They, they sold it for $900 million in cash. They don't really mention much about the company other than it was doing over a hundred million in revenue. What they, what they don't mention is the guy who started it, he bootstrapped it, raised no outside money and owned 100% of it. All the way through the sale. All the way through the sale owned 100% of it.
A million dollars isn't cool. You know what's cool? A billion dollars.
So let me tell you this quick story. This was not a big headline. I bet you didn't even see it. So my friend, uh, I was in college at the time. He's a little bit, he's older than me. So he was not in college. He was probably in his thirties when I was 21. He started this company called Linode. Did you see yesterday a company called Linode was acquired for $900 million in cash? Yeah. Who bought it? It was, um, is it called Akamai? Akamai, yeah. Akamai. And so they bought it for nine. The art, everything I'm going to say is, is, is relatively public or it's, you could piece it together in a bunch of different articles, but basically they sold it for $900 million in cash. They don't really mention much about the company other than it was doing over a hundred million in revenue. What they, what they don't mention is the guy who started it, he bootstrapped it, raised no outside money and owned 100% of it. So his name is Chris. He, uh, I knew him when I was in college. We're not all the way through the sale. All the way through the sale owned 100% of it. All right. Quick break to tell you about another podcast that we're interested in right now. HubSpot just launched a Shark Tank rewatch podcast called Another Bite. Every week the host relived the latest and greatest pitches from Shark Tank, from squatty potty to the menchana bench to ring doorbell. And they break down why these pitches were winners or losers. And each company's go to market strategy, branding, pricing, valuation, everything. Basically all the things you want to know about how to survive the tank and scale your company on your own. If you want to give it a listen, you can find another bite on whatever podcast app you listen to, like Apple or Spotify or whatever you're using right now. All right, back to the show.
The company, all right, let me give you a little bit background. I think when they sold, they had like 300 ish employees, but throughout their existence, they had a relatively small staff like, like they're doing like multiple millions of dollars in revenue per employee. And it was, it wasn't run like a family business, but almost kind of like a family business based out of New Jersey. So basically this guy, what does it do? What is Linode?
So I'm not in this space. So excuse me, but basically it's, it's basically like the generic term is it's cloud computing. So basically before Amazon web services was around, Linode was there. And I think some of their customers are like Walmart. So they host, they help host, you know, applications and websites is the, is the non-techie version that I'm the, that I would say, but what are you looking at the website? What's it say?
I'm looking at the website basically says, you know, cut your cloud bill and your cloud bill in half. It's basically like deployed Linux servers in the cloud is the idea. I think we use this by the way at my previous startup. I remember seeing a bill for Linode. Probably they're pretty popular, but they, because they were bootstrap, they couldn't quite keep up with like, what's with the other competitor? I think digital ocean, which is like publicly traded now for multi billions. But basically in the early 2000s, like 2005 or 2006, Chris worked at this company called, uh, health stream, which was, uh, well, it's not important. It was just a boring company. And they, he worked in like with, with computers

and with tech and he grew up with an apple and loved tinkering with computers. But he, what he noticed was that hosting was really expensive. So he basically locked himself in his apartment, uh, from like 2002 to 2003 and like had a year's worth of savings and like locked himself in this apartment to code and build this website. And he's like, if it works, it works. If it doesn't, it doesn't. And so he launches it and right away it does good enough to pay his salary, like single digit hundreds of thousands of dollars by year two, because this was in early 2000. I don't even think Amazon web services was around at this point. And if it was, it was like brand new. And in fact, this whole idea of cloud computing was brand new at health stream. Chris was like, look, we've got to like spend all this money to buy servers. What if we just like bought a bunch of servers and rented it out to people? And that was like the idea because it's, it's really hard for a small business who doesn't want to create a bunch of servers in their office to like actually host a website, host applications, things like that. So that's where the idea came from. And so we grew like a little bit year over year. It wasn't growing like crazy for a long time. Um, but it was doing okay. Chris kind of was always obsessed with automation. So we did a really good job of automating a lot of the parts of the company. Uh, and so they could hire relatively small staff, you know, like only like 10 or 15 people for the first handful of years, even when it was getting close to making, um, over $10 million a year, still really small. And basically the way it worked was I don't think he ever took out a loan. I don't, it was 100% self financing. And so it would make a lot of money. Like these businesses can make, uh, on $10 million in revenue can make 4 million in profit. But in order to get to like 30 million in revenue, you've got to go open up a warehouse or rent a warehouse and buy a bunch of servers. And there was times where like my friends who worked there along with Chris were literally like tinkering and assembling the servers. And they did this for years and years and years and it, and it grew, it grew nicely and they did a really good job of like automating their customer service. Even for a long time, Chris was answering the customer service. It grew really quietly. He's not on Twitter. I don't, if you Google him, you might find two pictures. There's basically nothing out there about him. Um, he's based out of Philly and he bought a bank, like a, like a physically a bank that was the home. It was a bank turned house. It was the house from the real world Philly. He bought it and they did an article about him, how he was restoring this bank and Leno, it was Leno's new office, but he was taking a little bit of money off the table enough to buy a $10 million bank. Um, but owned the whole thing. And just yesterday it was announced that it was sold for $900 million in cash.
How do you know this guy? You said you knew him in college. He was at your college or you just met him while you were in college. So when I was in college, um, I used to work for that show. I told you American Pickers and a guy came in and he was like, I start internet companies. And I was like, Oh really? I like entrepreneurship. That's cool. Will you like just let me hang out with you? And he let me hang out with them. And this guy, his name was Casey. He became the, uh, he was in my wedding. I became friends with them for years and years. He was probably 35 when I was 21 or probably 10 years older than me. And Casey helped Chris get Leno off the ground and was the COO for a decade or so. Gotcha. Uh, wow. And Chris now at this point, he's got this like huge collection of BMW motorcycles. So for motorcycle fans, there's like motorcycle fans is like a subcategory of like car enthusiasts

