them make the most money.
The first is courts that actually doesn't make a significant amount of money.
And that was a stupid company to buy.
I don't think they ever should have done it.
The second thing is speed up, which for my understanding, it's all in Japanese when I go to the website, but from my understanding, it's kind of like crunch base.
And then the next one is news picks.
Now here's where I'm being long winded, but have you heard of news picks?
Tell me, tell me why I care about this.
Tell me about these apps.
I will.
Have you heard of news picks?
I have not heard of it.
Okay.
They only have 150,000 subscribers, but they do something like \$50 million in revenue.
And here's where the opportunities are is, you know, pocket, you know, flip board.
Yep.
They have something like \$50 million or 50 million users.
They don't make shit.
They lose money.
They don't make shit.
And so what I want to ask to you is why, how do you think you would monetize flip board and pocket?
And these things better because we like now it's the golden opportunity for new stuff.
And I guess I'm just excited because I'm a news junkie, but these companies are significantly better.
They have like \$100 per user in revenue versus pocket, which is probably like 50 cents.
Right.
You know, I think one way to think about this is who, who is successfully replicating that model here, right?
So you have the athletic, which has built a pretty large revenue business off of subscriptions.
And then I think one of the legacy, I don't know, New York Times, whoever is doing really well, right?
Isn't that the case at New York Times or Wall Street Journal?
One of them is doing well.
No, these aren't the same.
These aren't the same because user base isn't a publisher.
It's an aggregator.
Sure.
Which is a wonderful company.
Which is more like flip board.

Yeah.

Which is wonderful because you don't need a significant amount of people and the market size is like everyone in the country.

Yeah.

So I'm not sure why people would, why people would pay for that.

I don't know what the cultural difference is.

I've heard the same things about podcasting as you have, which is that the podcasting industry in China is like worth multiple billions, whereas, you know, in the U.S., it's, you know, hundreds of millions type of thing.

And so I'm not sure what the cultural differences are.

In fact, some of these things are pretty nuanced.

So for example, live streaming, the same thing happened where in China, live streaming is like so crazy huge.

So I'm at Twitch now.

Twitch is a big network, but we're just in gaming and, you know, average American doesn't use Twitch.

But in China, the live streaming apps are on par in popularity with like a Twitter, an Instagram, a Facebook.

It's like part of the mainstream culture and people wondered why.

My theory on why for live streaming at least was that in China, a lot of, there's sort of a sort of suppressed, I don't know, sexuality or something like that where porn sites are often blocked or firewalled out.

And there's just a crazy ratio of men to women where there's way more men than there are women because of the sort of one child policy, I believe, that was in effect for many years.

And so people valued boys and so they had more boys.

And so I think what the reason live streaming is super popular in China and not in the same way in the U.S. is because of those cultural factors.

So people will watch live streams because it's sort of like this weird, flirting, soft core porn thing where you're watching a cute girl from a distance and you're able to chat with her and off, you know, send her tips and get virtual gifts.

And so a lot of people in the U.S. just looked at China and they're like, how do we just, oh, it's happening in China.

It's going to happen here.

But they missed that the underlying reason it worked in China and why there was demand for it in China where there's less demand for it here.

So that's what happened in live streaming.

I wonder if the same thing is happening in podcasting where why is it so much more popular there than it is here?

And then the same thing maybe in the news apps.

What is it culturally and I don't know, what is it culturally that makes people either value this more or pay for this more?

Like, for example, in India, we've talked about Indian education apps and how valuable they are.

So an app like Biju or there's a bunch of different Indian apps that are very big subscription businesses for education, you know, multi-billion-dollar companies and you don't really have the equivalent

here in the U.S.

I know you don't.

And I think there are all the creators out there.

I think they can do this.

And can I explain to you how I would do this?

And this is interesting because this involves news but involves all types of paid information.

I think paid information can be, should be significantly larger than it is.

And I think it's going to get more popular actually.

I think that anyone who's doing paid stuff that is normally free, it's going to be much larger.

And so here's why I think, here's how I would do it.

If I was starting from scratch, which I kind of am, I am in this business, is the first thing is you'd be surprised that shit that's free or is mostly free, if you package it slightly differently, people will pay for it and they will like it more.

And so what I've seen with our NPS for trends versus the hustle, which is free, the trends NPS is significantly higher.

It's like fucking 90, which is crazy high.

And I believe that the content is great, but also people enjoy it more because they pay for it.

So I think people, builders out there need to think to themselves, man, there's this weird mind fuck that I can just literally charge for something that normally is free and people will like it more.

The second thing is I think people need to charge up front.

No freemium.

I think if you charge up front and don't do any freemium, you're going to get significantly better results.

The third thing is things that a lot of times companies like doing this low density with a lot of white space on their pages, no, fill it with information, get rid of that beautiful stuff.

And that's not right.

Have you been a jerk?

Drudge report.com.

No, you don't know what Drudge is.

