

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

I'm a grown-ass man. I have a family whatever. I'm not gonna act like I'm 12 years old and
The problem the problem that I don't you said me a video of you skateboarding every day. You
already

I feel like I can rule the world. I know I could be what I want to

Hello Sam, what's going on happy MLK day? Yeah happy MLK to you too, sir

I don't know the proper way to celebrate but whatever well, we all had a dream today and actually
dude

I haven't remembered a dream of mine in like 10 years, which is like I feel like something's wrong
with me

I think it's a girl thing Sarah like tells me every morning

She's like I had this dream and I am like that's I I don't I've never had a dream like that that I can
remember

Women don't sleep actually I've learned or at least moms don't sleep

So like throughout the night I'll wake up in the morning and then suddenly would be like

Yeah, you know, he got too hot at night and then at 4 a.m.

She kicked the blanket off and I'm like, are you just up checking everything all night? And she's like,
yeah

I just checking everything constantly and I'm like, when do you sleep? She's like, I don't sleep

There's a problem. You can't not you can't just stay awake checking everything all night

Have you seen that funny tic-tac where it's this guy saying like look I know this sounds crazy

But this coffee table is magic every time I put dirty dishes on there

They suddenly the next morning become clean and he calls the police and in the in the male cop and
the female copper there and the angry

girl friends also there and

He's explaining how the tables magic and the male cop is like I have got that exact same coffee table

The girl friend like that's a break you up with them because she's doing the dishes the whole time

And he's like, I think I even have a magic laundry basket

I just set it on the top of the washer machine. It's always gets folded and clean and anyway

That's what we're experiencing our wives are just are just awesome and they just handle they just
handle stuff

I was watching a tic-tac and it was it started off

I don't even know how I didn't swipe right away because it was like

I'm a gender studies major and I'm gonna teach you about blah blah blah and I was like for some
reason

I got hooked and I watched this like three-minute thing and she talks about I don't remember the
name of the

The like kind of the phrase the condition that she was describing but basically she's like

You ever notice how at a party over time the women will sort of just out kind of aggregate in the
kitchen

And they're helping each other out nobody asked anybody for help

They just all start helping out and like typically the guys, you know Thanksgiving Christmas,
whatever

They'll be kind of like at the table. They're sharing stories

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

They're laughing and feet up on the table and she wasn't like oh, they're doing more work. That wasn't really her point
She's like often
Men will be like, oh, why aren't you just enjoying yourself? Just relax just enjoy yourself
And she's like because think about like a theater show
She goes in a theater show you go to a theater on stage you see the actors and they're the ones you pay attention to
They're the ones you remember their names and at the end you clap and you say wow amazing show good job actors
He's like but you don't know that like there is no show if there's no ushers to get people into seats
If there's no stage hands to switch out the sets and they literally like we're all black
So you can't see them like they're not meant to be seen in the net
but they they are
Essentials, you know the lighting guy and the music person and then the stage hands and the extras and the ushers and the ticket person
like they're all needed for the show to happen and
She's like in the world of you know sort of gender studies
There's just some phrase where it's basically like the men are the actors basically and the women are the ones doing all these other
Things and so it's like you know you go on a road trip. You don't realize that like why is she not just relaxing having fun like often
It's because she's thinking like did I pack their let their snack and like oh my god
When we get there they're not gonna have their thing for the thing and then there's sort of like pre pre mapping and anticipating a
Whole bunch of potential potholes that you could be running into and because they're anticipating life goes smoothly similar to the show going smoothly
But those are all sort of like thankless things and it becomes mostly the woman's burden and kind of like the way typical gender roles are
Whatever and I was like, okay, like I I buy that I definitely you know, have experience
But you know what that means then right? What's that mean? We better be funny and entertaining man. We better
We gotta pull our way
Yeah, like we better we better make them laugh and keep them entertained or we just are we have no role here
Yeah, yeah exactly and I think I gotta stop being like oh just enjoy yourself
Just relax was like yeah, the show doesn't go on if a bunch of these things don't get done
So I get it there's a mental burden there for all that when you when that when we go on road trips I can count the number and I take a lot of road trips. I've driven cross-country a dozen times
I can count on the number of like I could there's probably maybe even never that my wife has done the driving
It's always me and so I'm like you can handle the other stuff
Make sure our hotel is booked and like I'm gonna spend 12 hours a day driving
Do you drive the whole time? I drive most of it basically. She's a better driver than me

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

So, you know, I can see that at the end of the day like you know, we should play to our strengths
But she she kind of likes the idea of me driving side drive, you know, most of it
All right, maybe a boring start to the video. Don't know gender studies may not have been the right
pick for me to
Just start this off, but we'll see we'll see what happens
All right, everyone today's episode is brought to you by marketing against the grain
If you want to know what's happening in marketing then this is the podcast for you
The hosts are Kit Bodner whose HubSpot CMO and Kieran Flanagan whose HubSpots SVP of
marketing on the pod
They share their unfiltered marketing expertise. One of my favorite recent episodes was called why
creators are disrupting marketing
Kip and Kieran talked to Steph Smith who's been on my first million a ton about all things creator
economy
They asked her how you could find a niche audience how to create great content for them and how
to monetize that content
And if you know Steph Smith, you know, there's no one better at that kind of stuff
So if you love marketing, you want to know what's happening at the cutting edge of the world of
marketing
Go listen to marketing against the grain wherever you get your podcast
Dude, I was deep in our YouTube analytics and I can see why
YouTubers are the way they are. I now understand you go into YouTube analytics because you're like
you go in with all the right intentions
You're like, I want to do better. I want to improve. I want to do better
Is he go in there and what happens?
You see like, oh
Cool two percent of people clicked on the thumbnail. All right. What if we just jazz that up a little
bit?
Okay, what if we jazz it up a little more? Oh three percent
What if we what if we juice it a little more and then sure enough you're a cringy YouTube guy, you
know
Because you're trying to get to that like eight or nine percent because you're like, dude
I just want them to watch the video then they watch the video and
You see this curve and this shows this retention curve
It's basically like how long do people watch your video for this is an hour-long podcast
The average viewer watches for you want to take a guess?
Five minutes ten minutes. That's the average view length on YouTube is by the way
That's my B. I thought you were gonna say one minute. And so I was trying to set you up and say five
That's my B. We we tried the bro move, but it was I'm sorry. Yeah, we thought you're gonna say one
It was a give-and-go, but we thought the other person's gonna go it didn't work out so
So you see that and you see that in the first minute you lose like 60 to 70 percent of your your
viewers
And so I get it why you'll turn into like inflatable arm man right at the beginning of the video
because you're just gonna be like

