

[Transcript] My First Million / Crumbl Cookie Making A Billy A Year, AI In Sports, and Underutilized Assets Create Businesses

with this cookie thing.
Yeah, maybe they'll plateau,
but a billion years of nice plateau.
I don't mind sitting on that plateau for a while.
And that's like how I feel
whenever I hear some of these stories.
Like it's not gonna grow.
I'm like, yeah, that's cool.
Sorry, I couldn't hear you.
The money counter was burning a little too loud in my ears.
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 a road.
Let's travel never looking back.
Dude, so I, this is total random.
I wasn't planning to tell these stories,
but I was hanging out with my, I guess I shouldn't say,
hanging out with somebody who lives in San Francisco
and their kids go to a really prestigious
private school in San Francisco.
And for those who don't know,
San Francisco schools like, you know,
have a reputation that they suck, the public schools.
And so most of the people who work in tech
or are, you know, like a well-off in San Francisco
try really hard to get into private school.
And try really hard means like you have to audition
and apply for kindergarten and first grade.
Like you are, you have to fill out an application.
You have to write your love.
It's called a love letter where you basically have to give,
it's your, you have to say you're my first choice
and we will do anything, anything to get in.
And you like have to dress up and they interview the parents,
they interview the kid and they're like,
we have to decide if you're, you know,
you're our material to get into our school.
So there's this whole- They like, you know how painters
hold up like a shade of like the paint
to make sure it's the right blue.
They're like, oh, are you above this whiteness level?
Yeah, like, let me see that shade.
That's a, I imagine this.

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So the person I was talking to,
they go there on like financial aid
because these schools cost like 30 grand a year,
50 grand a year.
It's really crazy for first grade, right?
So you're sending, you know,
you're sending someone to kindergarten or first grade,
you're paying \$30 or \$50,000 a year.
So they're on financial aid there,
but they're like, man, the people at this school
are like crazy rich.
Like I could do a billion of the week segment
just off of my, you know, friends,
like schoolmates or classmates or whatever.
They're, they're, oh yeah, their dad is the creator of,
you know, name big company, their parents go there,
you know, or their parents send their kids there.
So like, you know, PayPal and, you know,
George Lucas, you know, created Star Wars as kid
goes there, that type of thing.
So anyways, they had an auction.
All right, they had like a fundraiser.
And so they go to the fundraiser
and my friend is like, yeah, you know,
I had to go because I really,
I wanted to see what these rich white people
are going to do at this fundraiser.
I know somebody's going to be active the fool
and I got to go see this.
And so he goes to the fundraiser
and he sits there quietly in the back, just, just observing.
It's like it's going to the zoo.
Yeah, it's like going to the zoo, exactly.
And he's like, he's, so he's just telling me
about the shenanigans, the comments,
like somebody said, so my friend goes to somebody goes,
oh, I like your shoes, really cool.
I love those.
I'm looking for some cool sneakers.
And they're like, oh yeah, these are blah, blah, blah,
some fancy brand name that they hadn't even heard of,
like some designer, designer name.
And they go, oh, cool.

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Like where'd you get?
They still didn't even recognize
that that's a fancy brand name
just cause it's never heard of it.
So it's like, oh, okay, where'd you get it?
And they were like, they said like a street in London.
And they're like, oh, is that like near here?
And then just outing themselves as the not, not part of it.
And the other person's just sort of like,
oh, okay, I'm going to go get another shrimp.
Hold on, I'll be right back.
And so they leave.
And so the biggest part of the fundraiser
was that the principal of the school
or the dean basically was like,
one kid will win a slumber party at my house.
And you could, you and you could bring a friend.
That sounds weird, right?
Can have a stayover at the principal's house.
Yeah, sounds a little,
sounds a little, Michael Jackson's like, I bid.
I'd like to bid this to be the host.
They're putting a pal in principal, am I right?
And so, you know, it is all wholesome.
There's nothing, nothing that's scary about it.
It's a female principal also.
So it's just a little bit less creepy than if it was like,
so it's that we should be saying, nice, nice.
It's all longer creepy.
It's nice.
Right.
And so two families start bidding and it's like,
you know, the bidding starts at like a few hundred dollars
because it's like, yeah, the kids fundraiser
for elementary school, right?
So it's like, oh, who said \$200?
Yeah, \$200, \$500 in the back.
\$700, wow, fantastic everybody.
But the bidding keeps going up.
And my friend is just like popcorn.
He's like, I knew it.
I knew these rich white people
aren't going to be able to resist themselves.

