

[Transcript] My First Million / Alex Hormozi: Why He's Trying To Make More Money & How He's Doing It

Like everybody here, we can all consume whatever we want, so we can find whatever planes we would like, you know, you can fly private, you can stay in the nicest hotels, get the nicest AirBuses, go out to dinner every single other week at the five-star restaurant, at the Michelin Star, and you can do that for the rest of your life.

But I can't buy that skyscraper right there, and I can't buy that this huge company. And so what happens is like, the things that you want to buy change, and so you create a new deficit for the amount of wealth that you want, and again, this is just assuming you like the game.

And so, like, I like the game, so I just want to keep playing it.

I feel like I can rule the world, I know I could be what I want to, I put my all in it like no days off on the road.

Where should we, where should we start?

Because you do a lot of these interviews, what's the fun version of this for you?

Because I feel like if somebody actually wants to know an answer to something, it's been published. You got a book, you got a Twitter, you got a thousand YouTube videos, like if you're motivated, you can go find the answer.

Like I tweeted out, you know, Alex is coming on the pot today.

What would you like to know?

They're like, I'd like to know his thoughts on offers.

Making a sure offer.

Like that's literally his book, and I think the book is like free or 99 cents.

So like, that's just a lazy, lazy question at this point.

But I know whenever I do interviews, there's some version of the conversations that are more fun or I'm like, yeah, when we talk about that stuff, it's more interesting to me.

And that kind of lights me up in a different way.

What is that for you?

Well, I'll say there's two things that I've been probably focused a lot on.

One is obviously acquisition.com and so like what we're doing and kind of clarifying the mission between well, all the stuff that we're actually doing every day.

And then the other side of it is just that the leads book is coming out soon.

And so it's tough because I'm sure you guys have had stuff that you've worked on and it's like been on its way coming out and all of your energy is going into writing it or building it or recording stuff about it.

And then you can't talk about it because I don't want to, I don't want to, I don't want to talk about it all the time until it's like ready to go off.

And so the six weeks beforehand is when it's like, we have all this pre-reported stuff.

I've got like full courses, like I've got all this shit that's going to drop when the next book comes out, but I haven't talked about anything leads related for like two years because I've known because I've been working on it for two years for the next launch.

So those are the two things that are like top of mind for me, like what we're doing on the Mosey Media side and acquisition.com and then the lead stuff.

What's the split between those two?

So you've got media, you've got acquisitions.com, give me the time split.

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So on a given month, what percent, if there's a pie chart, what do you spend it on the content versus acquisitions?

And then also on the money side, like are you making more off the media or are you making more off acquisitions?

What's the relative difference between the two?

Yeah, we lose money on media.

So no, we don't make money.

I think between like AdSense and if you consider book sales a part of that, but I give the book away for 99 cents.

Actually, Amazon updated it because we re-uploaded it with some fix-its and they wouldn't let us go below one night, which now makes all the times I said 99 cents, like people were like, he's trying to get us.

It sucks.

Anyways, but no, I think the book does about a million bucks a year in profit in terms of what it makes and then AdSense is probably like 500 grand a year.

So it's like one and a half million and that barely covers the media team.

And so that's...

Topics the team right now.

We've got 10 and then we've got vendors.

Are you enjoying it?

Yeah, I dig it.

It's fun.

Right now, we do, I report once a to answer your question, Sean, about time split.

We do one recording day every 14 days.

That's like the direct to camera stuff.

And then if I do a podcast, like I got one of my guys here Trevor, who's reporting our side of it so that they can clip this stuff later.

So are you any ad box plus one dedicated day twice a month?

Are you enjoying the celebrity that comes with this, getting noticed and things like that?

Enjoy is probably...

I feel like there's some people who love attention and there's some people who hate attention.

I'm like right in the middle, you know what I mean?

I was purposefully deliberately not public because I wanted to be rich and anonymous and that was kind of like the mission for a long time for me.

And then now that we are on there, I would say that there are pros and there are cons of increasing, you know, fame or what do you want to call it, recognition.

I think the pros outweigh the cons, but there are cons.

Like what?

You get weird us.

You know what I mean?

Like we have security.

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You know what I mean?

Like we go to...

I can't attend any event.

Like I can't attend an event.

Like I can't go to somebody's like small group meetup.

Like I can't...

I guess it's very hard because I can't enjoy anything because I'll have a line of people who are asking for advice or signatures or pictures or whatever.

And like again, I am grateful as shit to everybody to do that.

It's just like...

It's a different experience.

So I just have to...

I have to...

If I'm going to go to something, I go into it knowing that's what my experience is going to be, not whatever or whoever is on stage.

Yeah.

It makes the online experience dope, but it makes the real life experience less.

Different.

It's different.

That's what you fundamentally just changes with the in-person experiences.

Like if I walk out...

So like what's interesting is that I was able to or have been able to mark out social media and like the audience has grown by the number of real-world interventions I had per unit of time.

And so like I remember the first time I got recognized public and then it was once a month and there was once a week and then it was once a day and then it was every time I'd walk outside the door.

And now it's about five times or six times every time I walk outside, I get recognized.

And so like I just imagine that that just continues to compound with time and with distribution.

So it's just...

It's different.

But here's the praise.

We get the best talent for our portfolio companies and for acquisition.com because so many people want to come here.

We get them for at market rate or below because of all the learnings that they want and the other people who are also pro players on the team.

We get the best deal flow that's all proprietary companies that want to work specifically with us.

They're not trying to exit to anyone or sell to anyone.

They want to work with us deliberately to scale the company.

So like I continue to do it because I'm more rewarded for doing it than I am punished for doing it.

But there are definitely...

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You get weird letters and you get weird attacks and things like that.

It's just...

It comes with the territory and it's to be expected.

And so for us to pros outweigh the cons, but there are cons.

I remember talking to Tim Ferriss and you could just tell from the outside, but he...

I don't know if he's mainstream famous or not or if I'm in a bubble, but he's popular enough that he has all these people listening to him and all that stuff.

But the cool thing about him was he had high profile people and a lot of people who listened to you, you're like, I'm thankful that you listen, but I don't exactly want to go hang out with you.

He would actually have a ton of listeners who would reach out to him who are like the Matthew McConaughey's of the world or some football coach or Ryan Holiday has that too, where it's like someone who's like a big deal who you're like, oh my God, you listened to me.

That's amazing.

I would be honored to go and hang out with you.

And he had stories like that.

And Sean and I have had that a little bit where some business person who we both admire will be like, yeah, I heard your pot on this thing and I'm like, oh, wow, you listened to that.

Have you crossed that threshold where you have people who you admire who are messaging you and being like, man, what you said was really cool.

I have a question about X, Y and Z and you're like, oh man, that's amazing.

My heroes want to talk to me now.

Yeah.

I mean, yes, I don't want to put anyone on blast, but there have been some mega, mega influencers who followed me and they were like, dude, this is awesome.

And I'm like, well, now I think less of you because you will follow my content.

So I think red flag there.

I told Layla the biggest red flag I had with her was that she was an image.

I'm not kidding, but yeah, like some NFL players that I used to like, you know, really look up to like huge MLB stars like and like huge, huge podcasters that, you know, followed me and and yeah, it's been cool.

One of the reverse situations is when I like go to like see, I'm like, oh yeah, how is so and so celebrity and I click and it says like follow back and I'm like, oh shit.

But no, it's it's cool.

I mean, it's it's it's surreal.

I'm sure you guys have had it surreal.

It's very well, I grew up like admiring Lance Armstrong.

I'm big into the endurance sports.

And one time I got an email and it was like, hey, just let you know, I love the hustle.

And he signed it with Lance.

And you could tell it was Lance Armstrong by his Gmail.

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And I was like, I don't believe this is really Lance Armstrong.
If it is, here's my phone number.
Call me right now and he called me within like three minutes.
And I was like, he called me, he goes, Sam, what's going on?
And I was like, Lance, is this really you?
And I and then I had a couple of athletes holler at us.
And I remember thinking like growing up playing sports, I would have killed to have an athlete like this recognized me and I could never achieve the athletic greatness enough for them to acknowledge me on my talents.
And then now you just take this total like outside path and you get to it.
Or like one time we had like this was really weird, but like the lead singer of Lincoln Park, Mike, he like tweeted out that he likes our pod and the hustle, whatever. And I was like, oh, that's sick.
Like I never I would have wanted to have met you.
But there's no way I could have gone down this normal path.
But if we went this weird way, we finally kind of met.
And I found that to be very strange and awesome.
Yeah, it's sort of that be so good.
They can't ignore you as a general advice for life.
Like whatever you want is on the other side of you being so good that you can't be ignored at anything and at anything and also like it doesn't have to be.
I think that's kind of what you're saying, Sam, it doesn't have to be the thing you expect, right?
Like, oh, you want, you know, you want to meet Warren Buffett someday.
You don't have to be a stock picker.
That's not as probably actually the least likely way that Warren Buffett's going to want to want to know you.
And in general, you shouldn't really pick based on what they want.
You should just pick based on the thing.
You can actually get so good at that you can't be ignored.
And it's hard to do.
Obviously, that's hard to do, but it's like more of the it's more of the right guidance than than many other bits of advice you could take as far as like a North Star for how you're going to like, you know, what you're going to go for.
Right, exactly.
And so anyway, it's cool that we're all kind of like seeing that in reality.
I want to come true.
Are you enjoying acquisitions dot com?
Because I know when we first talked to you, I think you are maybe only a year or two years in, you're relatively new.
I think you had just sold Jim Munch.