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

Hey, don't leave don't leave don't leave
You know and you just want them to stick around and get hooked like right away
And so I could see why YouTube makes people pretty self-conscious and turns them into like the the
sort of cringy thing
That youtubers do because if you look at the data, it's the only answer the answer isn't be more
substantial halfway through
It's like well, they're not even getting there
I will not become that though
Like everyone talks about mr. Beast and I respect him for what he's doing. I'm too rich for that
Well, dude like I just hate his videos like I can't I like him
I don't like his videos at all and I a lot of these guys
I I just cannot stand their stuff and I think that we are background noise for a lot of people
They're just so they just so happen to be using the YouTube app and so like dude five minutes on
average
That's not horrible. That's actually quite ten ten on average ten. Sorry. That's quite good
So in the beginning we what we got to say is like wait until you get to minute number 50. We talked
about this amazing thing
But I don't think we have to be that cringy and obnoxious
But I do believe I do believe in the thing where if you're not willing to be cringe
You're not willing to succeed, you know, you got a you got a layer on a little bit of cringe
Everyone's got to like beg for money sometimes
That's our version of the Reed Hoffman quote
He's like if you're not embarrassed of your V1 of your product you've launched too late
Ours is if you're not a little cringe when you look at what you've done, you're not pushing it far
enough
You're not trying
So I'm okay with a little bit of cringe. This just has to be the right type of cringe. What's the right
type of cringe?
I was hoping you weren't gonna ask that. I don't entirely know
But like here's what I here's what I'll say. I'm a grown-ass man. I have a family whatever
I'm not gonna act like I'm 12 years old and the problem the problem that I don't you send me a video
of you
skateboarding every day
My thing is is I'm not publicly gonna be doing that like I'm I would I like for example
You're like, I'm gonna act like how a 12 year old acted in my day not how
Like now dude like alright, so Dave Portnoy Dave Portnoy. I think he's quite funny
He's very successful. I have so much respect for him
But he's in his 40s now, right probably probably close to 50 and he's still doing the same shtick that
appeals to like the 19-year-old
And when I think about that position, I think well, you're rich you're successful
You're famous you kind of actually seem happy, but like I don't think I want to do that thing same
thing with chubbies
You know chubby shorts. Yep. I remember them getting popular and I thought this is hilarious. This

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

is awesome

But what are you guys gonna do when you're 49 and you're still like selling this like fret boy shit
You know what I mean? I think it's like a and so I don't want to be in that position in life. Yeah, okay
All right, I buy that so let's do it. What what topics you got today? All right. I've got one idea based
on something

You sent me. Oh, wow rich

But you thanks Sam for having one idea based on something I sent you

Really put in the work today like I'm in the final interview stage for my new researcher

But you told me last time you had a lot and just hear me out

So you sent me this thing called exploding topics, right? Yeah, and you said their traffic's killing it
and

Exploding topics don't explain what it is. Yeah

It's basically like a if you go to the website

You'll see a series of charts and the charts are basically saying hey this thing this trend is
Growing in popularity. So like if I go there right now

Pull it up. I think it started by which keywords were growing in popularity because Brian Dean who
owned back linko a popular SEO blog

Got involved with it and then it kind of changed to what it is now. Okay. Yeah, so I didn't know what
the underlying

What are they looking at to tell you what's trending or not? But they'll be like, you know, hey, there's
this thing called power dash

It's a vacuum cleaner for pet owners. It's grown

3,000 percent right now, right? And they're but you know the volume of that key of that search is
320

So not not huge regenerative agriculture, right growing 658 percent with 12,000

Searches and you can look at that. You'd be like, huh, that's cool. I'm interested in that topic. Maybe
there's something I could do here

So I think it's similar to what trends was which was I will tell you about

Things that are getting more popular before they're fully popular in order for you to take advantage
of them with content business

That's sort of right. That's the idea

Yes, and the people wondering trends. So basically I used to own I sold it

I used to own this thing called trends.co

And it was a weekly email on an online community that people would pay \$300 a year for and we got
it

I forget what it was when I sold it

But I think it was at like six million a year

But it very easily could have been like a million a month or so in revenue

But basically we would send a weekly email and we had three or two researchers and they would
comb the web in five interesting things

And they would write interesting reports and they would also include one to two graphics that
showed like yours based off of Reddit searches

Or based off of Google searches or based off of like 20 different data points. This topic is growing

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

quickly. Anyway

What exploding topics is doing? There's another another company called meet glimpse. So I think it's meet glimpse

Co or dot com. I don't know and this is just called trends forecasting and these versions of it including my version

They're what I would call prosumer

So people who just want to spend

Ten to three hundred dollars a month on it. They're not that big of a deal

But there's this whole other industry of people willing to spend

25 a hundred thousand ten million a year all on trends trend forecasting and I think it's a very interesting business model

and I think it's a very

under

Developed industry and so the one that I brought up a whole bunch is called WGSN WGSN

It's basically a monthly report that comes out and it helps people pick which colors are gonna be popular

Which sounds trivial, but that's a really big deal if you're Starbucks

And you got to go and buy ten million name tags or something like that

And you want to make sure that you've got like a good color that is like hit or for example

WGSN do you remember Sean how pineapple was popular? They helped predict that pineapple the logo is gonna be popular

Their next one. I think is the lemon. I think they said lemon is gonna be popular. Maybe you told me that actually

And so anyway, that's what this does

But I actually think there's an interesting business where you can look at anything that

Someone is having to spend a substantial sum today for something that's gonna happen in 12 or 36 months

And you help them guess the right prediction

you can build an interesting business and I'm gonna give you an example and

Let's just say that it's like HR or like work styles. So what do we think we're gonna predict the

Work the the the this particular age group. What are they gonna want for working from home in the next 36 months?