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The bidding gets up to \$25,000 and they're still going. These two families are just bidding against each other. And I should say, not everybody there is mega loaded where they could just drop 25 grand for a kid's fundraiser, like stupid thing. And so the room starts getting a little quiet because it's sort of like, okay guys, like you guys want to like, what started off fun turned a little ugly because it was like. Yeah, piss a match. Yeah, it was just like, and it was like, it looked a little like tacky, you know, they were doing this, but they get up 25,000, 26,000, 27,000, even the principal herself is just a little feeling a little nervous. You could tell at this point. And then, you know, there's like, there's rich, there's San Francisco rich, and then there's like, my father owns real estate on the coast. And it's like, there's rich, rich. And somebody who was rich, rich sitting next to my friend and just goes, I'll give you 60 grand to stop this right now. Oh my God. Ended the bid right there. And my friend is just going, oh, world stop. Just like, wow. Incredible, incredible scene, incredible payoff. Exactly what he was hoping for out of this thing. And it just reminded me of why the tech scene in San Francisco, why it gets a bad rap. Cause they do really pretentious stuff like this from time to time, and they don't know where to stop. They don't know where the line is, but I thought it was just an incredible story. All right, let me take a quick ad break cause I gotta tell you about some podcasts that I think you might like. The Gold Digger podcast by Jenna Kutcher. It is brought to you by the HubSpot Podcast Network, which is your audio destination if you're a business professional. Now, Gold Digger is a podcast

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that helps you discover your dream career,
gives you productivity tips, social strategies,
business hacks, inspirational stories, and so much more.
So there's a couple of different episodes
that you might like. One is she got laid off
and launched an innovative virtual assistant company.
So Jenna talks to Bobby
about how she launched a virtual assistance-based business
and the challenges that she had.
You know, launching it, knowing how to give up control,
why a VA can be totally game-changing for a business
and how getting started as a VA
is as easy as applying online.
So go ahead, check out Gold Digger.
You can listen to it wherever you get your podcasts.
All right everyone, today's episode is brought to you
by Marketing Against the Grain.
If you wanna know what's happening in marketing,
then this is the podcast for you.
The hosts are Kip Bodner, who's HubSpotCMO,
and Kieran Flanagan, who's HubSpot's 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 type of stuff.
So if you love marketing, you wanna 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.
That's ridiculous, dude.
The week after HubSpot announced the deal
of the acquisition for the hustle,
I went to a private high school as well.
But back then it was like \$8,000 a year.
It wasn't like one of these \$50,000 a year things.
And like most kids were on financial aid and everything.

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And my school, my high school called me
and asked for a donation.
And I love my high school.
I went to a great high school.
I just felt like maybe it wasn't like
that's not where my money should go
is like a thousand person private prep school.
I put my name on a bench.
Yeah, yeah, yeah.
I was like, I don't know, man.
I don't know about that.
But whatever, that's a good story though.
Yeah, when you called me for a donation gift,
they're like, would you like to give a gift?
And I was like, the balls to call somebody
and ask them if they'd like to give a gift.
Like, I mean, that is not socially anything,
anyone has ever done, but okay.
And I was just like, this better be an apology
if Duke is calling me.
This better be a refund, a rebate or an apology.
You got three options here.
You don't call me and ask you for more money
after you took 200 grand.
Dude, let me put something in perspective.
So Harvard, they have maybe the top two
or top three largest endowments in the country
for universities.
And their endowment is so large
that they can run the university for free,
meaning no tuition and they can just pay the staff
and run it and still profit every single year
just off the interest off their endowment.
Isn't that crazy?
They would still profit a few hundred million dollars.
It's like a \$50 billion, yeah, yeah.
It's like, it's mid tens of millions, tens of billions.
And I bet you Dukes is probably five, six, seven
in that range, does it say?
How big is Harvard?
Harvard, 41 billion, Dukes, six billion, man.
Yeah, so that's crazy, right?
Yeah, that's crazy.

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I mean, the endowments in the entire university system is a pretty wild thing when you look into it and you're like, okay, what is this business after all? Like if you kind of zoom out, a university is basically like an untaxed hedge fund that happens to, with like a babysitting wing, you know, that's kind of what a university is if you just zoom out far enough. Dude, speaking of rich guy stuff, I have some stuff for today. You have something that I know about that I've kind of mentioned, but I mentioned it without saying their name, Craig Fuller. Now we can mention it. Let's talk about it. There's this business called Flying Magazine or Flying Mag. Yeah. So when you look at it, you're like, okay, well, what is this? And so basically the story is there's a guy who bought this magazine called Flying Mag and Flying Mag produces this beautiful magazine, amazing photos. And if you're a flying or aviation enthusiast, you will love this magazine. He bought it for like not quite 10 million, but a little under that. So maybe somewhere between, let's call it, five to 10 million dollars. My guess is a fraction of that. I think it was closer to one. Do you have any, any evidence that it was? Yeah, we've got a little source here saying high seven figures. So let's assume the source is correct. Okay, so, but then I was like, well, where did this person get high seven figures to go drop on a magazine? That seems like a pretty indulgent purchase for somebody unless they have a lot of money. So he started a company before that called Freight Waves, which basically is like a data company for the freight shipping industry.