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Are you happy with like, is it what you thought it was going to be?

And do you actually like, and by the way, explain what acquisitions.

Yeah, what that is.

Yeah, so it's acquisition.com.

The reason I emphasize that is because there's somebody

bought acquisitions plural.com.

And it's just not it's not me.

It's different.

But acquisition.com is our portfolio of companies.

And so I'll give the TLDR 90 seconds.

So I had a chain of GMs, took that, licensed the IP to 5,000 locations,

started a supplement company to sell through the distribution base

and then started a software company.

We exited all three of those companies in 2021.

We'd taken about 40 million in distributions prior to the exit

and we sold 46.2 million.

And the software company I did separately or sold separately

in a strategic deal that was all stock.

And I said it because you guys probably laugh because like

I, people were like, I Googled Alchemist Network and it says 15 million.

It's like, well, I sold the company for 46 and I'll cash.

So like, I don't know where you got that.

And the only reason you do that and get that money is because it was making money.

So so anyways, that was pretty much 2021.

So we closed December 25th or 6th.

I can't remember.

It was it was one of those days.

It was right around 24.

It's Christmas Eve.

That's towards Christmas Eve.

We is we closed and then we started acquisition.com the next day.

And so that was when we like, we made our kind of declaration at that point.

They had already made three minority investments that had done really, really well.

And that's why I wanted to make that kind of my next big thing.

If you started it the next day, that means you kind of had this idea of cooking.

So what was the what was the Genesis?

Why did you why did what made you realize?

Oh, this is what I should do next.

I should buy these minority stakes and in companies like the one I just built.

And I should get this domain name, which I assume you had to buy.

So how were you so ready to do that?

What was the thought process?

So during covid, because obviously gyms were affected by covid,

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you know, we took a hit, but we took a major hit.

We were so profitable, but it was it was a big, you know, it was hard.

And so to kind of get some space, because there wasn't a lot like I couldn't do more.

You know, there was give me like, obviously, you know, we pushed things hard.

But like I was all above the business enough that there was nothing I wasn't I wasn't going to do anything, right?

And so I kind of just needed to take my my mind off things.

And so by by happenstance, a guy who owned a photography, a single photographer studio made his movie on my calendar.

And in the first and this is not how you do this, everyone like do not do this.

But I was actually still taking some calls for Alan because I wanted to do some like testing.

And this is before I had a big brand.

So I was just kind of like founder talk and customers to get an idea of what was going on.

But he knew me enough from just like I'd written a small book in the gym space called Jim Munch Secrets that he had read that book.

Well, I loved it, applied it to his photography business.

And he took a sales call through my software company because he knew I was taking the calls.

And so he hopped on and was like, I had no interest in your software.

He's like, can you please give me 20 minutes?

And I was like, sure, man. All right.

And I just liked his vibe.

And so anyways, we ended up doing a deal.

And so we took a minority percentage of the business.

And that business, I think, had done 1.6.

They were doing 1.6 million a year at a single single location, which is pretty awesome for a tiny like photography studio.

And he had, I think he had taken.

And this isn't all the book, clearly, because there's a million things.

But he had taken some of the concepts from Jim Munch's book, applied them, and it had grown the business a lot.

And he had an agency for photographers to kind of like do the same model for them, right?

And so we were having a conversation and he was like, yeah, I did exactly what you said.

And all the photographer studios add 400,000 a year to the top line when they use our thing.

And I was like, they add 400,000 a year?

He was like, yeah, on average.

And I was like, OK, how much are we selling this thing for?

And he's like pennies.

And I was like, OK, so let's not do that and let's own them all.

And so that kind of pit.

So he actually, and this is where like the trust factor of what like the inbound deal flow, which is what I love about actors, comes that we have a lot of trust.

And so he actually shut down a business that was making him, I think, 500,000 a year in profit, that agency side and shut it down to zero.

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Because he like believed that he believed me enough to go all in on this other direction of private ownership of all the locations.

And so as of today, and that was 2020, as of today, we have 36 locations in that business, you know, just 30 plus million a year.

And it continues to grow by one or two locations every month.

And so what's what's that business do?

And it varies.

So it's children's photography.

Right, dude, that's insane.

And you so when we last had you on, I saw I went to the website and I was like, OK, cool, what what are the acquisitions?

Great, what are the what they acquire?

And I saw basically like enchanted fairies and I was like, OK, cool, they're doing like the gym launch playbook on this other space.

That makes a lot of sense.

And if I go there today, there's still the same company.

So how come you're not putting new acquisitions up there?

I assume you've made a bunch of acquisitions, like, you know, in the last 24 months or whatever, why not put new companies up there?

You're pretty open about other stuff.

But in this case, you're not putting them up there.

And then also let's start with that.

Yeah, main reason.

So there's two big reasons why we're not public about the acquisitions.

Number one is that it's my brand is grown to such a degree that like if I say, hey, this business is awesome and it and it has a national ability,

like enchanted fairies is less of an, you know, like unless you're in one of those 30 markets and also my audience isn't like moms with kids.

So like it's it's it's, you know, it's it's arms length enough that it doesn't affect the business.

But as you can imagine, a lot of the businesses come to me or business services and they're, you know, they're national, they're international, whatever companies.

And so like me endorsing a company would five, 10 X the company overnight.

And so that comes with a couple of things.

One is that I haven't negotiated those deals with a brand endorsement included.

If I include a brand endorsement, then I own Major.

I'm not going to like I'm not going to risk my face on something I can't control.

And so these are most of the most of the investments we have are minority.

We do have a majority of investment as well.

But that was one that came in as a minority and then I just bought

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more because I love the business.

And it was up our wheelhouse.

The second thing is that if we were to exit those businesses and I had done an endorsement in a minority position, then guess who has to go with the deal?

Me.

Right.

Like I would as an acquirer, if there's some massive influencer that's associated with the brand, like he's not getting out in a deal.

And so our goal is to build value in the in the business so that the business is sellable and more valuable.

And we use my face to bring deals in.

And so that's why I've been really, really tight-lipped about the businesses.

How many deals have you done so far?

We've done right now.

We have 11 portfolio companies.

Is it all your own money?

Are you raised a fund?

No, it's all private.

It's all mine.

Damn, dude.

So you're going all in on this.

And so I asked you originally, are you happy with how this is working out?

Is it what you thought it was?

What's he going to say now?

Well, yeah, I could be like, well, he's like, well, I didn't realize like this is actually just mostly a due diligence game.

And I don't know if I love that.

What's the worst part about it?

Or what's something you didn't kind of, what's a downside you didn't fully respect up front?

So I think there's like knowing something and then experiencing it are two kind of separate things.

And so like, I know that in a minority position, we have to use soft influence to try and move things forward.

I know that.

But I would say the most difficult part is half listened to advice.

And so I'll give you an example.

So if I say, hey, we think that this operator in your business blows and when we need a new operator, the person says, OK.

And then we find them a new operator and then they hire the new operator.

But then they don't fire the old operator.

Like, what the fuck?

Right.

Right.

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It's very hard to win at that point.

Right.

And it's like, well, I listen.

So like, it's kind of like listening to half of someone's died advice.

It's like, yeah, yeah, I'm doing the cheat days, brushing the cheat days.

It's like, yeah, but there's the other days that you're in a deficit.

Yeah.

But you said cheat days, raise your metabolism.

Like, yeah, but you also need a deficit.

You know what I mean?

And so it's, it's, it's listening and completeness.

And so, I don't know.

We may move to, like, because like the business that I would say transparently that I enjoy the most is the one that we have complete control of. And so we bought a majority of that business and we were growing that one, like gangbusters and the speed to action is so much faster.

That being said, you know, we've, you know, I would say like the biggest when we have a big company that came to us and did 16 million the year before now, you know, did 50 last year, 20 million and even up.

So it's the biggest company that we have in the portfolio.

Um, we've had, you know, the, the Enchanted Fairies is obviously one that, you know, we did that at two wish with, you know, combining the two things, though, they're pacing two and a half months right now or 2.7, something like that.

So we have a pretty ridiculous deal, right?

Like I had a friend message me that was like, dude,

Hermozi's playbook is obviously amazing, but he's like, this deal that they offered us, he's like, I don't know who would take this.

And, you know, he's like, there's, I don't know if this is actually the deal or not.

But he was like, basically it was like no money.

We'll give you no money, but we get ownership if we grow it above X.

So it's kind of like, uh, I think sounded like more of a risk, risk-free strategy in a way, but, um, is that, is there a standard deal structure?

And is that it where you're not putting capital in?

You're basically saying, give us the equity.

We guarantee we grow by this much.

And if we don't, some, I don't know, some, some clawback.

We've iterated it, honestly, a bunch of times.

So one of the, one of the, so this is to answer your question, Sam, like probably even more pointedly now that we're getting into it.

One of the hardest things about like the investment cycle is that when you're making a product, right, you're trying to sell a service, you can ideate it, create an MVP, pitch it, see how it goes within like 60 days.

Like the whole, like the whole thing, soup to nuts, you can, you can do that

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whole cycle of 60 days.

But deals, it's like, you can think of, you know, an idea for a deal structure.

It takes 90 days to six months to close the deal.

And then it might take a year to see even just like some preliminaries of like, how do we like this structure?

How does it work, et cetera?

And so like, I still feel like we are most in our infancy in the deal structures that we have. So like, in terms of no money in their deals, we put money in their deals that we don't put money in, it depends on the deal.