And if you're Google or someone that employs 10,000 these workers, you're like, alright

I kind of need an idea because we're gonna be making X policy. We want to know how they're going to react

The way it could work and this is the way WGSN and this is the way trends and a few other things work is you do a

Combination of surveys so you survey like you need a pool of like a thousand or ten thousand people You can survey and get intel from and make predictions

Then you look at like different data. So like you look at sentiment

You look at like what people on reddit on tiktok are saying just what trends are saying and you consolidate in that that into a

fairly easy to understand one thousand or two thousand word email that you send out monthly and

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

Then you have a consultant on staff who you can call on a regular basis to be like Hey, we're thinking about doing X based on your research Is that a wise decision and then you have monthly calls as well as a community and a conference And I think you could wrap this up and do it in most any industry and have something that you could charge 20 to 50 thousand dollars a year for and this is something that what's his name? What's the bald head guy who I like Scott Galloway? He did this with he did a little bit like this with his company that he sold for 300 million dollars. What was it called? It was called the L2 but anyway, this is my model that I think not enough people know about and take advantage of that I think could be pretty big. I wish you had let me guess which bald guy you like that could have been back We could have gone on for a couple hours on that one. I have so many that could have been the answer. Yeah, Stone Cold Steve Austin So what would you do so you what was your what was your idea here of like how you would create well Like a trend status prediction type business what I would do is I would I would package my product in the way that I explain But I think that most industries that you work in you can figure out some type of thing where you can look at your The buyers of your company and be like or look at any any different roles in your company and be like hey everyone Can I just talk to you and like figure out like what decisions are you making that's going to impact us in like two years? Yeah, and what type of data do you wish that you had today that would make your decision easier and I'm sure this exists But one version of this I could think of that's pretty valuable would be if I could Pull like hey, I you know, we got a we're able to survey every You know CIO in the Fortune 500 and You know, we surveyed 70% of the CIOs in the Fortune 500. Here's what they're thinking in terms of Their software budget for next year HR people at the at the you know top thousand companies Here's what they're thinking in terms of remote pay or here's what they're thinking in terms of the XYZ And I think if it's sort of like what GLG is where exactly expert network and people will pay People like you and me \$2,000 for a one-hour call Because they're making investment decisions and they need to do research and they need actual industry input to say hey What's the deal with this? I'm not an expert at this you are but I need to make a ten million dollar bet And so as part of my research and diligence, I'm gonna pay, you know, you and ten other people like you two thousand dollars an hour

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

20 grand no problem. That's a
That helps me make the right directional bet here
And so I think rather than GLG being a one-way thing
I think you could do it as a
Kind of like pulse survey to as long as you had the right key key audience that was bought in now
How do you get them to actually answer this? I think you could a just do it as part of a broader like
media thing
Like if you already have an a newsletter for HR people or whatever you could do it like industry
Dab could do this
I also think you could pay them and so I think there's some some version of payment and rewards
that that could go with this
Because you're probably charging a lot of money thousands of dollars for these reports
But there is another business I want to tell you from a listener here. Let me pull this up
So a listener built this company. It's called Eureka surveys. So Google. Yes. Yeah, I love the
bootstrap company
Yeah, so these guys if you go to your service, how do you tell right?
It just says get paid for taking surveys, right? Make money online. Here's how you do it
And it's like these are the small small time version of it. Did he say we could say their revenue? He
told me it
But I don't remember if it told me once I think we should just say it maybe generically
But like, you know seven figures in revenue bootstrapped off this off this product idea and
Kind of amazing that they are doing so well and I think that this is like a really great business
He acquires I think in his case. I think he's going for kind of younger audience sort of like, you know
Gen Z millennial college students, maybe stay at home moms like, you know more of the average
average Joe type of consumer
And able to survey them and they offer gift cards in return like the brands who want to run the
surveys offer gift cards
It's a great way to get insight, you know quickly like for me if I have a brand, right? I have a brand
I want to run a survey like this. That's pretty time-intensive for me to go do
So I would need to go to a service like this if I want to get an answer
Well, so that's my idea for for trends forecasting. I think this survey one's interesting
There's a lot of competition in that space. I still think it's interesting
But this is like a very simple straightforward thing. It's a lot of work, but huge business. I think all
right. What do you got?
Okay, so I'm gonna tell you a couple names. I'm gonna throw a couple names out at you
You just try to tell me the pattern
Leonardo DiCaprio Kevin Durant
Ellen DeGeneres
Luca Doncic
George Clooney
He might be thinking movies. He might be sports. It may be celebrity investing. Where am I going
with this? No?
They all play pickleball