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So they're like a price reporting company.
So they, they provide data that shippers
and freight companies use to, you know,
inform themselves on what's going on in the market.
They also have a SaaS tool.
So they kind of have like a media side,
which is the, you know,
contents that they're producing that's pricing information.
And then they have a SaaS business called Sonar
that's in it.
And they've released a public press release.
So you can kind of see some numbers.
I saw they did that.
That's very weird that they did that.
Yeah, they're not a public company,
but they sort of like did a public report.
And I'm not sure what the agenda was.
Like, I think I'm just sort of naive here.
I don't know.
Normally this is, we want somebody to buy us
or we want to raise money or prepping to go public,
but it's, I don't think it's either any of those three
because of what they said.
So they basically reported 13 million in revenue for a quarter.
So let's call it, like,
let's just extrapolate that out in a straight line.
So roughly 50 million a year in revenue.
It wasn't a lot in profit.
So it was like, you know,
one or two million in EBITDA in the quarter
or something like that.
So let's say that this business is making,
I don't know, four to eight million a profit a year.
But it's growing 70% a year.
It's growing quickly, almost double.
And it's been around, I think, for a little while.
So, you know, it's done well.
They had 28 million in cash,
just like it on the books, on the balance sheet.
So, you know, the business was in a healthy spot.
So I think Craig starts Freight Waves.
He then separately buys Flying Mag.
One of the interesting things about Flying Mag is that

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if you think about who are the readers
of a niche magazine like this,
you have two categories, Uber nerds
and Uber nerds who are rich.
Because, you know, you got to be kind of nerdy
about this hobby if you're going to be like,
reading about this.
Like we had a guy once who we hired as an engineer
that used to had an app on his phone
where he would listen to the air traffic control.
He would just tune into the frequency
of air traffic control and listen to it at lunch.
And like, I got to tell you,
never had a worse lunch with anybody in my life.
You know, just me, him and his phone
on with air traffic control was our lunch.
And I was like, you know,
hey man, I'm going to go back for seconds
and then I'm going to go kill myself.
So, you know, see you later.
This has been horrible.
Thanks.
I do that with the police scanner.
You ever do that with the police scanner?
At least police, look, there's a show called Cops.
There's no show called Safe Landings.
Cause that's all air traffic control is.
There's no show called which way is the wind blowing.
But there is a video game called that.
There is a video game where all you are
is an air traffic controller.
Yeah, fair enough.
Okay, so anyways, the back to back to my flying mag story.
So a big percentage of the readers are like rich people
with private planes or like,
you see this a lot in tech for some reason,
like my buddy Furkan did this.
So sold this company immediately starts,
signs up for flying lessons,
wants to get his pilot licensed to like go fly this like,
you know, five-seater or six-seater or two-seater plane.
They love that hobby.
And it's a really expensive hobby.

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So one thing that they did recently
that I think is really smart is,
have you heard about this, this community?
Oh yeah, so he told me,
I'm not going to steal your thunder,
but he told me what he was going to do.
And he goes, I'm flying from New York
to go see this property I'm looking at.
And I'm flying my private plane.
Do you want to come with me?
And I ended up not going because I had to go up
to Teterboro, so in New Jersey and then fly back down
to Atlanta to see the spot with them.
But he asked me to go with him and I almost did it.
And he was, and so I've known about this
for about a year and a half now.
Yeah, that's great.
And so the interesting thing is they're basically
building a community in Atlanta.
And I think the reason people build these communities
is like, there's like a, what's it called?
Like a landing strip, like in the middle of the neighborhood.
So you can park your plane and if you want to take off,
you can just like go take off.
So like the driveway of the community
is like a landing strip.
So it's a country club with homes around the golf course,
but instead of a golf course, it's a landing strip.
That's exactly what it is.
So it's a country club for flying.
And so you purchase, I forget how much a plot of land costs
and then they build you a home
and now you are part of this aviation community.
Right.
And so they pre-sold the plots of land
or the plots of the homes in this community.
So they find this kind of bare ground or whatever.
They start pre-selling the plots.
And again, remember, percentage of their readers
are ultra wealthy people who are like, yeah, great.
I want to have a home on the East coast
that I could park my private plane in
and that'll be one of my hubs.