Like the big one for money is it depends on what the need of the business is.

So like, if we're opening up a lot of brick and mortar locations, like we're about to, I think we might have actually closed today or tomorrow on a 28 location chain, that one requires capital to open more locations.

So that one, I'm like, I know where the capital is going, I see what their terms of capital are, let's get that right.

If it's a national based service business, so let's say it's, you know, mortgage sales, like they don't need, there's no cap X, like they just need recruiting the guys, right?

And that's how that's how sales gets increased.

And so like, that's where that's where does the money, like where's the money going and what is it used for?

Like, what I don't want to do is just like, someone got to go buys a mansion after I read it, like that's not the goal here.

Like the goal is that we're both together wanting to grow this massive thing.

And so it just really depends on, on what the, what the nature of the deal is.

So that's number one.

In terms of how we structure them, originally I had a grants plan offer type thing.

Now it's just much more straightforward of like, we were at, you know, we were equity holders in the business.

It's interesting because it's actually gotten less cute and less clever at this time has gone on, like it's just much more like, this is our deal, like we own a big chunk of the business and we're going to grow it.

And I mean, the thing is, is that for us, based on my hold go costs, like I put 500,000 a year in labor into the businesses.

And like, that's if I wanted to do like not mark up labor, like that's hard cost. And so if a company, for example, you know, is doing whatever five million a year in EBITDA and I'm, you know, I'm buying a, you know, a one-third stake or

a 40% stake in the business, like, like, what am I valuing that and how much of that value is going to come in the, in the form of, of just work that we're going to do. And so that's where, that's where the valuation and how much cash in et cetera kind of becomes more like per deal basis.

But yeah, so the long story short is one is soft influence has been something that I've been learning. We may in the future just do more major deals where

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the founder stays on, because like what I wanted to do is show how much more we grew this. Oh, I mean, we do have obviously some minority ones that have crashed too, but like, I want to murder this majority deal and be like, wouldn't you like to have 49% of something 10 times bigger or 100 times bigger?

And so that's kind of the angle.

But yeah, we're learning every day.

We talked to our good friend is Andrew Wilkinson.

He's done a similar-ish thing as you.

And then we've had a handful of other friends that have done something and they're like, well, I got really inspired when I read the Swarm Buffett book and like taught me a little bit about compounding growth.

And other people have cited other books or things that they learned where they're like, oh, no, this is the way to go.

And that's what I, that's why I got into this.

What about you?

What, what transitions you from going to this like almost PE model versus just one brand model?

Yeah.

And definitely if I were to, if I were to give us a name, it would be like a merger of a family office and a conglomerate.

Because family office in that, it's literally just family money.

Like I don't, I don't have any outside investors and then conglomerate in terms of like our business model.

Like I'm not trying to exit anything.

I would like to continue to compound investments we have.

If a founder absolutely like needs to or wants to or, you know, gets divorced and asked to create the asset, then like we will go down that, that route that long term, we're long term holders.

Um, but in terms of the inspiration, um, it was actually because Jim launch has, there's only 50,000 micro gyms, like in the U S at least.

And we had already gotten on the phone with 20,000.

So like, if you're a micro gym owner, know who we are, probably.

And I realized I went to this, um, this little meetup of entrepreneurs and it was like six or seven people and the whole room was doing an aggregate.

Like 500 million a year in revenue.

And I was old, you know, I think I was doing like mid thirties at the time.

And, uh, I was like, I was really excited to go.

Cause I was like, what do these guys have that I don't have?

Like I wanted to, you know, like, what am I missing?

Right.

And we had been there for like three years.

We'd been mid thirties for three years that I felt like I was like something was wrong.

And the big takeaway I had was not to the day better systems or the better

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marketing or better sales or better product.

They just were going after a bit more like every single one of them to a man had a market that was 10 to a hundred times the size.

And so I said that whatever I wanted to do next was going to be, was going to go after a much bigger mark and there are significantly more businesses than there are James.

Uh, and so that was kind of the big thing.

It's like, okay, well, it's something that can compound forever.

And that has a huge ramp.

And so we kind of like walked backwards from there.

And then in terms of like the, the doing this model, like we believe that people like build the people and the people build the business.

And so like Laila, you know, when we're 18 months of ideation, I know we're, we're going full circle, but like, how did we start the next day?

Well, these were the things that we're thinking through.

And I said, Laila, if I were to die tomorrow, what business would you start?

She was like, I would start a recruiting firm.

And I was like, I don't want to start a recruiting firm.

I was like, huh, I want, like, is there a way that we could combine what you like and what I like into something cool?

And so for us, like the most hands-on valuable thing that you can do for business is find a players.

Because if you find a players, you put them in the business and then they grow the business and then that value stays inside the enterprise of the business, not hold, go like, not the goose, but the egg, right?

And so for us, we just recruit crazy talent because we like our competitive mode is that we have more influence than they do.

And so we have a whole culture community of Mosey talent, where our head of people like continues to bring like, we have tons of people every single day that are applying for portfolio positions.

And then we can screen them, vet them.

And then because we know the company and because we're long-term incentivized, we don't just want to like put a body in a seat.

We want to find the killer that we know that if we, that we, we want to fill the role once, right?

We want to fill it with somebody who matches the culture and matches the skill set of the business at this level.

So a lot of times, like first time entrepreneurs, they're at whatever, a million a month and they're like, okay, do I hire a bookkeeper?

Do I hire a staff accountant?

Do I hire a controller?

Do I hire a CFO?

Do I hire a director of finance?

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Like, where, like, who am I hiring right now?

And what does that person look like?

And so like, we've done this enough times to be like, okay, at this level, you probably need a controller who has experience going from a million a month, three million a month.

And, right.

And like at that point, they, and we'll tell them upfront that we will bring a CFO who has transaction experience in the future.

So they're not jostled when that happens, right?

Same thing.

They're scaling out the sales team.

They're like, okay, well, I've got three good guys.

It's like, cool, we need 20.

So like, you can't just take your best closer and make a manager because he's never done this before.

So we want someone who's built at least one or two sales teams specific to, let's say it's inbound or it might be about, it depends on like the sale process of the business.

And they've built those types of teams and like, cool, we'll bring that guy in. We have our playbooks.

Then we say, hey, on our interview process, we're like, this is how we do things, they're aligned with that.

And if we do feel like there's alignment and they can, they have the chops because we do skill tests, then we can say, hey, I think that you'll match.

And obviously the founder still has final say because they have to like the person, the rises kind of work, but we do a lot of that heavy lifting.

Cause you know, we might take a hundred interviews at holdco to find one, one guy for one specific role for one company.

And that's where that labor cost comes in for us.

But what was he put?

Like the reason we took majority and it took majority, bought majority of the, of that business was we had built the entire executive team.

We built the entire executive team and we're like, okay, cool.

And the fatter was like, you know what, I kind of want to do other things with the business.

Like, I know it's been good hands.

I trust you guys.

And so it was like a very friendly deal.

And now he just gets checks every month and like, likes his life a lot.

And we just continue to run the business, which we're cool.

There's this really cool video where you're with Grant Cardone.

And I think you were like in the process or pre process for selling Jim lunch.

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And you were like, and he said something like rich people sell their companies, wealthy people never sell.

And it's cool is that I've sold the company before.

Sean has sold some companies before you've sold the company.

What's so funny is a lot of first time founders and second, third time.

I mean, a lot of people, their whole business is selling, but after they sell, they go through this period and they're like, shit, I shouldn't sell ever again, actually.

And you said you sold the business for 47 million.

You said you had taken 40 million in distributions.

So in my head, I'm like, that's a pretty shit sale.

Then do you wish that you would have just held on to it and never sold that, that company?

No, because the person I was then wouldn't be able to do what I can do.

Could I do that?

Could I say today would I hold on to it?

Yes.

But I don't think I could have done it then.

And so a lot of the re-spike transparently, if I had, I got more credibility from selling Jim launch at 46 and it was valued at 150 before COVID.

So to your point, it was a shit sale.

Um, but I was done.

I was emotionally done with the business.

I just didn't want to do it anymore.

I still own a third of the business.

So like when they crush the exit, the next exit at 250 million else, they'll get my \$100 million check from that.

Um, but I was, I was emotionally, I had moved on.

And my big thing is like all my friends, all my close people were like, dude, you sound depressed as far like you're not interested.

And I was like, dude, I want to do this new thing.

And they're like, dude, you light up when you talk about this new thing.

And so, um, I actually walked away from the deal during the deal process and then came back.

Uh, and so like, yeah, it was not like, it's like, because people give me a lot of, I'm glad you brought it up.

Cause a lot of people give me praise for that, but they don't have the context.

Like get what?

Like, you know, we had done, we had a 30 million and even bet the two, the 24 months prior to do the deal.

So like, you know, selling a 46.2 is not like, like, I told them I needed to be public about the number because I do know that the vast majority of people don't get it.

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Um, and then that's, that is enough to give me credibility for fucking TikTok.

Um, but it's not like the transaction itself isn't necessarily one that I'm like proud of.

I'm proud of what we built and that the, the company's grown 40% since we sold it.

Um, it's that they're going to kill on that deal.

But now that I also understand how debt works, which I didn't understand that like, again, this is like knowing we're experiencing.

Like I understood that they were going to get debt.

But when I realized that 80 or 90% of the money that they put in, they then just immediately pulled right back out, leveraging the company's books.