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

Pickleball is this crazy crazy thing that is exploding. It's not gonna be new to most people here
But I'm just sort of late to the party
I played for the first time the other day when we did our kind of weekend getaway for founders thing
and we played
It's a lot of fun. I was like, I get it. I totally get why you guys haven't took you that long
Yeah, I don't leave the house. So it's not it in my house activity. So therefore
This is the first time I got exposed to it, right? Like, you know, like I'm those people that
Like, you know came out there like COVID what?
They don't know what's going on. That's what happened to me with pickleball
And so I started looking into it and I think there's something I think there's a bunch of little
interesting things
I want to hear kind of what you you find interesting this but I'm gonna throw some stats at you
So my my my overall take is pickleball is exploding here's some opportunities
I see and I think it's gonna be huge. It already is getting huge
But I see some potential traps and I'll tell you what those are. Okay. So first of all
Guess how many people in America?
This is a tough one. Yes, I mean people in America played pickleball in the last year
20 no
5 million a good guess 36 million
So 36 million is a crazy number, right? That's twice as many people as go to like Disneyland every
year
It is that's the population of California, right? So 36 million is a kind of crazy number, right?
That's like 14% of the of the total population and
And you can see this trend growing right so that it went from 5 to 36 that was in a one-year jump
You can see on Google Trends. It's just up into the right line. You have celebrities
Like I said earlier billionaires buying teams leagues that sort of thing
I personally know two people who have built multi-million dollar brands in this space
I'm gonna tell you about them. So one one guy. I can't say his name, but he built a Amazon FBA store
and
This was two or three years ago. He sold it. So he actually sold way too early at the time. I met him. I
was like, oh
Oh great. You you built a store doing what I've never even heard of this sport
He was like, yeah, I just got into it, you know got really into it
And so I just thought oh, let me just see if there's much competition on Amazon for this
There wasn't so I built a popular FBA store and sold it for about 8 to 10 million
And so the guy sells it for 8 to 10 million dollars and I was like, wow, you know, you know
Highway robbery, you know tell that guy to lose your number and now that he owns the reality spent
8 million dollars on this
You know pickle what you know, what the hell is this? I
Bet you if you had that thing now, that'd be a 40 million dollar brand
You know, like this thing is exploded in popularity. Whoever bought it knew what they were doing
The second is there's a guy doing a newsletter called the dink
so he's doing the hustle or milk road for pickleball and

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

We talked to him and we were like we talked about
I see it the dink like dink cool guy
he's doing a bunch of really smart things on the growth and kind of like content side and
He was making more money per reader than we were making on milk road
We're in the crypto like finance niche and he was making more money per reader in pickleball
Then then we were because he was a he's executing well and he like turns out
There's a lot of people who want to advertise and people who want to buy stuff and there weren't
really very many mediums for them to
Meet each other and this newsletter was
Was that so this guy was yeah, I think this news is probably worth three three million four million
dollars today
so two people I personally know that have done this okay, and I got a couple ideas here on
I want to talk about why this works where this is going and also just some of the interesting
characters that are involved here
You've played I assume you've played
Yeah, but hold on I have got a few I told you so's that I want to bring up
I was I was looking this up as you were talking episode number 147 this aired January 19th
2021 so almost exactly two years ago
Let's go to the listener notes. It says Sam brings up pickleball a booming sport in Austin
And it talks about all the opportunities there why he thinks it's gonna be big
Brushes it off
Sean gives Sam wedgie tells him f off
Then you talked about dink I was like that sounds familiar so I look up dink founder
It's a guy named Thomas Shields. I Google Thomas Shields Twitter
I go to his Twitter. I click his DMs and there's an unread message that he sent me in
September 18th 2020
Hey Sam Thomas here nice to meet you and he sent me a video on YouTube where it's a custom
video of him talking to the camera saying
Hey Sam and he's explaining to me about this newsletter that he wants to start and he wants to
know if I want to participate in it or something like that
This is the first time I've seen this video by the way
I've not even I'm watching it for the first time ever so I
Was I take full credit for telling you about pickleball
I take not full credit, but it is cool that this guy hallowed at me
And this is for three years later, and he's absolutely doing what he said he was gonna do so man
You know the personal video, huh? I
Well, this is an unread Twitter message. I never saw it
But but anyway that so that's my
Before we huh I
Yeah, well, I remember seeing it, but
Because you can open up a message and they don't know and they don't know until you hit accept
and you could read the whole message
And so people like hey, you never saw it. I'm like, yeah

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

Never so anyway, that's my story

So you're asking me have I played pickleball before and my my responses to that is does dolly part and sleep on her back

Yes, I've played pickleball before dude. Of course I have have you seen me

Have you looked at me? I'm a I'm a tall white guy from the Midwest. Of course. I played pickleball.

Do I like peanut butter and jelly sandwiches?

Sure do

Am I taking a swing of a

Classic right now sure. Yeah. Yeah, you ever had orange soda, of course

Do you know how pickleball started by the way, it was like a senator or something, right? Yeah, dude, you know your shit

And this is crazy. That's crazy. You know that

Um, it was a congressman. So it was it was a board congressman who created this it was

1965 it was in the like Pacific Northwest and

They get back from some trip him and his buddy. They have nothing to do. They're at this house

They have nothing to do their board the house has a badminton court like great. Let's go play some badminton

I guess they go down there. There's no equipment for badminton. They're like, oh fuck

What are we gonna do? So they're like, well

We got ping pong inside but we kind of be out and kind of want to be outside

so they take the ping-pong paddles a whiffle ball and they go to the badminton court and they start inventing this game and

They're just bored and they invent this game and they're like they call it pickleball because I guess there's this phrase called pickle boat

Which is like a hastily assembled crew for a boat and they're like

I was a mashup of we just grab the paddles and play badminton

Lower the net. It's like this mashup thing. We'll call it pickleball

And so they create this thing. It's like, you know, just a smaller regional game

Nobody's really playing it and somehow I couldn't figure out the link but like somehow about the last five years

This thing has gone like very very mainstream to where now there are professional leagues

There are tons of celebrities own teams that there people are buying Gary v is buying a team Kevin Durant is buying a team

Tom Brady is buying a team

Patrick Mahomes is buying a team these teams cost a million dollars now

There are billionaires that are trying to buy leagues and merging the leagues to try to make this like an official thing

It has become kind of real and people are trying to create like top golf for pickleball

So there's a place called chicken and pickle and camp pickle that's trying to like basically create venues where you can come