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And I'm pretty sure, okay,
I don't know the exact numbers on this,
but I can triangulate a little bit.
I think they've done at least 25 million
in pre-sales on this thing.
That is crazy.
And it could easily be double that,
but that is a really awesome and impressive way
to take this niche hobby,
find a kind of media publication that works
and go content to commerce, right?
This is the, what's the churning group, churning group
believes in this, the content to commerce.
So they, they did bars.
Which is what Haudenki did.
Haudenki did this for watches, right?
Watch blog for super high-end watches.
Well, guess what?
As soon as you start selling watches,
that business, I think Kevin Rose came on this podcast
and said it went from one or two million a year in revenue
to a hundred million when they flipped that switch
and started actually selling the watches
that they'd been talking about for 15, 20 years.
So content to commerce is this kind of
like really interesting play.
And I think that this is a great example
of it being done well.
Yeah, look, you have BuzzFeed doing it
with stuffed animals, which is pretty lame.
You know, they did that with houses.
They did it with houses.
And this is baller.
Craig told me about this about a year and a half ago.
And I was like, this is very bold.
And he was explaining it to me and he was very confident.
And it was like, no big deal.
And I was thinking about this.
And I was like, I don't know.
This kind of seems like a really big deal to me.
Well, I was like, I don't think you're gonna be able
to pull this off.
I didn't say that, but in my head,

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I was like, this is ridiculous.
He totally did.
They totally pulled it off.
We did this way back in the day.
I think you had said something you were like, ads are lame.
This is before HubSpot bought the podcast.
So it was basically like ads are lame.
We're selling ads for the podcast,
but like what would be a better business
for my first million to do?
And I think at the time people were like,
you should create like a we work,
like a branded version of we work
or like a white label, like a co-working space
or something like that.
Which sounded crazy.
But I actually think that there was a version of that
that that's as true.
Like basically if we just bought like a eight unit
or 16 unit apartment building in San Francisco,
but it was only, you could only go rent there
if you were part of our community
or you could buy units there if you're part of our community.
Something like that could work
because people would rather live in a community
of like-minded people than a community of absolute strangers.
I think there's a huge number of people that would do that.
And so then you get into the real estate game.
These units in San Francisco go for, you know,
million and a half, \$2 million on average.
So you could do these things where you, you know,
in theory, a brand like ours could also do that and say,
yeah, if you want to be around other entrepreneurs,
other business people who are, you know,
share this kind of like this ethos that we have,
then, you know, you could do that.
But there's a problem, which is you and I,
I don't know about you, me,
I wasn't even bold enough to like consider that.
I thought that was stupid.
Now I've got a little bit more experience
and I kind of understand like our poll a little bit.
Now I actually think that that could work.

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But at the time I was like, that's ridiculous.
There's no way that would work.
Dude, my brain is like a metal detector
that's just looking for something
that's going to scare me to do.
Just like, where can I get the maximum thrill,
the business thrill?
Like we're going to get the maximum reward.
Plus I'm down with the risk and saying like,
if I set out loud that I was doing this,
that I think would get other people's attention,
but it would also make me a little scared
because I don't know exactly how to do it.
Like I am very attracted to these ideas
and that's not always a good thing.
I think that's a bad thing in many cases.
But I hear that and I want to run into that fire a little bit
whereas I think you hear that and you're like,
there's a fire, why would I run?
No, no, no, no, no.
Now I'm more comfortable because I've seen some,
I've seen like, well, if you do this, this and this,
the odds of some type of return is positive.
But like before I was still kind of understanding
like that mechanics of business
and like investing and things like that.
Now I actually do see it.
We're like the opposites.
We're like the opposite.
I get excited by that weird kind of like,
kind of half figured out thing.
And you're like, well, why don't,
I want to figure it out first.
But then once you do figure it out,
you're like, you're like, go.
And you just execute and you're like locked in
and you just, you just freaking go on that opportunity.
Whereas I'm like, oh, this is cool.
And it's kind of figured out.
All right, cool.
Like I'll kind of go there,
but ooh, there's this other interesting thing over here
that's like, you know, half figured out.

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And I'm not as good at locking as you are.
You get bored after you figured out the puzzle.
Yeah, but for me,
I have to figure out a little bit more.
And like, I want like a higher certainty
that the puzzle pieces are even gonna be able to fit together.
You know what I'm saying?
Right, right.
And once the puzzle's done, you're like, my puzzle.
I love this puzzle.
And you know, I'll tell you an example.
So Sean and I are going to Vancouver Wednesday, I think.
And we're doing this little meetup with us
and Andrew Wilkinson.
And this wasn't even that well organized.
Like they've done a good job of it,
but like there's no, they've not,
maybe it well organized isn't the right word
because that sounds insulting.
It was just kind of low key.
Like we just have like a type form
that you have to sign up for and that's it.
And then you pay 50 bucks to show up.
And I think you get a refund if you show up.
I think they're doing it to like guarantee seats.
Like the people listening to the pod,
if they say, how do I sign up?
I don't even know where to, I don't know where to go.
We're doing a meetup, but it's in stealth mode for no reason.
I don't know what the organizer guy's doing,
but it doesn't make any sense to me.
It doesn't make any sense to me.
Yo, what's the venue and date and time?
Yeah, man, it's all coming together, we're working on it.
It's like, no.
Is this a fire festival?
What's happening here?
And then they refunded the money.
And I'm like, well, I couldn't use that money
on like my flights and hotel.
I wish, I wish, you know, like I'm paying money
to go and do this, it would have been cool.
Cause like that thing, it made like 50 or 100 grand.