I was like, well, shit, I could have kept the whole fucking thing and gotten 90% of the money, not personally guaranteed and de-risked myself.

But with that created the same story of something that is sellable from a personal brand perspective.

And I think the answer is no.

And so, um, I don't regret the sale.

I think the sale was required for that step in my journey.

I think that now because we have the credit, but like no one cared that I had taken 40 million of distributions and don't give a shit.

Like it didn't matter.

Like the day I sold, my neighbors were like, Oh, I saw you on Forbes.

Like congratulations.

So I was like, I was richer before I did the transaction.

Like I was well clear before that point.

Um, but like it allowed us to do acquisition.

No, I don't think I could have, because my, my brand was still so, I was still the CEO as far as people were concerned of that company.

And I needed to have that space so that I could create acquisition.

Sean, what do you think?

Would you have done that?

I think he explained it beautifully.

I think he explained it exactly beautifully and honestly, which was that two, two things you just said that I resonate deeply with me.

One, this is the last thing you just said, which is to have what you want.

Sometimes you just need to make space.

And so this is like, I learned this through relationships.

And you're dating somebody, you kind of, they're not exactly what you want.

They're not bad.

There's nothing wrong.

There's nothing terrible about it.

So most people just stick with it for years and years and years.

And then they're kind of like, well, if there was like a much better option then yeah, like I would feel more comfortable just like going, being single.

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But I've always been very quick to just, if I know this isn't it, I'll break up.
I don't need to have another great option ready or like shown to me to make it real.
I know that if I make space, then great things can appear.
And sometimes you just got to do that.
Like I've taken, like when we sold Bebo, it was the same thing.
I had, I had been doing this thing for six or seven years and the business was doing OK at that point.
And thought like, you know, but in my heart of hearts, I knew this is never going to be massive and we had all gone into that business with basically like, yo, let's do something massive.
So by other people's standards, it might have been a good business.
By our own mission, it was going to be a failure.
I knew that.
And so it was when I was out with a friend and he was like, I don't get what you're doing. And he's like, you just need to shake things up.
And, you know, I was shook.
I couldn't sleep.
I was like, he's right.
Like I've been doing this for too long.
I need to shake things up.
And so I went into our investor the next day and I just said, I think it's time we change things up.
I said, I need to change things up.
I said, you know, if you want to keep going, I will help you hire a CEO and you can have somebody else take this over.
I'll give you back my shares.
I don't need a thing from this.
Like I will do whatever I can or give me 30 days.
I'm going to see if I can sell or I'm out like those are that this is either way in 30 days, this is going to change for me.
I've just decided to make space basically for something.
He's like, well, what do you want to do next?
And I was like, I have no idea.
Like he's like, well, no, really, like, you know, usually people when they, you know, they come to me, it's because they already kind of lined up something else. I was like, no, honestly, I have no idea.
I just know that I need to make some space.
And so that part resonates with me.
And also the idea of like you, like when I look back now and I'm like, oh, like before I sold our company, if I didn't, if my company wasn't going to be the next big thing, I would just shut it down, literally just turn it off, take a zero on it.
And then I just started looking around and I learned this word aqua hire

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in Silicon Valley, oh, people just sell failing companies.
And then I learned like, you know, the asset sale.
Oh, you could just sell the code in the assets.
Like, wait, who are these buyers?
And I didn't even really understand what my options were.
And so when you talk about basically, I could have refinanced,
I could have just refinanced based on the business assets took 90% of the value.
I've felt that same like stupidity later.
But like, that's life.
The life is basically looking back and being like, I was such an idiot.
And that's how I mark years of time, not by like the calendar days,
but by number of times I look back and say, God, I was so dumb.
I didn't even understand this.
I was sitting on something I didn't really under.
I didn't really know what I know.
Knowing what I know now, I know exactly what I should have done.
And at that time, I didn't even, I wasn't even aware that I was making a mistake.
Well, the difference is like, I think that we all, us three, actually,
have been where we are tacticians.
So like, I understand how to grow shit.
And I understand like, you build this page, you do this thing.
You write these words, here's the customary, talk to them, whatever.
I think that the gap you have to bridge is becoming a from tactics to strategy.
And I used to like make fun of all my buddies who are in finance.
I'm like, dude, you're just like an Excel monkey.
You don't know anything like you just this stupid fucking head trying to maybe
make money, but you don't know shit.
And then I realized like, when they talk about a debt and stuff, I was like,
I'm not going to pay attention to any of that because I think that's stupid.
And then I realized how it starts working.
And I'm like, oh, my God, that's the strategy.
So it's like, that's the strategy.
And that and I was like, oh, I used to think I'm I've got good vision.
I understand how this shit works.
And then I realized how money worked a little bit more with debt and borrowing
other people's money to do this and like taking money off the table and all
of these like terms that I kind of heard about, but I didn't exactly understand.
I realized shit, if I'm going to be like really good at my job, I got to be good.
I got to understand the tactics.
You really also have to understand the strategy, which Alex, it seems like
you're actually now, now you get the strategy of how money and business works,
not just the tactics, which the whole hundred million dollar offer book,
which I read, I think it's awesome.

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That's mostly tactical.

But the strategic shit is what you're saying of like, oh, you can borrow other people's money and to do this, that that's some big picture shit.

Yeah, without a personal guarantee.

So because I'll be like, why don't we do that on the business?

Because I don't want to risk that.

It was like, you are not risking it like the business is risking in it.

And if you're willing to do a sale for X, it's like, well, are you willing to do like, because the business is going to take the risk on either way.

I mean, depending on the acquire, but if you're selling your private equity, like, I know you have a lot of a bigger tech audience, but I probably have a bigger like, like I would say everyday business audience, you know, guys who have massive ripping businesses or, you know, a huge chain of, you know, teeth whitening studios, you know, like just, just those types of businesses are the ones that tend to follow more of my stuff.

And like, that's usually going to be a roll up or a private equity acquire for the most part, right?

Maybe a strategic if you like have another big teeth whitening chain that wants to buy you, but like, that's about it.

And I think I resonate with what you said, Sam, I always thought those guys like, I was like, you don't even understand business.

And I, to a degree, I actually don't think they understand business, but they understand the macro level of business.

And I think where you get really dangerous is when, you know, both they both games, like you can, because what they do, they almost purely inorganic growth, they try and staple shit together that, okay, we bought four companies that do, you know, three million in EBITDA.

And so now we have probably EBITDA, we're going to have some equity arbitrage and we're going to be able to sell this thing.

Financial engineering.

Yeah, saddle them up with that.

And then it's just a math equation.

Like, it doesn't even matter about growing the businesses, but it's like, what if you do that and you could also triple all the businesses?

And it's like, that's when you create these like breathtaking home runs.

And that's kind of what, I mean, that's what we're trying to do with that acquisition. And I don't, I don't have, I don't have a, I don't have a huge need for more money unless it's a, an enormous, like there's nothing I can do. I'm, I'm, have you ever, have you ever felt like Dennis is like how to be rich? I think that's the name of the book.

Yeah, we love it.

We talk about that table a lot.

Like the comfortably poor, you know, comfortably rich, then you get to like

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rich, rich, super resonated with me.

It's like, I'm the, I'm the, the comfortably rich, but like, not the super rich, not the like, so like everybody here, we can all consume whatever we want.

So we can find whatever planes we like, you know, you can fly private, you can stay in the nicest hotels, get the nicest Airbnb's, go out to dinner every single one of the week at the five-star restaurant at the Michelin star, and you can do that for the rest of your life.

Like you, your personal needs as a human being are satisfied, but I can't buy that skyscraper right there.

And I can't buy that this huge company.

And so what happens is like the things that you want to buy change.

And so you create a new deficit for the amount of wealth that you want.

Again, this is just assuming you like the game.

And so like, I like the game.

And so I just want to keep playing it.

The funny thing is that what you actually like is just playing the game.

And if you just said, well, I'm rich enough, then you'd have to stop playing the game you really love.

And so instead you start to come up with like things you want that in actuality sound a little bit silly.

It's like, actually, I don't even think you want that skyscraper or to buy that.

I don't even think that's actually what motivates you.

It's just that I'm actually peak loving the game right now.

And the game only works if you care about the score.

And so, you know, it is impossible to enjoy that you can't play the game if you've said I've already scored the maximum number of points.

Then the game becomes kind of silly.

And so it's funny, like this is with all of our friends.

It's like, well, why are you doing this?

Don't you you kind of got enough money, man.

And it's like, yeah, but I don't have enough enjoyment.

The enjoyment that game is infinite.

And the thing I enjoy the most is playing this game.

And, you know, I'm so I'm going to continue playing.

But in order to do so, I have to like construct these silly like dreams that I'm not even sure I really care as much about as far as just playing the game.

Dude, that was huge.

And as a side note, it's like, if you think there's there's kind of like

I feel like two ways you can create a deficit, right?

So one is like, you can create a financial deficit by saying like,

I want this thing, it's cost a billion dollars.

And so I need to go make a billion dollars.

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There's my deficit to where I want to go.

The other side is what I said, like when you asked, like, what are you like excited about? Because I said, like, what are the work parts?

But like, I'll tell you what's good right now is that we have finally separated Mosey Media, which is basically like my my Layla personal brand and like the content we put out, I would say the books kind of fall under that.

Like the courses, the books, all the materials we give out to Mosey Media.

And so what we originally were saying when we started acquisition.com is that the mission was to make real business knowledge accessible to everyone.

Like that was the that was the mission of the company.