Drink eat and play pickleball. And so there's like this, you know, mini gold rush that's happening right now in the world of pickleball

and

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

I started thinking okay, where do I think this goes because I've seen this now a couple times I've seen this with
MMA right going from super fringe to more mainstream
Esports and even some other things like the drone racing league. You ever seen the drone racing league?
Yeah, that one hasn't picked up like I thought it was going to but maybe it will
Same and so you see these happen and you sort of think okay, what does it take to make these work?
And I'll give you I'll give you what I think pickleball has going for it
And then I'll tell you what I think is going to be tough for it. So here's what it has going by the way
We had a writer at a freelancer at the hustle who quit for a year
And she became she wanted to compete in pickleball and she did and she started traveling to competitions people love it
What did you say to her when she told you what she was planning here?
What do you think I said? I said, that's awesome
It's awesome get out
Yeah
Yeah, give me your laptop right now and then get out and that's awesome. Yeah, but it is awesome
Text me a pic go after yourself. Yeah
You're like objectively, this is awesome emotionally. I feel a little wounded and I'm rooting for you to fail
No, but she did and she's doing good. Okay, so here's what I think it has gone for it
So why like let's bring some we've done this with food. Remember you had your food thing
That was I think like low-key genius and nobody really respects you for it except for me, but like I'm not such a left handed compliment. Look people don't get it. I do but no one else does
No one else does your parents don't understand, but I'm okay with your lifestyle
We've talked about it two or three times just to say the joke again to see if it hits
And it just doesn't seem to hit but like let's do it again. What's your food thing?
And then let's let's do the equivalent for the sports world. So for food
I was like there's like a handful of categories that you need to check off in order to make your food go viral
So see they're got to be like a side food where it becomes the main thing
So it's like instead of like ice cream that has cookie dough in it. It's like only cookie dough
The other thing is has to be a different color than normal. So green ketchup or rainbow bagels or it has to be a different size
So like a huge pizza or a really small thing
Or the last one was it has to be the combination of two things that are related
But you wouldn't normally have done it like the cronut, right? Yes, exactly
Again genius. Finally. Hopefully you hopefully you get your due this time
So I think there's sort of a similar thing when it comes to creating a hit game or hit sport
Because when I played pickleball, I was like, okay, that was fun. And here's what was fun about it
There's zero learning curve like we literally that nobody even really explained anything
They were just like stand here and when the ball comes to you hit it
And then they were like there's two rules don't go in the kitchen and like, you know, whatever

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

You know, here's how the scoring system works. They told me that as we were playing
It was very intuitive. It's like, okay, cool got this paddle similar enough to tennis similar enough to
ping pong
I I kind of already know how to move my body this way. All right. This will this will work
So zero learning curve
We were playing and the age range of the players that we were playing with somebody had their son
there
You know who I think is like, you know, 11 or 12
but I think you could basically play this game from age eight to like 65
and so everybody
My mom's close to 70 and she goes to her pickleball league twice a week
Okay, we might we might push it this to 80. You know, I don't know how but this is
Super broad range and how many sports can you really say that for very very few?
Sports can be played by extremely young and extremely old people
You could just play it with two people
So you don't need like five on five or like, you know, a full football team or basketball team
It picked up during covid because it was kind of like an outdoors activity
That anybody could do that was sort of socially distanced
And so I think that was like a big factor in why grew and it's basically like a lightweight version of of
tennis
Or even maybe even a lightweight version of golf in the way that people use it because you could
talk while you're doing it
You're not like
Just huffing and puffing and running the whole time and lastly and most importantly you could play
the game drunk
And so this is like, you know, if I wanted to create the perfect game
Those would be my by criteria and then you know, out would come would come pickleball
So I think it's it is kind of a perfect game in that way. So I think it has legs for that reason
I think it's going to keep getting more and more popular
The fact that the whole state of california worth of population plays this game
As played this game in the last year is crazy and you also see other things going for it
Like the founder of lifetime fitness, you know, like the gym chain got really into pickleball
And then put 500 million dollars into building pickleball courts in all of his like locations because
he's like, I love pickleball people are gonna love this
And so he's deployed half a billion dollars into building infrastructure
Dude, I love that and people are converting tennis courts. All this stuff is crazy
There's 35 000 courts in the united states now
Dude tennis sucks. Anyway, only like a couple people know how to play it
You know what I mean? Like my wife took lessons on how to play and I would go and play with her
And she would serve it at me and I would basically just try to hit it back and that was how we played
It sucked that sucks and then I was like a weird form of abuse actually is what you just described
tennis is stupid
So to anyone listening who wants to capitalize this we can brainstorm

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

But I'm going to summarize this in the two simple words. Okay
Vince McMahon
If you are in this business, remember those words
Vince McMahon, who's Vince McMahon? Vince McMahon is the owner and
current or former CEO of the
WWE the world wrestling entertainment
I don't know what it is, but it's anytime that we grew up, you know stone cold the rock. This is wwe
back then
It was wwf dude. When you think about it
WWE is just a bunch of ripped dudes in their underwear having a soap opera in front of
50 000 people and then the rest of the people on tv
It's all it is is a soap opera and there's a little bit of ripped dudes in underwear wrestling
That's all it is and it's awesome
You've got grown dudes who are like the most like homophobic guys ever and yet they're like sitting
there watching two
Oily ripped dudes just rolling around. It's like, you know, they get passed it all because all they care
about is the story
The drama this is all you need to do
So if you're interested in this you just go and get a picture of Vince McMahon. You put it a picture of
him on your wall and you just say
What would Vince do? Yeah, what would Vince do?
wwvd
What would Vince do?
That's all I'd care about if I was entering into this because that's exactly what happens with tennis
I only cared about what's her name Serena in that last like tournament though
She was in because it was her last one story, you know, I'm saying like I only care about this Naomi
namasaka lady
I only care what's her name? What's her name? Sorry. It's Osaka
I only care about her because like I hear that she's kind of like going a little like she's having some
mental issues
And I'm like, oh, okay. Now. I'm kind of interesting. You got a train wreck
Yeah
Yeah, like I've been doing it and like
That's like what I get. I get hooked on it or like, you know, some of these like sports that I don't think
are mainstream
I get it like Lance Armstrong guy gets cancer. Maybe he's on drugs killing these Europeans. All
right, cool
You got my attention like I need a story and that's what anyone who's interested in pickleball needs
to understand
So I think as funny as what you just said is I think you're totally right
I remember when we started working on an e-sports product, right? Like that's what got bought by
by twitch
We were building basically an e-sports company and I met with a venture capitalist this guy Zach