I've heard of it, but I've never gone.

Okay.

So it's like political.

Yeah.

It's it's it's his name.

Matt Drudge.

I could be saying it wrong.

Drudge.

It's a hard word to say.

Um, it's just like one guy and he's just like pretty right-winged guy and I went to the website just now and I was like, Oh, I must have typed it in wrong because the website looks like, you know, oh, it's Craigslist garbage.

Dude, that website gets a billion views a month.

Is this comes conspiracies?

Is that what this is?

Uh, I would say it depends.

He asked.

I don't think it's conspiracy, but it is for it's for sure biased and right-winged.

It's like, like, um, the founder of HuffPo, this literally gets a billion.

Are you joking?

I swear to God, like literally one billion.

It could have declined recently.

Dude, fucking, you know, Drudge was the one who broke the story about the Clinton, um, when he slept with Monica Lewinsky, like he called it.

So anyway, it's really just an aggregator of other links and every once in a while, he'll do something original.

And does he retitle the headlines?

Yeah, dude, it's just, it's literally just a page that you click off and every once in a while he does.

Yes, that page was designed in 1996 and it's never changed.

It doesn't even work.

If you haven't gone to this, go to it right now, DrudgeReport.com.

This is so weird.

This doesn't even like literally there's like, or, or if you go to Drudge.com, I think there's like 20 links that are black and white page, 20 black links.

And then there's just a giant picture of an astronaut because it's like related to one story with a huge headline.

And then there's again, 1,000 links below that according.

Yeah.

I, a report was done in like 90, uh, in like two.

Okay.

So according to similar web, it gets close to 100 million unique visitors.

So 10 page views a month.

Yeah.

Probably a billion.

It's very influential.

This site.

Uh, and it's interesting.

And I think that if you just like paywall this, he would crush it.

So who's this guy?

Matt, Matt, Drudge.

What's his story?

He's a former journalist.

He, um, he's just a guy.

I don't know.

He's just, uh, he's just a guy who created a cult following and people love it.

And when Ken Lear started HuffPo, he said, I'm going to make the left wing version of, of Drudge report.

And so if you go to this, this website, it does a really good job of big, bold headlines.

That's like a yellow journalism that was invented by Hearst in the, um, what does that mean?

Yellow journalism, uh, basically this has been around forever.

People think clickbait is new.

It ain't.

Um, Hearst was a pioneer of this.

So, uh, he would have these huge headlines.

Um, and it would, it would always, it was always, it was mostly about like blood and scandal and you know, if it bleeds, it leads type of thing.

And then Rupert Murdoch also did it with his newspapers and that's how they got popular.

So if you go to HuffPo.com, it's, it's very similar to this.

It's a huge headline right in your face.

And that kind of, what that does is in your brain is it triggers a little bit of addictiveness.

Business Insiders just like this too.

If you go to business insiders, big ass headlines.

So they put their stats on the site.

It says visits to Drudge today, 34 million in the past 24 hours, 1.1 billion in the past month, 10 billion in the past year.

Dude, I'm telling you, it's fucking crazy.

This is like, what is happening?

This website is like the craigslist of, of, of news.

Like it's a tiny ass staff.

It literally could be five people and it could make \$50 million a year.

And he monetizes anything he has any ads or what does he do?

Um, so he monetizes it with a couple ads and I knew guys who were the ad sellers.

Like he uses a third party.

So it was probably has Google, Google ad sense and things like that in there.

But he also uses, um, like some, uh, like a third party direct seller, like a company that sells ads on it.

And they said that it was like the best, the best, uh, like the biggest site ever.

Yeah.

Dude, I'm, I'm on their site right now.

I'm asking to advertise because I want to get their info.

Like hack for anybody who wants to know how many, how much traffic does something have, how many users does it have, how many listeners does this podcast have, go to advertise.

You inquire, they'll tell you the info and you'll get a sense of it.

So I'm going to, or you hit reply to their marketing emails and there's typically a marketing manager on the other end who will tell you the answer.

Right.

Um, so anyway, is this not like fucking fascinating?

It is.

And, uh, maybe I'm just an idiot and everybody out there is like, dude, of course I know Drudge.

I'm one of the 10 billion visitors.

But I know young people don't know this.

I've literally, I've heard the name.

I never even looked at it.

Allen and Ubrey, have you heard of this?

Yeah.

Give us a F in the chat.

If you know it, if you don't know it, give us something else.

Oh, okay.

He knows.

He knows about it now because we're talking about it.

All right.

One said yes.

One said no.

Um, he says y'all sheltered.

Uh, nice.

Okay.

Good.

Good comedy.

Super interesting shit, man.

And, um, so why doesn't the hustle have more visitors, dude?

Look at this guy.

This guy's, you know, killing it.

Well, a few reasons.

One, it's, it was definitely easier to, to build the cult following in 1998 when he launched or sorry, he launched in a, I don't know when he launched.

It could have been 98.