And that is still very much the mission of Mosey Media.

What we realize is that holdcoast team.

So like our ex consultants, our people who recruit talent, our heads of sales, we built out sales teams, our heads of marketing, built out marketing departments and marketing functions, our head of customer success to build that product in the client experience, etc.

Like those people didn't really resonate with making business education accessible to everyone.

Like that wasn't actually like what their mission was.

And so we got really clear on what the mission of acquisition.com is, which is in this kind of came organically.

So it's like really exciting for me.

But one of the things I've always envied about Elon is that like every company he gets involved in basically saves the world.

But like what like he finds a way to tie the mission of what he's doing to saving the world.

So even Twitter, he was like free civilization needs free speech.

And it's like, boom, I was like, man, how did he take a meme platform with tweets of arrogant dudes, you know, and turn it into a free speech for civilization? Like that's where I think a lot of his genius is.

And so for us, I was like, what's that saying?

And so we have the external gap of like, yeah, I want to hit the billion or whatever.

But I think the internal one is that we want to build a company off of praise and not punishment.

And so we have this huge thing in terms of how we try to build things.

It's like you can punish people or you can praise them.

And we believe that you get more performance out of praise.

Now you look at Goldman Sachs, you look at JPMorgan, you look at McKinney, you look at Bain, you look at these massive companies, even some of these like huge ones, and it's a lot of people are like, man, it's a toxic work environment.

It's really hard, blah, blah, blah.

And so those are usually punishment driven cultures.

And so we want to.

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And so what's happened is like by doing that, that has aligned all of our hold code team in terms of how we want to build these companies.

And the billion dollar Alex mark is basically irrelevant because like to really win by their standards, we need to build something that's 10 or 50 or 100 billion, you know what I mean?

And that might take the rest of my lifetime.

And it'll probably happen after I die.

But if we can do that, then we can prove one thesis, which is like, people want to work and most environments are set up to punish people.

And all you do is you raise the bar of what it takes to not get punished.

But what happens is people churn out of work, they burn out, they hate their jobs, they hate their lives, and I think that there's a better way.

And Laila and I are going to try and dedicate the rest of our lives to try and approve that. And so that is the mission of acquisition.com and what we do with the companies. And we can show that that is not just like floofy stuff.

And I think if it were just Laila, it'd be a woman driven thing.

People like, oh, it's a girl who's saying you should be nice to people.

But I think I, given how I look, how I talk, I can probably deliver that message.

And it may take the rest of my life to do it.

But like, I haven't felt like fucking amped about anything in a long time.

The last time I was this pumped was when the mission of Jim Lodge was to take the gym industry from its knees to its feet, because the average gym owner takes down \$36,000 a year in personal income and has like maxed out credit cards and has like 18 days of cash on hand.

And I was like, I want to fix this.

And what ended up happening is like I, because I wasn't emotionally mature enough.

I took enough licks from people really close to me, both clients and employees that I just like, I just needed to put distance.

Like I had 17 different people work for me, try to start their version of my business.

You know what I mean?

I had clients try and, you know, like start their like, because it was a, it was a business based on consulting, right?

It was a consulting business.

So like once you had kind of the models, you could in theory try and be with us.

Now, no one has succeeded.

But it was enough that I was like, dude, you were bankrupt.

And like, and like on the brink of divorce and used all the stuff.

And then like you scaled the three locations and sold them.

And now your family's financially set off and like now you want to attack me.

Like it happened enough times to your feet and then you kick me.

This is how I get repaid for this.

That's how it felt.

That's how it felt.

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And so I wasn't like, I think now I can hit a little bit better.
But at the time I just like, I felt so disenfranchised.
I just felt hurt, honestly, because I really poured my soul into trying to fix the gym industry.
And so when I felt that way, we created space and then it just became an asset we own. And that's why I was open to selling it.
But like, I haven't felt like that until now.
And maybe it took two or three years for me to refine what that big mission was. But that's something I can get behind.
Like that's something I'm fucking in for.
It's so funny you mentioned the Elon big mission thing.
Like this guy, he did it with Twitter, too, which was really funny.
And then while he was doing that deal, news came out.
It's like, oh, Elon Musk impregnates like this woman who worked for him.
And he's like, he was like, he's like overpopulation, underpopulation.
Like we were at risk of population collapse.
It's actually the biggest risk of all.
And he's like, I'm just doing my part.
And I was like, this guy with Teflon done.
Like, how did he get away with it?
He spun that shit.
Like, like he did a whole like 540 on that thing, spinning that to be like, actually, actually, I was also saving the planet with that one, too.
And I was like, I was like, this man, you're welcome.
That's the thing they call it, where it's like just like the male, male bullshit.
Like the abilities for some some men to just absolutely bullshit their way out of everything and Elon's got that.
Like he is the world.
He is the world leader in that.
I think there's a way to do that, though.
Like in terms of like, because even thinking if I wanted to create a stronger narrative, because like I'm already amped about this narrative, but like, I would just look up stats on worker involvement and talk about how like it's the end of work until until unless something changes.
And so it's like, we're saving work.
Yeah, it's all what story you're telling yourself because then you'll tell that story to others.
And if that story serves you, then then great.
I mean, I think I personally, I think this is the Silicon Valley, like what, like PTSD or whatever, where it's like, anytime I hear a mission statement, I'm like, just shut the fuck up.
Like tell the truth, you want to make money.
Great.

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You want your own life value to increase.

And you realize that in order for you to get that value, you had to create more value in the world.

And so you identified some people that needed something and you provided that value in spades, whether that was dentists need better software, or that's, you know, the world needs a social network, or we want to send disappearing photos back and forth to each other's phones.

Like, you know, you hear Evan Spiegel, like you go look at the original landing page of Snapchat or the emails that he sent to the sororities and fraternities where he's just like, the landing page is like two chicks and a white bikini, like kind of like do it, like taking like a naughty selfie, basically.

And then there's a giant timer where like the photo is going to disappear.

And same thing when he's emailing the fraternities, he's telling me, he's not saying I'm trying to reinvent the way that humans communicate.

Actually, you know, 75% of our brains is wired for images, not text.

And so I wanted to make a messaging app that was image based.

And that, you know, and then you hear him do the pitch.

And he's like, you know, for too long images have only been used for memories.

But I wanted to use images for communication, the way we originally did with hieroglyphics and shit. It's like, bro, it's OK that you thought this app was fun and cool and like that it might be a hit.

And it took off in like, you know, these like schools and because people wanted to get around, you know, their teachers or parents being able to see photos in their femoral, like that's OK.

And but they always do this.

They always tie it back to some kind of mission.

Now it's the D word. It's democratized.

Oh, yeah. We're going to democratize access to private limos.

Really? And then, of course, what does it become?

Right. As the marketing teams get in there and the consultants get in there, they're like, we're our mission at Uber is to make transportation as readily available as running water.

That's because that became their mission statement.

It sounds fucking awesome. Yeah, yeah, yeah.

But it was amazing.

But I want to get laid by showing up in a black limo.

Yeah, you didn't start in literally the early stories of anybody who knew Travis and Garrett at Uber was like, they would be like, do check this out.

Push a button while they're at the at their like Michelin star dinner and be like, watch this car shows up and they're like, yeah, that's right.

It's baller. Right. I could see where he's at on the map.

Like this is amazing. This is my private driver.

You know, I summoned him through my app and it's like there's

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that there's always to me like the disconnect between what I think the truth is, which is a little bit skeptical and jaded and then like the revisionist history story that like sounds really admirable and noble.

And like I personally have just come down and I've landed on like

I'm OK with the truth. I get the human nature.

And we're kind of just primal animals and it's OK.

You seek pleasure. You avoid pain.

You like status and you don't want to be low status like.

But Alex is Alex is like mission.

So like, you know, Alex, maybe it started as like the mission of our company is to get your money and to put it in our bank accounts.

You know, like that like like we're changing our bank account

one dollar at a time and we're starting with your dollar by taking our dollar.

Like.

Yeah, have you heard of South Park where Cartman has cracked baby basketball league?

And he's like, someone's like, look, we need to we need to pay our babies,

our athletes, more money goes.

Look, ma'am, I don't make up the rules.

I just think to him up and write them down like what are you up to do?

Because inevitably, I imagine it started with I just want to get rich and do dope shit.

And then it changed to, you know, this pretty grand thing of changing work through instead of using praise.

When did that change?

I think it's a yes.

And so, Sean, I'm like, like the bullshitometer, etc.

Like I fullheartedly hear you on that.

And I think that one is that the truth can change.

And what I mean by that is because it's not like we're not talking about a fact.

We're talking about truth of of why someone does something.

And so like why someone does something can change.

So like when I started Jim Lodge, I've said this is like the mission of Jim

Lodge was to not be broke.

Like that was the mission of Jim Lodge.

But what happened is after I saw the lives that got transformed from it and I was no longer broke, the mission had to change because I had accomplished

that mission. So the mission had to get bigger in order to continue to expand

that because I had families who relied on me, employees, etc., customers.

And so it did truly become to take its knees from its knees to the gym industry from its knees to its feet.

Right.

And so like acquisition.com started with the thing that I was passionate about

because the only thing I was passionate about was just spreading like good

business. Like I love to talk about business.