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

and he goes
love e-sports, but
E-sports needs its Dana White, which is basically Dana White was the Vince McMahon of the UFC
and he goes
Dana White is like there is no ufc without Dana White, right? Because literally the company was
going bankrupt
So, so, you know, I don't think literally there would have been a company without without Dana and
his
And the fratida brothers coming in and buying it and putting in they bought it for two million dollars
And then they burned another 40 or 50 million
Trying to make it successful at a loss before it finally turned around and started to become a thing
And so they put in years millions of dollars and expertise at promotion
And willing to just run through walls to make it happen going state by state to get this thing licensed
So they could even host events and then hosting events figuring how we're going to sell tickets
And once they sell tickets, how are we going to get this thing on tv?
Once it gets on tv, how are we going to build these characters in the story lines?
Oh, we got to invest in all of these documentaries and and reality tv shows and things like that
Before smartphones were even a thing Dana used to give his guys
I remember you remember when the they first came out there these video cameras that looked
almost like an iphone looks now
But it was like a flat flip cams. He get he goes. Hey everyone. We're having a meeting you ufc
fighters
Everything you do. Here's your flip cam record it post it on like I forget what was popular
I think it was youtube
But we're he was like one of the first guys to do that
Totally totally was the first one and he had to do it because he no mainstream channel would let him
in
He couldn't get a you know now they're on espn. It took 20 years to get onto espn as a sport
You know, that's how crazy this was and so
You need somebody like that which is basically just saying you need a world class
One in a billion entrepreneur
You're gonna make this work and there are some interesting characters that are involved in this
thing
Do you know who this guy is?
Dundum you hear that this guy the search dundum pickleball
There is this billionaire who is like really trying to make pickleball a thing like so this guy made his
fortune
doing subprime auto loans
Which like you didn't I didn't even have to say the tom. Yeah tom dundum. Yeah. Yeah, some prime
mortgage loans
Like you don't even have to say he made his fortune if I just said yeah, he worked on subprime auto
loans
You'd be like, oh, so he's filthy rich, huh? Like you know, like there's no

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

You don't put those four words together without being a billionaire and so he's super rich
He takes a bunch of big wild bets. So he put
I think like 70 million dollars into an NFL competitor called the AAF
That like basically folded before it even had its first game and he lost 70 million dollars trying to do that
Now he's basically he owns pickleball.com
He bought the major league. You know the biggest league for pickleball or like, you know, there's two competing leagues
and he bought one of them and
This guy's like trying to make pickleball happen and he's good. He also owns the majority of top golf
He owns the majority of top golf. Yeah, he he does a bunch of stuff like this. So he is a pretty fascinating guy
There's a bunch of like really like interesting characters that have like kind of pushed this forward
So he's one of the guys who've pushed us forward. There's another guy named Seymour Rifkind. You ever heard of this guy?
No, why would I have heard of him? Here's some things about Seymour Rifkind
Self-made millionaire by creating a marketing company. All right. Check. Uh, does iron man's check
Does ultra marathons check taekwondo black belt check
He has bicycled solo coast to coast check
He he created the first rating system for pickleball check and he did all of this after the age of 50
That's pretty baller. That's that's a pretty baller post 50 resume to have so so this guy kind of you know, pushed
Pushed the the the ball forward and kind of helped legitimize it make it make it more popular as well
And then obviously there's all the players and the people who have been playing at the grassroots as well
So so I feel like with pickleball. There's just like this tremendous groundswell and here's a couple of my quick takes first of all
RIP badminton
I knew I knew for the first time I saw badminton badminton was a little bit of a bitch sport. I could tell I saw it coming
and I avoided it like the plague and
It just needed a little
Little tweak a little tweak there for badminton and you know pretty sad if you're badminton
It was like sitting there the whole time and miss miss this wave
So, you know that sucks second could this happen again like
I need to go start playing all old people sports and just sniffing around like what's up with botchy ball
How do you play this shit? Is this good? Is this the next thing like I there might be another old person sport
That could be translated down. You may not know this, but I was on the cusp of creating the next pickleball
Back when I was in middle school me and my buddies created a game called golf

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

You might be wondering what's golf and golf was basically a combination of golf and ping pong
it was an extreme version of ping pong
And shout out to my guy steve adibi who was there with me in the in our game room and we created golf
And I get I guarantee this is the most fun game ever and we invented it
We just didn't know how to commercialize at the time incredible game
Last version of that my version of that was in eighth grade. We came up with the game called nutball. Were you?
It's bloody knuckles with other parts of your body. Oh, no, it's better
It's called nutball you sit 20 feet apart and you sit on the ground with your legs
And I play that game. Yeah, and a person has to throw a ball the first person that flinches loses
I used to get in trouble. Yeah, my the sister mary came up to me said sam no more nutball
So I got bad
Which is a win of itself
Funny story. So I left, you know, I we did that weekend kind of retreat founders thing was like, okay
We're gonna brainstorm. We're gonna really make plans. We're gonna, you know, think about what's next
We can give each other great business advice. I left early on the last day
So I missed the last 24 hours
And so I hit up ben and I was like ben
How was the how was the last day what I missed anything good anything really, you know, do you have notes?
You can share with me
and he goes
No, we basically just played pickleball for seven hours because uh, sully really wanted to beat me and put pickleball
And he couldn't but he wouldn't let me leave until he beat me, but he just couldn't beat me
And so we just
Just five hours straight and I just beat him on non-stop and then after that we didn't talk
And I think like that's the sign of a great game a game that could take over your life and make you a bit of a degenerate
So I am all in on pickleball
Dude, they need a leader with a good name when I was in San Francisco
I got into competitive ski ball and the guy who ran it was called joey the cat
And he remember joey the cat he braided himself in san francisco is joey the cat the ski ball guy and people would rent ski ball machines
So remember he used to he was just like renting out ski ball machines to bars or to offices and startups
Yeah, yeah, yeah, yeah, and he was making good money doing it, right?
He was making great money. He owned buildings in the mission
Yeah, he owned like anywhere where he had like a little warehouse with all the ski ball machines
And it was joey the cat and all of his ski ball machines had like a tiger stripe on it