I mean, it's like, why, why doesn't let go be Craigslist?

It's like, well, cause Craigslist has been around since 96 and they just gained market share real fast.

Dude, there's a part of me that wants to just like create some ultra ego that just does some Sean Hannity, Milo Unopolis style character that just says outlandish shit.

I just want to see, could I do it?

Could I, could I, you know, um, the answer is yes, by the way, market my way to the top through the answer is yes.

I, one of our friends did this and he got a lot of traffic and then he, uh, canceled it and, uh, he like ended the site because he's like, I just can't do this.

This is second my soul, but it worked really well.

Got it.

Okay.

And by the way, typically conservative websites get way more page views and traffic than non conservative.

Yeah.

So conservative podcast, just so you know, we don't talk about politics, but if that helps the downloads go up, we're conservative and we appreciate your support.

So my point in all this was, I think news apps, actually, if you charge money and you offer a similar offering as free, free ones, you can do a, it's like, you can actually make way more money than, uh, not.

And to your thing earlier, um, so this also happens in China, like you said, so I think I don't know how you say the name exactly, but it's like Tutiao or something like that.

It's the, so bite dance, which owns Tik Tok.

Yep.

That's another example of, that's just like user base in Japan.

Yeah.

They own it's T O U T I A O, I don't know how you say it, but, um, and it's the same thing.

It's just giant news app with like 20 million DAU or whatever.

I don't know.

It's like some like, uh, like it's just like very big for a news app, right?

Like there's not the US doesn't have, I don't feel like news apps that are doing those types of numbers.

Um, I actually, I'm going to look up there.

I think it, and I think it went public for like \$20 billion.

Um, so, okay.

I was way under DAU 700 million MAU 1.5 billion.

I knew I was under cause I said 20 million DAU and that's not that much 700 million DAU, which is just insane.

Um, so yeah, and they bought for kicks and giggles.

What?

Yeah.

And I think that they spun that news app.

Um, they spun that news app off.

So opportunity here is I think that news apps in America are way, way, way under monetized.

And right now we are, the demand in news is crazy high with Trump being elected.

Every, uh, everyone experienced what was called the Trump bump, which, uh, which, and what doesn't Trump have his own news network or what is this thing that he promotes this?

Uh, oh, oh, have you seen this thing that this news network he promotes instead of Fox now?

No, what is it?

He has this, um, so, so somebody back in the day had said like one of the sort of one theory was that the reason he wanted to run was because yeah, I thought that was a rumor.

Yeah.

That was a rumor, but he promotes this thing instead of, um, Fox news, I have to find it's like, oh, something, it starts with a, oh, it says four letter domain for the news.

And he like promotes this is like, yeah, this is the good news or whatever.

I'd never heard of this network before.

It's probably one of those right wing, uh, news networks that's like massive and I've never heard of it and nobody in my Twitter timeline talks about it.

So I just never see it, but there's something like a lot of, a lot of people have tried this.

Um, it really hasn't worked that well.

Um, Ashton Kutcher did it with, um, it's called a plus.

I believe it's called an eight.

Is it a plus?

It's, it's something involving his initials and they a plus K is that what it is?

Yeah.

And they, and they got to like 40 or 50 million monthly uniques, but then like Facebook and Twitter said, all right, we're going to, um, if you post links, we're actually not going to show you to a lot of users.

And so it basically crashed little Wayne tried to do the same thing.

And then that, this is actually how BJ Penn.com, which is something you and I probably both read started.

Yeah.

So Alan just posted in the chat.

So, uh, it's called one America news network, oh, oh, and, and, uh, I've seen Trump posting about this.

I had never heard of this before.

Had you ever heard of this thing?

No, but it looks like, uh, it's owned by a larger company.

A hundred to 250 employees.

Yeah.

I don't know who owns this thing, but anyways, it's something there to dig into, but okay, news apps, we like it.

Um, I'm personally more interested in this like drudge thing than the Japanese aggregators, uh, because the drugs thing blew my mind, but it's the same thing.

It's the same thing.

This is my point.

It's quite similar.

Right.

Um, okay.

Cool.

What else you got?

You want to talk about Neil Patel.com.

Okay.

Let's do it.

So Neil Patel is this marketer guy, right?

Yeah.

He's been around forever.

He's been like 35.

He's been kind of a kind of crushing it since 2002 or, uh, he was 22.

He started quick sprout.

So it was a really cool blog.

And one of the ways that quick sprout made money is they would Google or they would write about SEO best practices and things like that.

And then, um, send leads to consultant consultancies who would then help you with your SEO.

So he eventually sold quick sprout and then he started Neil Patel.com and Neil Patel digital dot com and he kept blogging about the same shit and then he goes, you know what, fuck it.

I'm going to, well, first of all, he tried to launch his own software thing that did something similar called kiss metrics.

It didn't work out.

Um, and then he said, fuck it, I'm just going to do my own consultancy.