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I'm like, you know, give me like 3000 to pay for my stuff.

But when I, when I kind of like realized
that we were able to pull off some of this stuff,
I'm like, oh, hey, we can get people.

The thing with media is if you can get people to buy shit
or leave your home.

So like if you say, I'm going to be at this location
at this time, the, if you were able to get people
to do that, that means you have pull.

And once, every once in a while, when we pull that off,
then I'm like, oh, we could have pulled this off,
something like this, or we still could, we still can.

Then I, I, I start to believe it.

Yeah, that's interesting.

Actually, that's a good metric.

Cause I've been trying to think about on the content side.

I'm like, you know, I want to set a goal
because I think I work better when I have a goal
or a target to work off of.

You have to give context. The context is,
Sean is now, he's considering or planning or doing
to go harder on creating content.

Yeah. Yeah, exactly.

Sounds lame, so I don't even say those words.

Content creator sounds like lame.

I'm going to come up with my own words, but like, yeah,
the idea is, hey, I like doing this thing
where I get to just like learn about stuff,
talk about it, and people seem to like it.

Podcast is one version of that.

The newsletter is another version, et cetera.

Anyways, the point is I was like,
what's a good goal for this?

And I was like, oh, million, 10 million subscribers, fans.

No, what do I want here?

And I was like, and I was like, intuitively,
there's something more like that Kevin Kelly thing,
the true fans, thousand true fans,
where he wrote this blog post, it's amazing,
that's called a thousand true fans.

Basically says, if you can have a thousand true fans,
a true fan being somebody who would pay \$100
across the course of a year, they'll buy your shirt,

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they'll show up for your event, they'll buy your tickets,
they'll do whatever, because they really like your stuff.
And like, you know, for an artist,
if you're somebody who's just creating
thousand people who are willing to pay a hundred bucks,
sounds kind of achievable.
That's not like, I'm gonna be the next,
you know, Justin Bieber or whatever, and it's a hundred grand.
And like, you could make a living doing what you love
if you get to that point.
That was like one of the original things
that I think inspired a lot of content creators online.
I was like, oh, maybe something like true fans,
but how do you measure a true fan?
I guess it's this \$100 spend thing.
But I think this thing you're saying is actually true,
which is, it's like a test, it's like,
if I just tweeted, hey, I'm hanging out
at this coffee shop right now in San Francisco,
how many people would show up?
And like, I think three years ago,
that answer was zero to two.
You know, like maybe just my actual friends
who I hadn't caught up with in a while.
You know, now, I don't know what that number would be,
but probably, what do you think?
If I did that, I had no idea.
Well, if you-
No, no, thousands would be crazy.
But if I was like, hey, I'm here all day.
So it's not like-
If you gave it a, if you gave it a two week window,
or a two week notice, two to four week notice,
I think-
No, no, forget that.
I'm saying, same day, I'm just,
I'm gonna be here all day.
Swing by if you're around.
50 to 100, I bet.
50 to 100, yeah, exactly.
And I think that there's a,
that's probably, that's great.
That's amazing.

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There's some point where it's like,
the coffee shop's like, what the fuck is happening?
There's like, there's too many people here, guys.
What is this?
There's some point where you break the coffee shop.
And I'm like, okay, there's some way of testing that
because I think what most people go is for reach.
And they get really tricked by these platforms
that are like, yeah, your video got 95,000 views.
And say, cool, how many of them actually watch this
versus just swiped by it?
Or if they watch, like, how many of those 95,000 people
know your name?
How many of them know anything about you?
How many of them care about you?
Right?
And so I think what most people do
is they just take what they're fed.
And they're fed basically the most large vanity,
useless number.
And I think for any business,
you wanna find not the vanity metric,
but the true metric that actually shows
like the level of engagement you have,
the level of love that your product has.
And different companies have like different ways
of looking at this.
Like Facebook back in the day,
one of their metrics that mattered was they were like,
yeah, of all of our signups,
50% of them use this every day.
And that became this thing that was like,
okay, it's not that they have the most signups.
Like MySpace has way more.
But man, this Facebook thing, like half of the use,
half of the total signups are using it every single day.
That's gotta mean something.
And the people that were able to identify that
inside the company and as investors got mega, mega rich.
Whereas other people were just chasing
like a total user count number,
but they didn't really like have the good way to measure it.
So I think there's something