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

And oh, yeah, you got a joey the cat machine. That's great, man. You this spot by your office
This is awesome. You guys must be doing well. You're having you have fun in your office. Oh, cool
Yeah, or like, oh, you're into like local shit. Nice. Right, right, right. Oh, you still yeah
You're supporting this local guy
Joey the cat you have kombucha here. Wow. You guys got it going on
So this guy needs the leader of a pickleball. They need a cool name like joey the cat
I feel like there should be like a tiger sound every time you say that. All right. Okay, cool. Let's do
one more topic
Okay, I want to give you one more interesting person that
That I think is worth talking about. Okay. So have you ever heard of virtual gaming worlds?
No, dude, whenever we talk about this, what's my answer?
Well, it's just kind of like a rhetorical question really so I play sports
That's what I
I'm like sports and I eat meat
We were about metaverse quest
Like no
No, I'm too busy having fun like I beat up the last guy who said those words to me
So go google google this company. You're gonna be kind of interested in this so
This is a company. Is it vgw.co vgw.co. Okay. Go to this website and I just want you to guess their
revenue
Just say we'll play a game called guess the revenue
Well, it's just like a little square space rinky dink site looking. I don't know five million close close
three and a half billion a year
Oh, great with 500 million of profit
and
They did this in 10 years. So what they do is they're basically
They're one of the only legal online casinos in the united states
they own one of the largest poker sites in america called global poker and
Basically, it's casino games done via sweepstakes and trade promotions. That's kind of like the legal
Arbitrage here to make this work is that they do it as it's not gambling
It's basically sweepstakes and they have a patent on it. So they have like very
He has very little competition at the moment apparently
um
And I got to give a shout out to the guys. So there's a guy who sent me
This message and a bunch of notes on this. I'm gonna shout him out real quick
It's kind of he was like, dude, you got to feature this guy. He's basically a billionaire
He pays it like, you know, basically he he just dividended out, you know
In the latest like whatever year or quarter and just bought a private jet off the off the dividend
And it's like so shout out to this guy ansel who um, who told me about them. So crazy crazy crazy
business
He's ansel on twitter. All right, so
Here's what here's what's interesting. So the guy who started it. He's an ex financial planner
He basically was not a builder or a seller, right? Like the typical startup archetype is like

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

You're a great engineer or you're the great growth marketer and he was neither
He was a solo founder. He was a financial planner didn't know how to do marketing didn't know how to do coding

He was basically just a badass and he recruited Lawrence. Yeah, Lawrence exactly
He paid a developer agency to handle the build out. So didn't have a technical co-founder CTO
Just hired a dev shop, you know, it wasn't perfect like they basically the code was so buggy
Like the slot machines would accidentally just pay you out a bunch and this happened several times
They had to like survive that and this is built out in Perth, Australia. So this is like
Built in the middle of nowhere. So kind of violates all the rules single founder didn't have the skill set

It wasn't in a big city where, you know, you got to move to Silicon Valley or New York or wherever to do this

He came to Silicon Valley once couldn't raise any VC because they can't invest in gambling opportunities

But the good news is

This that means this guy didn't take on any investment take how much investment didn't didn't get diluted

So he still owns 66 of this company that's doing 500 a million a year in profit

And and doesn't you know, three and a half billion in revenue

And so, you know, it's you know, basically started fully remote. They got their first office eight years in

You know, it was into the business. It's pretty crazy. Dude, it says he wow, this is amazing

So he said they increased their profit and they made 454 million a profit and it paid dividends of \$413 million. I actually have a question. So does that mean that the company only needs 40 million or whatever the

Yeah, \$40 million in cash to operate

Either that or they have enough cash reserves already there to for whatever let's say their burn might be 100

They might have already a stock pilot cash reserve. So they just div it out the excess

That's wild man. This is wild

So it's all based around this workaround

Which is that the us law lets you do sweepstakes and so they offer sweeps coins that can be redeemed for cash

And they have a trademark around our patent around sweepstakes trade promotions

Basically, they worked with the us lawyers to build a system where like customers can basically buy virtual gold coins

Use it to play the games. They have no value outside of the game
um

But then when you buy the gold coins, you get these sweep coins with it

And and yeah, basically like they found a like a it was a regulatory insight not a product

Or marketing insight that allowed this to happen. So and sweepstakes are regulated basically like state by state

So in order for something to change every, you know, different states each individually would need

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

to change something in order to make this happen

um

And there's basically like, you know brands that will use multinational companies

Like there's like sweepstakes companies that you can use to run sweepstakes across states because of the of the complication

Uh, dude, whenever whenever people tell me, hey, I have an idea. Should I hire a developer or should I hire one of these agencies to make an app?