I think it's pretty fucking huge and all it is is an SEO consultancy and I was doing research on it.

And the way that he made this, and this is why it's interesting to people is everyone has ideas for agencies and they're actually relatively simple businesses to start.

You're just offering a service, but they're real shit to run.

Um, and they're hard to make a profit.

If you do it incorrectly, and what he did, that was interesting as a, he opened up offices in Utah and San Diego, which are relatively cheapest, cheap places to live.

And second, he hired a CEO right off the bat.

And all he does is he, uh, blogs in order to get, get leads.

And he, it took like a million bucks to start the thing.

So he definitely had money up front, but it's really interesting.

And the way that he's doing it and his insight was he read slacks S one.

So that's the document that they, that they, um, published when they go public.

And his whole stick was he goes, man, slacks S one, the majority of revenue, uh, it came from bigger companies.

So the majority of revenue came from like 600 companies that were huge.

And also the margins on maintenance and service revenue were significantly larger than the actual software.

So you, are you familiar, familiar with this?

You mean the enterprise contracts where they say, okay, yeah, you know, there's a services a professional services component to it.

Yes.

And so a lot of people, including myself, because I not an enterprise software, don't know this, but like at, at, at Lasso, which is a large company, half the revenue is from maintenance and service.

Yeah.

There's crazy.

It's crazy.

AWS does this too.

You, you spend whatever 30 grand a month and they're like, Oh, you need priority support. You need enterprise support just in case, you know, you have a, you have a good business. So you don't want to ruin this.

And so you're paying 5K a month, 6K a month and just, just to have the ability to ask questions if you need to ask questions.

It's mind boggling.

And so what Neil, it'll appear to see is done as he goes, yeah, like, we're not actually going to sell the software because maybe one day we'll build something.

We're actually only going to like, but we're going to like kind of run it a little bit like a software company, but we're going to make all of our money from that, those service, that service fee.

And so they do a little bit of work, but in reality, they actually have software on the back end.

But they're doing SEO work.

So he's not selling leads.

He's actually doing the SEO work.

Yes.

But the interest, but why this is interesting to me is if you look at like, I just, maybe this is not interesting to people who know what they're talking about, but I didn't.

And I was like, wait, most of the margin is in the maintenance revenue.

And so that's like where they're making all of their cash.

This could, it's a consultancy.

And that's super interesting.

And it got me wondering like, man, if you just sell like relatively cheap software and a lot of the software is not hard to get, and you just add on a layer of service and maintenance, like, holy fuck, that's the way you do it.

All right.

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So here's the deal.

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superside.com.

I've used them before.

Love them.

Yeah.

That's one way.

I first heard this because there's this guy on Twitter.

I think I've shattered him out before.

I grabbed dinner with this guy once, but his name's Chatham.

Chatham P is his Twitter.

So C-H-E-T-A-N-P, I think something like that.

And he's an investor at Benchmark, which is probably, you know, one of the top five venture funds in the country.

And he does enterprise, he specializes in enterprise.

He just made the Midas list, which is like the, you know, VC, like whatever, 30 for 30 or 30 under 30 list, basically.

And so anyways, he tweets out these little summaries about enterprise companies where it's like seven bullet points and you understand how this company makes their money and how fast they're growing.

And like, what he highlights, no, no, no, I'm saying the Midas list is like a bullshit list like the Forbes 30 to 30.

But anyways, he often posts these like, Hey, counterintuitive, people think it's all about software.

Look how much of their contribution comes from services.

Hey, you know, everybody thinks you should be adopted bottoms up.

Look at this company.

They do the complete opposite.

So he's very good at pointing out the like many ways to win.

And that goes against sort of the conventional Silicon Valley wisdom, which is like, Silicon Valley wisdom is like, Oh, technology gets adopted bottoms up now.

You don't have to sell, you know, you sell in later.

No, that's bullshit.

Look at Oracle.

It should be a software play.

You don't want to have, you know, this heavy OPEX component.

And it's like, you know, and so he just walks through a bunch of different examples of companies that are doing it very differently, like Pivotal and other companies like that.

By the way, I bet most are doing it that way, even if you look at Slack, they've got a fucking sales team.

Yeah, of course they have a sales team, but like, you know, they're, they're the example where it's like, they grew like crazy from this bottom up thing.

And then they hired a sales team, but like many companies do the exact opposite and succeed.

I don't think that that's true.

I bet if you learn about Slack, I bet you most of the revenue came from sales team people.

I don't think so early on.

I mean, they didn't have any sales people early on.

So it couldn't have been that way, right?

But I think the revenue then pales in comparison to where they are now.

So yeah, whatever.

Who cares?

Okay.

So there's Neil Patel guy.

You think he's interesting?

Cause what?

Cause okay.

So you, you thought the interesting part was that surprise, surprise, the software companies actually have a significant amount of money that's coming from this client services.

That's interesting.

Is there anything else about this Neil Patel guy that you think is interesting or that could be sort of replicated in some way?