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to like finding the real metric that matters.
At the hustle, what did you guys use?
Cause you could have just said subscribers, right?
But that wasn't like quite the, that wasn't just the thing.
Like, do you have any examples
of finding the real metric that matters?
Dude, we would just do replies.
And so every once in a while,
I would purposely either write about something
that was a bit controversial
or I would purposely have typos
and I would just see how many people reply
and say that they saw a typo.
Or at the very bottom of the email,
and I told you to do this and I think you did do it.
I would say, what city are you in right now?
Send me a, or I would say,
I'm working from this brand new desk.
It's called this, I love it.
Take a picture of your workspace, let me see it.
And it would be just how many people
are gonna take a picture and reply back to the email.
And there was a time where at the very bottom of the email,
we said, we're gonna send out stickers
to everyone that replies.
And we got like 10,000 replies.
So we had to mail out 10,000 stickers.
And so we would do little things like that where,
and we got like 10,000 replies on like 100,000 subscribers.
And so I remember like,
anytime we get a reply from an email,
that's a really good sign.
Right.
And like, I see this all the time with newsletters now
because Substack has this feature
where if you subscribe to one newsletter,
like I read something, I'm like, yeah, I like this.
I subscribe.
It pops up this full screen thing,
which is just like, Shawn recommends these five newsletters
and there's only one button and you're just like,
okay, next, and you hit that.
And now you're subscribed to five newsletters.

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And you can see people on Substack, they're like, wow, my growth is crazy. I'm hitting 100,000, 200,000, 300,000 subscribers. No, but it's bullshit. Dude, it's all bullshit. And Substack's like, this is awesome. And they're showing this, I'm sure, in their investor presentation. Look at this. Now we drive the majority of subscriber growth for our newsletters. There's a network effect here. It's like, no, it's not a network effect. It's a giant screen where people click next. Like I used to do this with our mobile apps. It's like, oh, if I want this app to grow, let me just pop up a screen where it's your entire contact list. Everybody pre-checked. There's one big button that says next and there's a tiny black X that's like hidden in the top left corner if you could see that you're gonna skip it. And like, everybody wants to skip it, but two out of every 10 people are just going fast and they're just gonna hit the button and they just spammed all of their contacts. And guess what, my app goes viral. Is it really viral? Are they sharing it because they like this product? No, they're sharing it because I tricked them into spamming, basically. And Substack does the same thing. They basically trick people into subscribing to these newsletters. This is my opinion. I'm sure they would disagree and say, no, no, no, no. People just really want to be referred five news newsletters every time they've subscribed to one. I don't believe that for a second. This happens with podcasts. There's a very popular business podcast. I like the guy, but I think his numbers are BS.

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It's, you know, should I say the name?
I don't know if I should say the name, but like.
Do it.
Let's just say it's not a 30 minute VC.
It's a little less than that.
I'll leave it to your imagination if we can.
No, he's a great guy and he's done a great job
building his podcast up, but he'll tweet out these things
where he'll be like, two million people listen to it.
Last week's episode with this person.
And I'm just like, dude, there's just no way in hell.
That's Joe Rogan numbers.
That's just, there's not two million people.
I know we, we, we have a podcast.
I can see where we are in the ranks.
I can see where he is in the ranks.
I know other people are at the top of the chart.
You can look at the reviews.
You can just see the cult following of certain things.
Like if you said, you know, the all in podcast
is getting a million views per episode,
I think that's true.
I think that they have really tapped into something.
You can see the YouTube numbers.
You could, you could think about where,
where the podcast charges.
I think it's doing at least a million,
probably closer to two per episode.
They do once a week.
It's super high quality.
It's got a broad appeal.
The numbers match, the data matches up to that signal.
But when you're like, oh dude, I get two million
per episode for my super, you know,
my talk with the third least well-known partner
at this fund, I'm just like, there's no, no chance.
And I think I even asked him once, I was like,
dude, how are you getting these numbers?
That sounds like off the charts for what like a,
a business or tech podcast of this, you know, size could do.
And he's like, oh yeah,
we have big audience in Asia or wherever.
And I'm just like, oh, okay, well,

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I've been in the internet game long enough to know like, like dude, I bought my first 5,000 Twitter followers. Like, I know that you can get a, you can get any number by doing anything on the internet. And it doesn't mean anything, especially for something like podcasts, which is like newsletter subscribers. It's like the hardest thing ever to have to. You click once and now you're a consumer of everything else. Like nobody could even measure on podcasting if anybody's actually listening to these things. And so yeah, I can go get a bunch of people to click subscribe one time. And it will auto download my feed every time I release any episode. Like there was a guy, Nathan Laca, that was doing this too. He was like, we get this many downloads per month. And I was like, oh, a couple of million downloads a month. That's pretty good. Huge. What do you do? And basically he was like, and I, when I talked to him, I was like, he's like, hey, welcome to the show, Sean, he's going like hyperspeed. Five minutes, the podcast was over. And I was like, this is a five minute episode. He's like, yeah, sorry, I got to hop to the next one. I was like, how many of these do you record in a day? He's like, I record eight of these a day. And then we release like whatever, he was on some crazy schedule. And then I did the math and I was like, oh, he has like 7,000 subscribers, but he just releases huge volume of random episodes of these five minute episodes. And so his total monthly number, because the podcast is just like, if you just do downloads, it just adds up all your episodes times your number of subscribers. You can have a small number of subscribers and do a huge number of episodes and get a big download number.