99 of the times I say no, you're wasting your money. You're never going to do anything with it and it's just going to go to waste

Right. This is the guy. This is the guy top talent needs to jump on this guy as like a story of how these things work

This is this is a really fascinating story

Yeah, exactly. And there's a video of him in 2012. He's pitching at the launch conference to Jason Callicanis

I don't know if it's this exact idea, but basically, you know, similar similar sort of gambling idea

And all the judges are basically like, oh, you know, the opportunity is outside of the us

It's too hard in the us

And you know, didn't listen like new his new his shit

Understood that there's like a regulatory moat

And a patent moat that he could create that would allow him to do this

And basically create kind of like a small and not small. Sorry a large cash cow. That's essentially like on

You know, nobody's really competing with them and on this which is kind of crazy

It's surprising to me that a patent would be this this powerful at at at stopping somebody from competing because in tech

Patents usually do nothing. You know, I don't care about patents at all when someone says they have a patent

Yeah, whenever they say someone has by the way, what do you con McGregor? Nice? I like that word. You should bring that back

Yeah, a little bit

Yeah, you got to call me mate. I like that. That was pretty good. They whenever I hear someone say they have a patent

Like in a pitch. I'm like, I I think that means nothing

Actually, it's a red flag. I'm usually like that means you think it's something and it is nothing which means you don't know

You anything

Yeah, it's like asking me to sign an NDA to hear someone's pitch. I'm like, oh, you yeah, you're this is a joke

We I remember at one of our startups. It was like or like when we bought Bebo back

We got the patents with it and there's like, oh, this is a patent for like the idea of like going on a social network

And whiteboard like there's like a whiteboard feature where one user can draw anything on this virtual whiteboard

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

Oh, I was like, oh, you invented that. He's like, yeah
And I was like cool, but like I use that on facebook
He's like, yeah, because this means nothing this piece of paper means nothing and it does nothing
and like, you know
impossible to
Really use this or enforce this or like, you know
Just way too hard in the world of like internet innovation to make this work
It's that was my that was my belief coming in so this is a bit of a frame breaker here for me on on
like why this guy has
No competition doing this and it might be some other reason
Another reason which it might be that this is actually shady af and like most entrepreneurs don't
want to do it or you know
There's too many lawsuits or whatever
Definitely that one by the way
Definitely, I I think it's definitely that one without like knowing anything about this and just going
strictly off like a
Guess with zero information other than I see this guy owns a bunch of Ferraris probably that one
Oh, his instagram is prolific and speaking of names
This guy's got a name
Lawrence escalante like tell you can't be Lawrence escalante and not have a profile picture as he
does
Where he's like this at a poker table and he's just looking over
Yeah
He's them boys. That's what is that that's what is his instagram bio needs to be just i'm them boy
This guy's the this this guy's the guy. Well, congrats to him. That's interesting fine. This is a crazy
story. So yeah
Yeah, that's super fascinating this over he knew he's like dude. I got something that's
It's great for mfm and sure enough it was yeah, it's juicy. That's what that's called. That's called a
that's called a big juicy burger
It's a good fine. All right, by the way, we forgot. Oh, I totally forgot speaking of the thing legal
agreements patents
Important important contracts. There's one more
Look, if you've made it this far normally if you put this in the beginning this one's for the for the real
og
These are into this there's a thing called the mfm my first million gentlemen's agreement
And by the way, shan in our last video you called it a gentleman's agreement and then you actually
said
Shoot we have four women listeners
We have to call it a woman's agreement and did you see the our four women listeners actually
comment in the youtube channel
And in fact many said no you have more i'm number five
But what they don't know is that actually
There can only really ever be four for whatever reason it's just like a law of physics or something like

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

that one in one out
It's like a nightclub and so we really appreciate all of you all four of you are like
Near and dear to our hearts
We look forward to getting to know you personally because we can because it's four
And so and actually they don't even need to sign the gentleman's agreement
They they're in
They're grandmother in
There's two requirements here if you've made it this far in the video and also if you've ever listened
to more than one video
Sean and I dedicate like dozens of hours a week to making these videos
So now you are in debt to us and all you have to do to repay your debt is click like
If you don't matter if you're listening on spotify or itunes
I always call it itunes, but you know what I mean
It doesn't matter where you're listening to you go to our youtube page type in my first million and
then click subscribe
And now we're even and we work for you. It's called the gentleman's agreement because we're not
there
I can't see your computer. So you just have to do it. Just don't lie. So please go and do that and that's
it
Yeah, it's like, you know, biden was thinking about canceling student debt
Well, we're going to cancel your debt. You're going to cancel all your podcast
If you just do this one thing like I mean
I couldn't couldn't think of a better deal for you. Honestly. So honor the gentleman's agreement go
to youtube my first million
Click subscribe and turn the notifications on too. Why not?
Dude, by the way, this part of the pod has become a fan favorite
Yeah, this is really and I have to say I stole this from someone just the on fire
I stole this from him. He's another youtuber, but this has become a hit
Don't know why you're admitting that I would just steal everything and say that he stole it from you
and let the
He's a he he's a ufc podcaster. So maybe he can kick my ass and how does he do it?
I've never heard it. He goes look the other day I went and I saw the dish at 7-eleven
It was for Alzheimer's or like muscle something
Disserve and I left a quarter there and I didn't steal the other quarters
I just left that one quarter there because that's called the gentleman's agreement and I just stand by
it
And that's the same thing with this. I edit the video. I come up with the content. I do all this work
I do it for you what you're gonna do for me is you're gonna click subscribe
That's that's our agreement. This is how society works and right now everyone's doing it
And if you haven't done it, you're you're being left out. So please do that and that's his pitch
It's pretty good. It's good and it's tough to come up with it each time and I feel like
In doing so we also earn our part of the gentleman's agreement just by making it interesting, right?
Uh, we gotta we gotta earn it. All right, we're done. We should we should wrap it up. I feel like I can

[Transcript] My First Million / Business of Trend Forecasting, Pickleball, And The Lucrative Virtual Gaming World

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. Let's travel never looking back