No.

Okay.

Cool.

Well, you know, shout out to the Indian, yeah, there is one thing which is his business, the way that he came to discover this business is really interesting.

Whenever people ask me what company they should start, if they don't like, they're like, I'm not sure what to start.

I always say start a blog.

And the reason why is his insight, he's probably, I bet you he's made a hundred million dollars.

This Neil Patel guy in profit over the last 10 years, I bet, I bet he's rolling in it.

I'll take the under, but okay.

Dude, I'm almost positive.

Like, Neil, clear the air, Neil, you hear this clear the air.

So Neil's, I think he's cousins with this guy, Heaton Shaw.

I think that's why they started his metrics together.

Yeah.

They're cousins.

I bet you that he's probably done anyway, I bet it's quite large.

And anyway, the way that he did this was he created a quick sprout and then he looked at what sold well and just launched it.

And there's two companies that have done this really well.

The first is WPB.

I mean, there's probably a time.

The first one that I can name is WPBeginner.

It's WPBeginner.com.

It just blogs about interesting WordPress stuff.

His name's Syed.

I bet you Syed, I bet.

And so what he did was he looked at which WordPress plugins did best and then he just launched his own and then put his links in there.

And I bet, I bet you he's got a little empire that does 40 million in recurring revenue.

I've talked to people who claim they know and it's around, it's like in that ballpark.

And then the second one who did the same strategy, which I am emulating is SoftBank.

You know SoftBank started this way?

Yep.

That's right.

The news, sorry, information, then conferences, then...

Yeah.

So they just started a magazine and they looked at which ads did best and then they started or invested in those companies.

I like it.

Okay, cool.

Interesting to me.

I got a couple topics for you.

Tell me if these are interesting.

So there's this thing called, your mouse is hovering on this, I'm going to talk about it.

I clicked it.

It's called Book a YC Team.

So what this is, is there's two guys who were in the YC batch and they weren't able to raise money.

The startup didn't work out.

And so they created this website called Book a YC Team.

It's like, hey, you want to hire a product and engineer from YC?

Like two founders were badass.

We got into YC.

That's like Harvard.

You can just hire us and we'll just be like a little two man demolition crew for you for some price for some period of time.

And so it's like the, it's just an agency.

It's the extreme high end of like the Geekster, Upwork, Fiverr, like right, like that's the low end of like hire a remote, like hire a developer to build your thing.

And this is the extreme like top end.

It's like, and so I actually think there's a better product idea than their product was in YC.

If they can get more failed YC startups to do this as an interim thing of like, hey, yeah, I do this while I'm in between figuring out what my next startup is.

I think that's a very smart idea.

So I thought that was cool.

Any thoughts on that?

Amazing.

I want to, well, our team joiners, I want to sign up for this.

My, my concern is that if they're from white, I'm just going to be a hater.

If they're from YC, it means that they're soft and care about the wrong stuff and don't move fast and they're just weak.

But great idea.

I like it.

Okay.

I don't agree with that at all.

But all right.

Neither of us would really know that.

It's just like funny.

Dude, I just, my point is just like Silicon, a lot of Silicon Valley people who make shit, they just launch slow.

They do all this user testing versus just like fucking do it.

So my favorite thing is actually, is it YC is funny that way?

The people who go into YC, they're often extremely scrappy, you know, whatever, hardworking.

They're just one or two people who are building a whole thing on their own and ambitious.

Then they get into YC and then they drink the YC Kool-Aid and it's like, oh, now, by the way, oh, you were helping me before.

Fuck you.

I'm in YC.

I don't need you anymore.

You want to invest in my company?

It's a \$15 million valuation.

Right.

What do you have?

It's like, well, we haven't launched yet or like we have like two customers and you know, it's like the minimum buy-in is \$10 million valuation and easily we can get to 15 or 20.

It's crazy.

And so then they get really like, you know, high and mighty and then my favorite thing to do and also all the investors are talking to them around that same time and it's definitely decreased because of this problem, but like still there's a lot of demand.

The absolute best strategy I have is, I shouldn't even say this, I shouldn't even give this away because it's such a good, it's such a good system.

Give it three months after YC.

So I don't care about demo day.

I wait three months after YC and then I go talk to all those founders at this point.

Nobody else is talking to them.

They've either already raised around or they failed to raise around and they're like humble, but they're, they're, and now reality has hit where they're like trying to actually grow their business and the YC hype is off and like the YC short-term gains that they were getting where they were like, just trying to make a nice chart for demo day.

It's over.

And so when you meet them in the reality zone that they hit three or four months later, it's such a different conversation.

And so you can invest on way better terms.

You have way more real data to use because you're not just in the YC hype engine where you have one minute to hear about the business.

This is my point.

And so this whole like YC book a team thing, they could, it could be cool because those

people are generally very smart and a lot of their designs great, but like if they're like soft and Madonna's, then

Well, I think what will happen is these are the YC teams that have gone through it and failed.