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And so people, I think, use these vanity metrics all the time and their BS.
So I'll bring this up because we're discussing it, but I didn't research it fully, but have you heard of Parcast?
It's like my name, but cast, so Parcast.
Have you ever heard of that?
Are you spitting off your own solo?
Did the brand break out for you doing your own apps?
No, listen, I wish I invented this.
So it's a guy named Max Cutler.
I think he's our age.
I think he's like 31, 32, 33.
So this guy named Max Cutler created this thing called Parcast.
And the whole idea of it is it's a podcast network, but they only have-
True crime.
True crime.
And I'm a weirdo.
You wanna know what I listen to every night?
There's two podcasts I listen to every night.
The first one is just called Serial Killers.
So it's just a bunch of podcasts about Serial Killers.
I can tell you all, I got my fantasy league of Serial Killers with Ted Buddy as the quarterback.
And then there's another one called, this one's fitting for going to sleep.
It's called Deathbed Confessions.
So it's people who confess about a crime they did when they're dying.
So it's just-
Oh, nice.
It's the best.
So this guy started this and it's all scripted.
So it has like voice actors and it's all scripted stuff.
He bootstrapped this podcast company, which is unheard of, and he sold it to Spotify for \$200 million after only maybe five years.
Him and his dad owned the whole company.
His dad was in radio.
And so his dad was like a radio announcer,

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something like that.

And they are producing something like 30 or 40 podcasts a day, like episodes.

And they're all highly produced stuff.

And it's amazing.

Have you not heard of this business?

I've heard of this brand once before.

I didn't know the business side of it.

I didn't know that they had bootstrapped it and sold it to Spotify.

But I really, I like true crime.

I don't know where to start.

There's so many true crimes

and a bad one is like such a waste of time.

But yeah, I've seen some of their shows

because I go sometimes look in the browse section for like a good true crime.

Dude, so true crime, if you go and look at-

What's a good one there?

If you look at, I like serial killers.

Serial killers, dude, Deathbed Confessions is awesome.

I'll send you a good Deathbed Confession one.

They're so awesome.

And true crime, if you go to the podcast app

and you look at like one of the top episodes or shows, it's always like 30 or 40% true crime.

And which is, it's mostly women who listen to it.

And it's always, and so like a date line.

I told you about this date line from NBC,

which is a show that's been around for 20 or 30 years at this point.

It's still usually a top podcast every single week.

And so these true crime folks, they kill it.

And this guy bootstrapped this company to a,

I think it was a hundred million cash

and then another hundred million earn out.

All off of these true crime podcasts.

He killed it.

It's a really interesting story.

I'm gonna have to, I'll dive deep

and do some better research on it.

But I was reading about it this weekend.

It's a pretty amazing outcome this guy had.

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So I just read an article.
This might be maybe wrong or maybe you're wrong.
I don't know.
Spotify confirms it paid 56 million for podcast,
or a podcast, sorry.
Then maybe I got my numbers wrong.
I think it was 56 and then another like 75 outcome.
It was a nine figure out, another tension.
There was a retention.
According to the podcast Wikipedia,
which reads as if Max Cutler, the founder wrote it.
It's very like congratulatory.
It says there's like a huge earn out.
Yeah. I don't know if I trust anyone
that does true crime, by the way.
These guys are natural storytellers and like liars.
Dude, all right.
I've got an interesting thing to bring up.
This is something that we talked about a while ago.
I think you brought this up in 2020 or 21.
I forget, right?
When we were recording in the original hustle office.
So do you remember that company, Crumble,
that you brought up?
Yeah. Well, first of all, I love a good, I told you so.
So I'm already, I'm already glowing.
Yeah. I remember.
Dude, you got this.
Crumble cookies.
Crumble cookies.
So when you originally told me about it,
the story was something like these two brothers
or two cousins launched this thing.
And for some reason in my head,
I'm thinking like a family like cooking,
making cookies in their like kitchen.
And they start this like pandemic thing
and it gets popular.
And basically once a week they tweet out a new menu
and they have a drop, you know,
things that like typically supreme does or like these,
but they're doing it with like outrageous flavored cookies.
Well, that's not entirely true.