and BMW vintage motorcycle fans is a subcategory of that. And Chris owns, I think one vintage BMW motorcycle from every single year ever produced. And so we are all motorcycle nerds and we would geek out over that stuff and we would ride motorcycles together.

Dude, I need a white guy rich guy hobby. This is what's holding me back. I realized I need to start fucking buying motorcycles from, you know, the 19, anything like 30 years ago, and then I need to care about it and I need to learn how to restore it and like polish it or whatever. I need to become Tim Allen from home improvement and have this like thing in my garage. I'm always working on so I could just, when I meet these guys, I got to have something to say. You got that. You have that something to say. I'm like, what am I going to say? Like, you know, hey, what's up, bro? You like the NBA? And it's like, yeah, me and a hundred million other people. There's nothing to get excited about.

All right. A quick message from our sponsor. You know, I was thinking about the shortest day of the year earlier. And while we technically have the same amount of time as every other day of the year, the lack of daylight makes it feel so much shorter, which is exactly the same kind of feeling as working with disconnected tools. Our work days, the same length as always.

But before you know it, we spent three hours just fixing something that was supposed to be automated. Thankfully hub spots all in one CRM platform can serve as a single source of truth for managing your customer relationships across marketing, sales, service operations with multiple hubs and over a thousand integrations and an easy to use interface. HubSpot lets you spend less time managing your software and more time connecting with your customers. Learn how HubSpot can help you grow your business at HubSpot.com.

So Rolexes are rare watches is one of those. If you had to spend $30,000, it was so hard to care about these things, dude. Why do I can't care about it? I see it. I just feel nothing. I'm dead inside. Yeah, it sucks, man. You got to get passionate about something outside of your house. Like you fucking dork. I literally don't leave my house, dude. The chef was like, Hey, we need more gas for the grill. And I was like, Oh, I was like, Oh, grills need gas. And I was like, I've never grilled it. So I was like, Okay, where do I get that? And she's like, you know, just like next time you're at a gas station, I was like, I don't really go to run errands. She's like, next time you're out running errands, just grab one. I don't really go run errands. So like she's like been asked for two months. Just I finally got it. And I was like so proud of myself. And she's like, So did you forget every time I was like, no, no, no, I just don't really go out of my house unless it's like for very specific things. Like I'm taking my daughter to the playground. I'm going to, you know, to a restaurant and back home. You need a little like last night, I went to Home Depot just to walk around and look like in the evening. I was like, I've been at home all day. I'm going to go walk around Home Depot and see if like, let's like, let's check out how many Home Depot workers do you know by first name? What you could do if you go to Home Depot, if you see a guy wearing car heart and paint on their pants, you don't even have to ask a worker. You could just ask that guy who's there shopping. He'll take an hour to help you. Yeah. Like, Hey, do you know where the wood screws are? Yeah, I got you broke. Like, I wouldn't even know what to ask. I would just be like, Hey, do you know what home and where home improvement? Yeah, man, you need to get a hobby. I bet Ben has one. Ben, do you have a Ben has one because he's like a history buff. Another white which rich white guy hobby to have is like, you know, studying, you know, great men through history. Ben, do you have any other, you know, very rapport building rapport building things? I don't know that I do, but I don't know if you guys have seen this, but Mark Andreessen has been going nuts of like reading history books and then tweeting about history. So like, I feel like that's your end of the crowd. Yeah. Yeah, like if I was with Mark Andreessen and I could not talk about tech, we would be on a silent retreat. It would be a silent retreat. Ben, by the way, you got to keep your camera on because when I see you laugh, I know we're on to something. Anyway, yeah, you need to get a hobby. Rolex is a good one. A lot of people like that. If I see someone with a certain Rolex, I talk to them about it. Cars is good, but I have a feeling you don't even know how to drive. So I would say away from that. I learned how to drive at age 19. So because I just wasn't interested. Yeah. How your wife ever do shocks me. Don't listen to music. I only listen to sports radio my whole life. So if somebody's like, what songs do you like? I'm just like, Oh, you know, I'm cool with whatever. And they're like, Oh, you're fucking weirdo. Huh? Oh my God, that's great. Yeah, you need to get a hobby, dude, but this is the story of Linode. Kind of a cool story, right? You never really talked about it. No, that's awesome.