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It's like my favorite thing in the whole world.
I don't picture about business, I write books about business, I make courses about business, make content about business.
Like, and then I do business in the meantime, like I fucking love business.
And so that was the only thing that I felt passionate about.
And so that's what I made the mission about.
But as we've walked the path, realizing that like the reason the businesses have done really well for us is because of the cultures that we create.
And we believe that those cultures, um, create better businesses and honestly also better working environment, like generate really good bottom line.
But also really great experiences for the people who work there.
And so like, I haven't been amped about it.
And so like the truth of why I want to go there now.
And I see that a much bigger picture than I did when we started it two or three years ago, um, I think that I think your reasons evolved.
And so I think that it makes sense that I think it's both, honestly.
Like Evan Spiegel's personal goals, he was like, he had transferred money from that person's account to his to the degree that he could buy whatever he wanted.
And so I think you just think more about it.
And you're like, why do I want to do this?
Because you have to have a reason.
Otherwise you just, you, you go to a ball of nothingness.
And so yeah, well, look, I mean, in the back, I think the best way to actually learn that we were talking about the last episode, we talked about, uh, what's the restaurant John Panda Express guy?
Yeah.
And then, and we were like, you know, he, he, he just sells like orange chicken.
Like that's not exactly inspiring, but like he, he, he employs like 20,000 people and he like gives these guys, I think he, we were talking about, I have my notes here, he gives them all, like he pays a little bit for them to go to Todi Robbins.
He gives them like the think and grow rich books and like all these books.
And he's like, yeah, like the whole chicken shit, like that's kind of cool and all, but like, I'm actually like taking an hourly wage worker and we're trying to like elevate them.
And so I'm like, oh, I can get behind that.
I'm, I'm in on that.
And if you look at like a lot of non tech or non silicon dollar companies employ like 30,000 people and they're like, yeah, you know, we sell tires and that's cool, but I'm really just trying to like, we, we create jobs and that's very fascinating and that's really exciting and that's cool.
It's better for the economy or like, you know, some of these like really boring brick and mortar, brick and mortar businesses.

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I think that's actually where you see a lot of really cool missions or like, um, if you, I've read the, uh, have you read about the Koch brothers?

Um, they got this, they, you mean Koch, like Koch industries.

Yeah.

Yeah.

Koch industry.

So basically it started with the dad.

He was like an oil guy.

And then they used the byproduct of creating oil to create all types of plastics and whatever.

And so now it's arguably, it goes back and forth of the biggest privately owned company in America.

And he was like, no, like my whole thing is like freedom for people, you know, and I want to like teach them that they have autonomy and like through working here, he's got a whole book on his management systems.

And he's like, that more so what I'm inspired about is like, uh, is like giving empowering people.

And so anyway, when I read about those like older companies, I actually think that that's a bit more inspiring than like some dork saying that he's changing the world one like computer ship at time.

When it's like, uh, I don't know.

Like that's not exactly inspiring.

You know, maybe it hasn't played out yet.

Yeah.

Yeah.

Yeah, yeah, yeah.

Like Bill Gates said, he like, when he started was like, I want to have a computer and everyone's like, okay.

And then he did it.

And so I think, I think part of it is also like, what's natural on the timeline?

Are we looking at it?

But do I 100% agree with you?

Say like, I love.

I like you shot because basically it shifts from internal to external.

Like in the beginning, you do it for you.

Obviously you do it because you get, you get praise instead of punish.

Like you have good thing, more good shit than batches.

You keep doing it.

But once the thing that was good, no longer like the diminishing return of the pleasure of more money, isn't there anymore?

Then you have to find a new, you find a new goal.

Like you said, and then, and if it also coincides with other people being motivated by not making Alex rich, but by proving a point that we can create

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companies that reward instead of punish and actually a better returns.

They're like, I'm juiced.

And like, we haven't proved it yet.

That's fine.

We haven't proved it yet.

We will.

I want to ask you two, two questions.

The first is around people you admire.

So we talked about the Panda Express guy on our, just our own last episode because we were featuring those like crazy rich Asians.

Basically was the thought of the episode.

And then it turns out he lives near you or whatever.

Like, you know, you're both in Vegas.

Um, who are some people that you admire?

So, um, I always find this interesting to hear who kind of like stands out and why.

Uh, for, for, for different folks.

So who are some people that you admire either past or present, you know, people that you've met?

Um, because I know that this kind of like getting famous on YouTube thing opens up a bunch of doors.

You meet a bunch of cool people that like you otherwise you expand your circle of people you get to know, um, through this stuff.

So who are some people that you admire?

Well, I definitely admire Andrew patron, uh, from Panda Express because they're a married couple who built this whole thing.

And they didn't, they never took it outside money and they've owned the whole thing privately.

They have 2,600 locations.

They did 3.7 billion a year with 27% net margins.

And they take \$935 million a year in personal income.

And I think that's only possible because they have created a new vision for what they wanted the company to be about, which is about their employees.

Um, I am inspired by Warren Buffett.

You're a man.

I mean, I, I, I am because of the long-term mentality he has and he built Berkshire Hathaway and in some ways I feel like he, he built it.

He's like a beautiful life story of like just believing in the power of compounding and patience.

And like that's what I feel like his virtues are that he's demonstrated and rational decision making.

Um, I would say that for us, it's like if we can build something like that, but just with our own, our own spin or own zest, which is around raise that punishment and building companies that like we can win by their scoreboard,

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but we do it our way.

Um, so that's that the Warren angle.

And, um, I mean, I admire Elon a lot.

Um, a ton, you know, just like what we were talking about earlier, like his ability to see vision and connect to a larger mission.

He's seen, he's been able to masterfully do that.

Every single company's been a part of, um, and his track record is incredibly fucking impressive.

Um, and he just continues to like defy the laws of like what seems to be like normal or possible over and over and over again.

And so I think just like, I, we just like stairs into the abysses, like, let's do it.

I think that's something that I really, really admire.

Um, yeah, obviously he has flaws like all of us do, but I think he also has been really good about like owning his flaws, um, and being public about that.

He's just a human.

And I think he may create a new model for how big public CEOs run and maybe that, you know, maybe we're in the beginning of, of that world.

Um, and, uh, I think on the totally other side of the coin, I think I admire what like Mr.

Beast has done from a personal branding perspective.

Um, I've been able to get to know it really well.

Um, and, uh, and Jim's, Jim thinks really big and, uh, has tremendous work ethic.

And I think seeing the merger, like seeing where all these things are, like Elon has been able to build a personal brand and, you know, in a lot of ways, like if you're a fan of Elon, you want to buy all of the things that you just happens to have enormous monetization vehicles.

Um, and to your point, Sam, about like how they use like, yeah, sure, we make tires. Yeah.

Sure.

We sell orange chicken.

Um, like in a lot of ways I see like all the companies that we have an acquisition.com is like, yeah, of course we transact, we build businesses, but like the reason we do it is this.

And I think that's, um, really dope.

And so that's, that's like, those are probably the, like if you were to, if you're to mix, like what are the things that I'm drawing inspiration from at current?

It's a, and if you look at what we're doing, it probably would make sense to see all three of those as the three biggest kind of influencers.

You got like Mr. Beast on personal brand side here.

You've got Warren Buffett on the investment side, then Elon from like the big vision.

And I feel like those three things are probably where I draw the most inspiration from in terms of like our day to day and what we're trying to do.

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What's interesting about you is that you're pretty good at, you're very catchy.

So like whole knees to feet thing is, is pretty awesome.

Um, and, uh, what was the line for your current company?

It was, uh, reward versus punish.

Yeah.

Uh, you're pretty.

And we want to beat them.

We want to beat them at their game and we want to do it our way.

Well, you said we want to beat them on, we want to use their scoreboard, but do it our way.

So you've got, you're quite lyrical.

Um, you've also done a few, there's like actually a handful of things

that you've talked about very, uh, like casually that I've caught onto that I really like.

So for example, you say, uh, you say dessert.

What do you say dessert every day or never skip dessert?

Never skip dessert.

And then you also, because your whole like dieting thing is you eat all of your protein earlier on and then you're like, all right, now I have, uh, I fat and carbs.

Like we can go big on those.

Uh, and like you've done like a few things outside of business that I find like almost more impressive or I actually use on my daily life more so than your business stuff, which I actually found is pretty funny.

Uh, you also have, I don't know if you've seen this shot, but if you Google, like there's this like 23 year old Alex who does a thing where he's like,

I'm going to do a bulk over the next like eight weeks.

And he has like before, during and after photos and like that stuff I look at significantly more than a lot of your business stuff.

I find that some of your fitness, uh, diet stuff, like more interesting, applicable in my day-to-day life than the business stuff.

Um, I'm shocked that like a living for like, I, like I, I jerked about it in the comments once I was like, people like admire our like my way of thinking about things in business.

And I was like, for a decade, I did that with fitness.

I just don't talk about it because everyone feels entitled to opinion because they have a body.

And I just, and I hate, I hate getting into the, they're like, well, what about salt?

I'm like, dude, just fuck off.

Like just like, you know, I mean, like I have, I have so little patience for it.

Cause I'm like, look at you and like if you were more in shape,

and by the way, no one has been more in shape than me has ever criticized any of the content.

It's just like people who are wealthier than you never should about business advice.

Like about, you know, I'd be like, no one ahead of you ever should.

Well, the cool thing about it is like, I use the fitness analogy ton in business because I'm like, well, it's hard, but it's simple.