And you know, by then they are, are in a very different like, I don't think they're soft.

I think they are, you know, hardened by the opportunity, by, by, by the experience.

And I would bet that they are some of the best talent you can pick up at that point in time.

So if I like this, I think this is cool.

If I were these guys, I would not raise any money and this week I would just make just fuckloads of cash off this, yeah, exactly, I agree, you're just farming the YC talent pipeline.

Okay.

So start an agency just for YC companies, guys, we'll build your ship for you.

Right.

Exactly.

Love this.

Okay.

So another cool thing.

Okay.

So this one's super quick.

I just, I don't even know why I wrote this down.

So there's this company called remote remote.com.

Yeah.

They just raised a lot of money.

Yeah.

There's raised 11 million bucks, I think, and they, they're doing something really smart, which is if you've ever tried to expand internationally, one of the biggest pain points is starting your own entity in the region.

So like we have this problem at Twitch all the time.

It's like, Hey, we're interested in this country.

It takes like a year to spin up a legal entity in the country.

Now you have to maintain that.

There's a whole bunch of costs, a whole bunch of red tape, and you need it to be able to do like some countries, you need it to operate.

Some countries you need it to be able to do ad sales, for example, in that region.

So there's all these reasons why you need a local entity, but having a local entity is really hard and so to employ people and whatnot.

So what remote is doing is they're doing the hard work of opening up legal entities everywhere.

And then they are figuring out ways for you to use that entity to hire your remote staff as employees on the ground in that country.

Okay.

Let's, let's rough on that.

Cause I have a few cool insights.

The first, well, this is everyone probably has this, you know, it's still hard to hire state over, like over state line, like state to state, it's hard.

And I've got, I've had to pay hundreds of dollars in penalties because I didn't, I wasn't, I have people now who handle this, but when I first started, I handled it.

You have to like keep track of like all your licenses for Texas and like, I had one remote employee in Washington.

I had to like register there and shit and I just didn't do it and I didn't do it the right way.

I'd pay hundreds of dollars in fees for penalties.

It's quite hard to do that state to state.

Have you done that?

Have you hired?

I've hired across states and I'm like most people where you don't even realize there's other shit you need to think about.

And right, I didn't know until I got like a little from the leader.

Yeah.

I just got like, so, and then I'm like, where do I organize all this?

So yeah, that's interesting.

Another thing that's kind of cool is I wonder if, so there's a whole bunch of companies or industries where you have to have a license to practice, but if you only have one person who works at your company who's licensed, then you're okay.

So for example, if you sell health insurance, if you sell, like, so if you sell any types of benefits, you have to be, I believe you have to be a broker.

If you want to sell certain types of real estate, you have to have a broker's license.

And oftentimes getting those licenses in every state can be challenging.

So for example, him, did I actually tell you about this?

Hems, when they want to sell their Viagra state to state, they have to have a registered person.

You can't like, yeah, you can't like ship medicine across state lines, but that, this is a totally different topic, but that law actually has been suspended currently.

So doctors can prescribe, yeah.

And so that's an interesting opportunity.

That loophole might be closed, but that just happened a few weeks ago.

But I guess what I mean is if you're saying that they like are a registered agent in a certain state to practice a certain type of business, that's kind of interesting.

You could do that for loads of different things.

And so I think what these guys are doing is cool.

The reason I initially liked it was because the founder's name is Job.

And I was like, what?

Your name is Job?

And this is what you do?

He's like, yeah.

I was like, whoa, this is great.

And this is like, you know, a small little glint in my eyes when the fastest man on earth

is named Usain Bolt.
And I'm like, oh, wow, that's, that's how the world is.
It's amazing.
The world is amazing.
Are you sure it's not Job?
It's spelled J-O-B.
So it's Job to me.
And I was like, dude, your name is Job and you're about hiring people remotely.
Like this is fantastic.
Dude, it's probably Job.
Well, he's from, I think he's Dutch.
I think he's from the Netherlands.
Maybe I'm wrong.
I don't know.
Sorry.
I talked to him before.
I thought about investing in this company and I liked everything.
I talked to the guy, liked it, liked the premise.
He had a win under his belt from GitLab before this.
He was like super early there, number four or something.
And, and then I didn't invest because I got busy.
You should have.
You missed out.
I'm looking at him now.
He kind of looks like the terrorists from Air Force One, like the, like the, he looks like the Russian terrorist who wears like track suits.
All right.
And moving on.
Or from, or from Die Hard with the vengeance.
He looks like one of those guys.
Yeah, dude.
He's not soft.
This guy's hard, dude.
He's as hard as a Russian terrorist.
Dude, Google his name and look at his head shot.
He looks, he looks like a terrorist in Call of Duty.
I can't even Google.
I just Google job remote.
I got a bunch of job boards to work.
His name is Job Vander Vort.
Yeah, that's right.
All right.
Let me take it.
I've talked to this guy on video chat.