And that if you lift this much weight and eat like this for a year, you're not necessarily going to look like Arnold or be lean or whatever,

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but you're going to be pretty good or better than where you are now.
And you just got to do it for like two years and you got to like be fairly strict about it.
So like that's why the carryover is quite fun watching you do both of those things.
Yeah, I appreciate it.
Yeah. I mean, simple, not easy.
I feel like it's the fucking theme of so many things like fitness, nutrition, marriage, business,
like simple to do or simple to understand conceptually, very hard to do.
What's the simple, not easy for marriage?
I mean, I think it's, it's, it's reward more than you punish.
I mean, it actually comes down to that.
So like, okay, if I want my wife to scratch my back more,
I have to wait until she scratches my back of her own volition.
And then I have to reward her immediately.
And then she will want reward more.
And so she will do it again.
Very Pavlovian of you.
Well, yeah, I mean, I think we're all though.
You know what I mean?
I think fundamentally there's three things you can do when anyone does anything around you,
is that you can punish them for doing it.
You can ignore that they did it or you can praise them for doing it.
Have you ever heard the Tony Robbins like, I don't know what he calls it,
but it's like the four, the four styles of being in a relationship.
He says something like this.
I don't know. Have you heard this thing?
It's like the first one.
Let me see if I can remember it off the top of my head.
So basically he goes, you know, first one's like a baby.
It's like, I need love and I don't have to give anything to you.
So it's just like, I cry, you give, and that's it.
Like, you better be happy with that arrangement.
So that's like one relationship you can have,
one style of relationship you can have.
And obviously, like, it doesn't work out very well once you're an adult.
You can't just cry, expect to be given everything you want
and then they'll not have to do anything at a turn.
Baby love.
So that's baby love.
Then he has the next one, which is basically tit for tat.
So it's, and this is where almost everybody falls into.
So this is probably going to sound familiar
to at least to like, to an extent,
and it's probably the root of all problems in relationships is tit for tat,

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which is you measure what you get, and then you give based on that.
When you're, when you're given a lot, you give a lot,
but then as soon as somebody breaks the cycle
and they short you consciously or unconsciously,
they don't do what you, what you wanted.
You also withdraw or pull back some amount of giving.
And then they reciprocate, give, they also measure and pull back.
And both sides do that.
And you end up with a sort of a race to the bottom.
And so that's tit for tat.
And that's where most people stand.
And they, it's just a cycle that resets over and over again.
The next one is unconditional love,
which is basically I give regardless of what you give back.
I give because that's who I am.
I give because that's how I, that's how I want to roll in my relationship.
And I control what I control.
And obviously that's way better.
And like, to me, that's the simple, not easy in being in a relationship
is just go, go unconditional mode rather than tit for tat.
And then he has like some higher one,
which is monk, monk love or something like that.
He calls it spiritual love.
It's like, I love you even though you hate me.
Like a monk can be like, I, I, I pray for and love even my enemies
and those trying to hurt me.
And he's like, you know, nobody gets there,
but like that's what you could, what you could get to as well.
It is like, you know, the love like a monk who loves even their enemies.
And those who try to cause harm.
And so those, those are the, the four levels of love I remember.
Alex, do you ever, so like, I saw this video of you the other day
and now everyone's like giving you a hard time
or they're just teasing you in a good way about like your outfit
because you wear the same clothing all the time.
And so you made a funny video about it.
And you go, instead of just saying, oh, it's comfortable, you go,
dude, I'm just more Darwinian to them.
These shorts, you want to go work out?
I can go work out.
You want to go to a restaurant?
Yeah, that's what he said.
He goes, you want to go swimming?

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These are waterproof.
You want to go out to a restaurant?
He's like, just good enough that I can go and do that.
I can do anything.
I can do anything.
I'm Darwinian.
You're not.
I win.
You lose.
I bought the shoes you had mentioned because you, you were like, these sandals, these are the perfect sandal for working out, running through, you know, like walking through rain, climbing a hill or like being at the office.
And in the comments everyone was like, yo, what's the sandal?
What's the sandal?
Where's the affiliate link?
We can't find it.
And then some dude like 50 comments down is like, dude, that's what the, it's this brand.
The nightshade color of this thing.
I was like, all right, respect to this guy for finding it.
I'm going to go buy this thing.
Dude, but dude, do you ever like, does your mom and dad ever like, hey, quit being such a douche, and we just wear what we bought you because to be nice?
Like at what point do you like, are you like, this makes sense for me and also like it's good for the brand versus like live a little and like, let's just fuck around.
Do you know what I mean?
I think, yeah, good for the brand is actually not like really a thought when it comes to it.
Like I believe that like brand comes as a result of rather than like conscious.
You know what I mean?
Like, like people were like, so when did you think of never skip dessert?
I was like, I was making fun of fitness people because my original audience was fitness people who obsessed about like not eating cookies.
And I was like, fuck off.
Yeah, I'd be like, eat dessert.

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You know what I mean?

But do it in a way that you can sell them six pack the whole time.

So that was why I never skipped dessert.

I was always like, never skip leg day, never skip Monday.

I was like, never skip dessert.

Um, like the calves thing is because

like I genuinely have started training.

I started, I started every training session

since a girl told me that she thought that my calves weren't big.

It's been like 12 years, 14 years that I've,

I start every session with calves.

And so like my calves have grown a lot.

And so everyone's like, oh, like my calves were sticks

and I'd train the shit out.

So like, is it part of my brand?

Yeah, because it's in some ways like it's true.

Lindsay.

Yeah.

Thank you for the information, Lindsay.

14 years of fuel you gave me.

And it's the, the outfit thing is actually because my,

it's my content team that wanted to make content about it

because they're like, dude, you're fucking maniac with this.

Like I feel like people should know this

because everyone who knows you like in person

knows that like, like when they walked in for like almost a year and a half,

there was stacks of shoeboxes and I would wear

different shoes for a day, an hour a day, a week.

And they kind of graduated to like,

if they're good enough or I can walk around the apartment,

then I'll walk around for their day.

If I can walk around with them for a week

and I still like them and most of them never got there.

So I have a few finalists that got to that point,

but like, I think I just like obsess about making things better.

Same things like if I do end up doing a, you know,

if there is a good enough company that does no strips,

like I'm going to iterate the product a bunch of times

until I think it's absolutely untouchable.

And then I'll say, this is the one I use.

And I can say that I say that with confidence because I did the work on it.

For me, I hate, I just hate having to change.

Like, I don't know what it is.

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It's like, it means that I started my day like not thinking about what I was going to do. So I was like, okay, well, if I can create a set up or a uniform for myself, that I can be in the most environments. So for me, I'm really never in less than 40 degree weather. Like ever, because I usually tend to be in warmer spots of the country in general. And so like this, this outfit goes 40 to 120 degrees. And so, and I can go to the gym. I can go to the pool. I can walk for hours. I can walk all day. I can go to a nice restaurant. I can do all those things. Because if they need it. But that's crazy because your wife who I've seen, she dresses lovely. She like, it's fashionable. So her hair always looks nice. You know what I mean? You just said it goes 40 to 120 like a car goes zero to 60. Like this flannel, this jacket right here, this thing goes 40 to 120. Once it's, once it's below 40, I get cold. So I have to put pants. Um, but like up until then I'm pretty much good within that range. And so like, I can, I can button think like this thing can go full, full sleeves. And like, I'm like, that's when I'm in like mass cold mode. Or if I go to a restaurant, there are fire sleeves. I can have that. Right. But otherwise, um, you know, like I'm in Beater, but like we go to the gym, you know what I mean? We go to the pool. We go to the beach. We go wherever I'm going to be in Beater mode. You know what I mean? And this is the lightest thing. I tried to drive. Like a sport mode, like a car. Um, well, my whole outfit has sports mode. People are like proxies for like my whole outfit has sports mode and comfort mode and weather mode. And I can, I can do that.

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And so, I mean, like I, I enjoy, I enjoyed finding each of these things almost as much as I enjoy wearing them.

And I, and I every morning, and this is like every morning when I put this on, I get like a little, a little booster.

I'm like, I know that I've picked every single one of these pieces out.

And I have no doubt that this is the best thing for me.

Like for my day.

And so like, I know that the brand of white beaver that I have on right now, I tried 40 or 50 other brands on.

And I want, I knew this one sat where I wanted to sit.

It wasn't too thick on the shoulder or too thin.

It didn't drop into some string on the back.

Some people liked that.

I didn't want that.

Like feeders themselves are thinner than tank tops.

They're ribbed so that they fit right.

I think even like, if you've ever seen those underarmor tank tops, or there's like shrinkbap ones, like they don't look good.

Like I think they look synthetic.

For me, I think they look like kind of synthetic.

Like I don't like it.

I like cotton better.

And so like, there's just a number of iterations.

Like if I talked about this year,

I could tell you a zillion things that I looked at.

Like, I mean, I just, I have like an Excel sheet that like,

I thought you would have, I have a few friends like that.

I'm not as extreme, but I like buying and testing, like a ton of stuff out.

I think Sean wears, ordered like 20 of the same shirts.

What products, this is actually interesting.

This is, I don't think this is like two inside baseball, but what products and brands do you obsess with and love, like in your daily life?

Well, I won't say them because I'm in talks with like Hasan.

Correct me to try and figure something out.

But I will, I will caveat that with,

I think that in general for people,

like my life might be different than theirs.

And I think just being delivered at like,

so many people just like sleepwalking through life that like, they're always sitting there with their pants

that just don't fit just right or always don't have this thing.

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Like a lot of stuff I modify.
So like my gym bag, like there's a video about my gym bag.
Like I tried out a bunch of different bags
and I finally found a bag that I liked
and then I modified the shit out of it.
And like that bag, now every time I go to a gym,
people are like, dude, that bag is awesome.
I was like, I know because I made it for this function.
And it's great and I love it.
It's really good.
You know what I mean?
So I think it's more just like finding that,
like whatever your 40 to 120 is,
because maybe you live in Michigan and it's always cold.
Then it's like, well, you're gonna have a different
standard, standard where?
What shorts are they?
I thought you used to wear just Jorts.
I used to make fun of you for wearing.
I used to wear Jorts, but Jorts,
so I'll tell you, I used to wear Jorts
because they were more comfortable
and I could do more casual settings with them.
Right?
They're like always showing up in like athletic shorts.
It looked like almost too casual, I think.
And a lot of restaurants are like no athletic wear.
And so I was like, okay, well, that's annoying.
And so then it went through this whole thing
where I had to find like the best short.
And then while I was doing that,
like the ones that I have have back hooks on them
so that if I can hang them too dry,
I've got an iPhone pocket in there that's built in.
So like, because I hate having to sit
and then you take it out of your pocket.
Yeah.
Every time you sit, like it's such a pain,
like, well, there should be a pocket for this.
Everyone has one, right?
And there's like a little place
that I could put like an iPad pencil in my shorts
because I use my iPad a lot.

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Like I've got cargo on the other side.
And these are stretchy, but not too stretchy,
but they're stretchy.
What do you have to eat them?
Why do you need, what freight you hauling in there, buddy?
What do you got?
What do you need the cargo for?
Dude, a lot of times it's mic packs.
You got me bears?
No, a lot of times it's mic packs.
So a lot of times it's mic packs
because we're getting like right now
my mic pack's in my cargo pocket.
But like I could fit a water bottle in here if I need it.
Or a hotel key, like hotel keys there
whenever we're traveling, or I use my Nicarat
because I shoot Nicarat.
So I'll have Nicarat in my pocket if I go on a podcast.
So I just, I like always have the stuff that I need there, you know?
Well, it's just the best way possible, man.
This is, these are my favorite kinds of pods when you find out,
you know, it's like, I want to see you're weird.
That's when I know you until I see you're weird.
I don't actually know you, I feel this is my personal,
my personal thing.
And I'm glad we went down this rabbit hole
because I got to see you're weird.
It's funny because when we let it out,
right now my, actually, I'm not going to show you the brand, but
I've got this backpack here, right?
And this backpack, I wore,
I can wear it, like when we travel, I can wear it everywhere.
And it has everything that I used to travel
and I can travel for four weeks.
Because all I have to pack is the re-pairs of shorts
that are identical, that are multi-everything.
And then I just have an amount of tanks
that is whatever the laundry cycle of the trip is.
And that's it.
And I could put one flannel on top and I'm good,
like, and I don't even have to use the expansion part of that backpack,
which I have options if I need it.
And so like, and it has a cool front thing for all my wires

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that's flat so it doesn't take up space.

Like there's just a lot of, like,

and I went through a zillion different bags to find that.

I went through a zillion different bags to find the gym bag.

But like, no, whenever I pick it up, I'm like,

this is the best bag for the job.

You seem like a clutter-free guy.

Like you have a cleaner who comes to your home very, very often

and someone who does laundry and also do you own,

do you not own a lot of stuff?

I don't.

Layla does.

Right.

And so like I, that backpack and like take tops,

like I can fit my entire wardrobe in my bedside table.

And so super easy.

And like when I was trying stuff on,

you know, one of our assists will come and they'll return,

you know, anything that I don't use or whatever.

But like, I think we're, I think the underline point here,

there's like, Layla doesn't do that at all.

Like, because that's like, that's not real.

Like she doesn't like that at all.

Like she wrote really poor, always wanted to have nice,

nice clothes.

And now that she can, she loves wearing nice clothes.

And she feels good wearing nice clothes.

And she gets hit up by the desiders to like go to the runway things

because she, she wore like one piece of her wardrobe is the

entire cost of my wardrobe, like one piece, like a top.

The best way you spend money for you personally,

like not like a business investment that, you know,

you think it's a great ROI or you get a bunch of joy out of it,

or it's like dope for you.

That is, let's say not your content team and not like

something that's directly in the business.

Yeah.

I mean, I would say JSX is wonderful.

Since it's in the Southwest.

So it's a, it's like semi-private flying.

Yeah, I fly over there.

It's pretty good.

Oh, it's great.

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I mean, it gives you, so like, I, the only reason we fly private is because it saves.

It's the only reason we do it.

Like, and you, a lot less hassle.

But JSX allows you all the benefits of private flying.

This is like a fucking JSX plug, but it's really good.

And it tickets like 300 bucks when it would normally be like 50.

So if you want to fly JSX from Vegas to Salt Lake or Vegas to Scottsdale or Vegas to LA, it's 300 bucks.

It's nothing, right?

And you really, you walk up to the plane, you get on the plane, and then you walk off the plane.

Like that's it.

You know what I mean?

Like it's, it's just like private.

There's just a few other people there.

And private flying, in my opinion, has the most benefit for the shortest travels and the least benefit for the long travels.

Because like long travels, you want to fly as high as possible, as fast as possible.

The bigger, you know, the bigger the plane, the better.

And by percentage of the trip, you know, the going through security and dealing with the hassle, if you have a five and a half hour flight, five and a half hours versus like seven hours of transit, does it, like the day's fruit, like it's kind of like, it doesn't materially change a lot.

But on a short travel where you're going like sub,

I would say sub two hours, like you can, you can double the length of the trip or triple the length of the trip by going in reverse, cut it in half or by a third by flying private.

And so that's where I feel like you get the highest margin of benefit.

It's also the cheapest private flight to the shortest ones because it's by hour.

So that's kind of like when we, when we, when we go back and forth and usually the only times we'll fly private is if we can't get a direct JSX flight.

We will wrap up in a second here.

But last time you were here, Sean asked a question about your portfolio.

And I want to follow up on it.

What's your portfolio looking like in terms of like your

both your private investments as well as like, what are you doing with your money?

Are you keeping in equities, bonds, cash?

I think last time you were super heavy cash, if I remember correctly.

Or yeah, that's what it was.

It was treasuries.

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You're like, I'm almost entirely treasuries.

What's it, what's it looking right now in terms of like a, if you could do like a pie chart and percentages?

Probably still half treasuries.

Except now they're a lot better than before.

Yeah. So we're probably half treasuries, probably the quarter and just like indexes.

And the other quarter is in private companies.

So pretty simple.

Yeah, probably not by value.

Over time that, that treasury part is going to continue to decline as we do more and more deals.

But yeah, I still think that like, I mean, I don't know what the future looks like.

So I like, I tend to like having lots of cash.

Like I feel good.

I never want to not be able to do a deal that's going to 10X because I don't have cash.

Like that, like the, the cost of missing the 10X is well worth the quote inflation that I'm suffering for the difference between the treasury yield and the inflation cost.

And yeah, I would imagine you probably don't own a car.

And you, you seem like you'd be right.

So Layla has a, has a, one of those H2 electric Hummer pickup trucks.

Oh my gosh, that's hilarious.

Yeah, the huge one.

Yeah, she was like, I want it.

I was like, okay.

They're actually, you know, it's not really vibrant.

Mine would be, if it were me, I would have a Dodge Caravan.

That was like all blacked out tinted windows with the TVs, you know what I mean?

In the back, like sliding door as I pull up, that would be more my, my, my style.

And are you renting?

You're renting still or do you own that place?

No, we actually just bought, we just bought a place.

We were renting for a couple of years and then Layla found one that she was like, I want this one.

So I was like, all right, get it.

So I'm actually, so we, we just moved to that.

Actually, or yesterday it was the official moves.

So that's why my background is not my office closet, but we're actually retrofitting a closet here to be my office.

Dude, I heard that Derek from more plates, more dates, I had heard a story.

So he basically started the, his whole video thing when he was, you know, no one and he just had a shitty apartment.

And I had heard a story that he is back, the, the original video was just him on a white wall that he cut that white wall and put it into each of his now nicer homes or apartments.

I had heard he took that wall with him everywhere.

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So even the shade was the same.

I don't know if that's true, but I'd heard that and I thought that was pretty funny.

I, I'm a big believer that like Derek obviously knows what he's doing.

Um, I just always just want like, if I move, you guys, like my background will change and you'll know that like something has changed in my life.

You know, he's way more private than you.

Yeah.

He's way more private.

He doesn't want anyone in his last name, et cetera.

Um, different, you know, different strokes.

I think on a long enough time rise and everyone will find out your last name.

I mean, Lady Gaga, I tried to go by Gaga, but like you can Wikipedia her name.

So like, you know, you can, you can find it if you get, um, famous enough.

And I figured that like we will get famous enough.

And so it, it hasn't been something that I've tried to protect, you know, a ton.

Well, thank you for coming on again.

You, um, if you go to our YouTube page, my first million, you're actually like the,

I don't know what they call that video, but you're like our main page video video for a while.

Yeah.

And it's like a quote of like, I've come to the conclusion that I just like to work and I don't like when people ask me why am I working all the time or something like that.

But, uh, thanks for doing this again.

And, uh, uh, we really appreciate it.

No, I mean, thank you guys for having me on.

And thank you to the audience for maybe making requests to have me back on.

So I, I appreciate it.

And it means a lot to me.

So I thank you guys for just being awesome hosts in general.

Awesome.

Well, that's the pod.

Never looking back.