He looks good.
He's a handsome guy.
What are you talking about?
I'm not, I didn't say he's ugly.
I just looked like he'll, like he'll fucking kill you.
Yeah.
I don't know.
Which I think you need to do international business like this.
So okay.
Yeah.
No, I'm criticizing.
It's a compliment.
If you ask me.
He just doesn't, he just looks like he's selling nuclear arms, not like, you know, recruiting services.
Okay.
I got an idea for you.
This is a boring idea.
So you're probably not going to like it or maybe you'll like, I don't know.
So right now, one thing I'm learning, this is part of my export, my import list from a big company, which is basically at a big company, one challenge is that you like head count is like oil.
And so you like kind of your, oh, every division wants more headcount.
The company raises money so that they can, or, or, or, you know, decides every year how much headcount they have.
It's like a magic number.
And, and so, you know, but then the problem is, you know, that's like, it tells you, hey, you're going to hire 25 new heads this year.
That's your department.
That's what you've got.
But the problem is some people leave, right?
So you have attrition.
And the problem is nobody knows how much attrition there's going to be.
And so I'm learning right now how big of a problem this is, which is there's like HR people who are trying to model and excel and trying to go back through this stuff and trying to figure out, okay, year over year, what's our percent attrition?
How many, how many people leave the job 15% a year?
How many are going to leave this quarter?
And you need this to do financial planning.
So you know how much you're going to spend.
You also need it to figure out how much to hire, because you don't just think about, okay, if we're going to do this amount of work, we need to hire this many more people.
You have to take into account that you're going to also lose people and nobody knows how much you're going to lose.

So I think there's something around attrition for big companies, which is either a much better modeling system, an automatic projection system, forecast system for attrition. It takes your historical data.

It can take the job, other companies job, other company attrition and tell you, hey, a lot of people are switching jobs right now.

Or like for COVID, we predict that a lot of people are not going to switch jobs right now due to the uncertainty of the, of the economy and like, how is it that aren't these things?

Isn't this a thing?

Isn't this what PeopleSoft did?

Maybe I don't know.

I don't use PeopleSoft, but I know that like we use Workday and other things like that.

And this doesn't come baked in for that.

Or at least we don't.

That's interesting.

So like if I wanted to get rich and I liked software, I absolutely would do something in that field.

Another version of this, which is just if you can help companies figure out who's going to leave.

So like one thing that happens when I open up my computer sometimes is Amazon has this internal, what they call a pulse survey, it's a quick one question that pops up and you just answer it.

And it's a very lightweight and it helps them collect data about like, you know, how employees are feeling or whatever, right?

And so I think it'd be interesting if you could find a way to make it where employees would feel comfortable saying if they're thinking about searching, if they are job searching and they know it's totally anonymized and protected, but it helps the company figure out, oh shit, you have this many, this percentage of your engineers that are thinking about leaving the company.

So you just map that to potential attrition.

So I think there's something, there's something to solving this attrition problem for companies.

I think there's a business there.

I don't know too much about it because I just, I just Google it, I just Google it and there's a few headlines.

IBM's AI backed employee retention software can predict within 95% accuracy, which workers want to leave their job or are going to leave their job.

This is cool.

This is a great idea.

IBM can tell you, they want to hear what's going well with employees, what isn't, and they will tell you within 95% certainty if they're going to leave.

Hmm, that's pretty cool.

There's something to this.

Okay.

And then there's one other thing I wanted to talk to you about, which is, do you know

who this guy, Yixiang Wang, is, have you heard this name before?

Yeah, he was the CEO of Reddit.

Yeah, he's the CEO of Reddit in 2005, he was at Facebook, so he's very early at Facebook.

It seems like a super smart guy, to be honest, and I've been reading his like blog for a while, I think he's kind of smart, but I didn't know what he was doing and I just heard he's up to like a new company.

And so I was like, all right, anytime there's somebody who I think is really, really interesting and they're doing something, I want to know what it is.

And it's pretty ambitious and I wanted to talk about it.

So he's literally trying to solve global warming by planting a bunch of trees.

And okay, so what does that mean that you're really going to solve climate change?

And so he has a blog post called a massive reform, a massive global reforestation project is how we fix climate change.

And he walks through just sort of his logic one by one.

And this reminds me of like, I love this shit.

I remember reading, I remember reading Elon Musk's secret master plan that he published back before Tesla was famous.

And I remember reading that and being like, wow, this is like really audacious.

Who's this Elon Musk guy?

Okay, he did this PayPal zip, zip to, you know, he did this other company, I should pay attention to this because this guy, this sounds pretty audacious and you know, I can't disagree with the logic here.

And that's how I felt when I was reading this.

Now, I think this is out of my depth scientifically, so I don't know if this is legit, but he's a legit guy.

And so I respect that he's looking into this.

So is this a business?

It's a business.

So how does it make money?

I don't know yet, but because he hasn't released too many details.

In fact, he hasn't like announced that he was really doing this.

He just posted one blog post about theoretically, how would you do it?

So he just walks through, look, we produce, you know, 45 gigatons of carbon dioxide every year.

And the best way to get rid of carbon dioxide is forest.

To get rid of this amount of, we know how much one acre absorbs.

So that means we need 3 billion acres of forest.

Where are we going to get that?

Well, it turns out we know how to turn deserts into forests.

And we've been doing this in China and Israel and other places.

And so he's like, all right, there's 4.7 billion acres of desert available.

We need 3 billion to solve the climate change problem, to absorb all the CO2 we're emitting.

And he's like, okay, so what's the problem there?

Well, to turn a desert into a forest, you need irrigation.

To do that, you need solar energy.

To do that, you need this.

And so he's literally walking through and now he bought a little, I think he bought a plot of land in Hawaii where he's doing a proof of concept for this.

Yeah.

I'm reading about it in August 17th, 2019.

He launched this or he announced it.

So if you Google Yishan Wong, so Y-I-S-H-A-N, Wong, W-O-N-G, trees, you'll see two posts on medium.

Dude, this is fascinating as shit.

This is awesome.

Isn't this badass?

I don't know how it makes money, but it's cool.

If he says the world is fantastic, I don't know if it makes money or not, but he talks about the cost of this solar project.

Obviously this is a lot.

It's like a single digit trillion.

But the global GDP is this much.

Could we dedicate 3% of the global GDP to solving climate change?

I think we're going to need to.

So I think it's amazing.

And I love that he didn't come out on TechCrunch.

You don't read about this on TechCrunch.

The reason I found this was because a local Hawaiian newspaper was talking about, hey, this guy's trying to plant a forest over here on this little area.

And I was like, that's legit that he's actually doing the work.

So respect for actually going and doing the work and working on one of the biggest, hardest problems to solve.

So that's why I like this guy.

How rich do you think this guy is?

And do you think he's able to do this because he's rich?

Or is he like, what do you think is going on here?

I would guess, if you're at Facebook 2005, that's really early, yeah, he could be easily be worth \$100 million.

I don't know what his role was there exactly.

He worked as a senior engineer at PayPal from 2001 to 2005.

He joined Facebook as a single digit millions.

He joined Facebook as a senior director of engineering in 2005.

So that's these tens of millions, I think, and the IPO.

Yeah, definitely.

I mean, if you said he has \$100 million in the bank, I would not be surprised.

Yeah.

So anyways, I think this is this is badass and pretty inspiring.

It's called a terrible nation.

I think it is inspiring.

And my takeaway from this is, yeah, the climate change, awesome.

I'm not like crazy passionate about it, but I support it totally.

I think it's neat.

My big takeaway though is like the type of balls you have to have in order to have these ambitions and to follow through with it.

I find that to be the most inspiring.

Exactly.

There's also this meme I saw, which was, and, you know, great, I'm going to describe a meme on a podcast is hard to say, but like, it's basically two scientists and they're looking at the coronavirus to two little humps like one that's a, you know, we've all seen this diagram now of like one curve and then the flattened curve.

And so they're looking at it and it's like the height of their shins and they're like, they're looking at that.

And then behind them is the climate change hump, which is like 10 times their height.

And it's like, yeah, I hope we get through this.

And it's like, because there's a much bigger problem coming.

And I think, you know, I could have never imagined there's a world where, oh, all businesses shut down.

Everybody has to stay in their home.

Like I thought that's a nuclear bomb, like there's the only way that this is the case is like, there's a nuclear bomb or like, I don't know, some crazy terrorist shit.

And you know, coronavirus did this to us in like a month.

You know, when, when we hit the tipping point for climate change, you know, who knows what the world is going to look like and what's going to happen.

It's pretty scary.

Do you think that you're going to go work from the office again?

No, I actually told my company, I was like, I don't think I'll ever go commute to the office again.

Yeah.

And you know, our, our lease in San Francisco is like 14 K a month.

And I think it ends in May.

And I don't know, I mean, everyone in their heads like, yeah, it's like, there should be like a service where you can like rent it and like only go some of the time.

And I'm like, you mean we work?

Like, yeah, that's a thing.

And it's great.

I don't know why, like everyone hated on it a few months ago.

So I think we're, I imagine us doing a we work.

Dude, that's interesting because at the beginning of this, you were like, dude, I hate remote.

I hate this.

I will.

I don't believe in this.

Yep.

And my opinion changes a humble and smart man can admit when he's changed and is wrong.

So I am humble and smart.

All right, we're going to end on that.

That's great.

You got anything else you want to shout out?

No, maybe we will have things to shout out soon.

We're going to be work.

We're going to start.

I want to work on some projects like some private Q and A's.

Okay.

Nice.

We'll shoot.

We'll shoot those out.

Shout those out later.

All right.

Sounds good.

All right.