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What is true is they do do these drops,
but it's a massive business.
And some sources are saying it's close to like 800 million
a year in revenue.
And the reason I saw it was someone shared this on Twitter,
but basically over the last like couple months,
it's been growing and growing and growing.
And so the other day it was like the number fourth
most downloaded app in the week.
And so they have an app.
And so their app now has 2.3 million ratings or reviews
with like with a 4.9 average.
And what, and right now they're opening brick and mortar
and they're opening a new store every five days.
They have something like 730 stores at the moment.
And it's one of the fastest growing chains in America.
And so these guys check, listen to these numbers.
They have 800,000 followers on Twitter,
3.4 on Instagram, 6.5 on TikTok, 1.2 on YouTube.
And they create these commercials every single week
for a new cookie drop and it is crushing it.
These guys are killing it.
It's so fascinating.
I never in a million years thought this was gonna work
as big as it has, but basically every Sunday at 6 p.m.
they do like a new drop and their app just spikes
and goes way up the charts.
And they're up there with like Uber Eats
and all this stuff like that.
They're killing it.
And so I remember you brought this up.
And in my head, I was like, oh,
this is like a little like mom and pop, small biz.
Yeah, it sounds cute.
Like, oh, that's cute.
Fake bacon.
Yeah, like, oh, your aunt made cookies.
That's nice.
Yeah, no, they're sharks.
They're killing it.
And so you called that pretty early on
and now it's a franchise.
So here's some stats.

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In 2021, the highest revenue store did something like 3.6 million. Other stores did, the average was like 1.6 million. The store with the highest net profit was 600,000 with the lowest being 33,000, with the average profit of being around 350,000. And according to the founder's Twitter, they did over a billion dollars in revenue. And you have to come up with \$150,000 and then you can open up a franchise and they send you all of this traffic via their, you know, their Instagram and their app. Super fascinating business. Yeah, this, I think of the franchise world. This is like the hottest franchise right now is Crumble Cookie because they're just exploding and they're just super popular right now. I do feel like this is not like the most sustainable franchise. At one point in time, wasn't like, I think I feel like Froyo franchises were like growing like crazy like this. I don't know if it was Pinkberry or whoever else. Like, you know, there's these waves where this becomes the treat, but like, I don't know how many people are gonna, like anything that's drop based, there's a natural fatigue that sets in for the buyer. And there's like a vicious cycle. Like drops, when everybody's into the drop, get even more fun because it's like the hunt and you've either got it or you didn't get it and you feel special. But as soon as that starts, as soon as the drop fatigue starts to kick in and now, oh, notifications there, but if I don't get it today, I can go get it tomorrow. Like as soon as the scare city's gone, the drop like plummets in value. And so I think that that's a challenge for something like this, but- I agree, but look, here's the deal. I have a, you and I have a friend

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who buys broadband companies.
So broadband companies are basically internet service providers.
And a lot of people who are listening in the city will have no idea what I'm talking about.
But where I have my country house, I have like this ranch way out in the country.
And if you live out in the country, it's not like you're getting like Spectrum or Google or Warner or whatever the big service providers are in New York City.
You're getting like a small internet provider that you pay a hundred bucks a month for.
And that company probably does 10 million revenue and like five million in profit.
And you and I have a friend who goes out and buys these companies and everyone says to him, well, what about Starlink?
Yada, yada, yada.
And he was like, yeah, they'll come eventually.
But like, until then I'm making \$5 million a year in profit.
So with this cookie thing, yeah, maybe they'll plateau, but a billion a year is a nice plateau.
I don't mind sitting on that plateau for a while.
And that's how I feel whenever I hear some of these stories.
Like it's not gonna grow.
I'm like, yeah, that's cool.
Sorry I couldn't hear you.
The money counter was burning a little too loud in my ears.
If anybody asked me why I sold for 200 million, you're getting a slap.
Like, just don't ask us stupid questions.
Dude, and the founder, one of the cousins or one of the brothers, he previously worked in tech and he had a Facebook app that got to like 120 million followers.
So these guys are like viral guys.
They know how to do this, but interesting story.
Yeah, it looks like he was director of product at Ancestry, which is like one of the like, it was just one of the gems of internet companies that's like really big, but nobody knows anybody who's like works there or nobody,

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nobody claims to use it,
even though it's like really, really popular site
and did a bunch of cool like viral things.
And like basically did a bunch of smart product stuff
along the way to like make that business work.
Dude, Ancestry is funny too,
because they're a Utah-based company
and they're founded by Mormons.
By the way, this guy's first business, first business,
BYU.com, you hear about this?
No, what is it?
Here's what it says on his LinkedIn.
BYU.com was a social network
for Brigham Young University students.
We grew the network to include half the campus
at a very short amount of time,
but was ultimately crushed by Facebook.
So he did this in 2005.
I think Facebook launched 2004.
And so basically he was doing the Harvard social network.
He was doing that just on BYU's campus,
but like the Facebook wave swallowed it.
But that's, you know, you're putting on green.
That's pretty impressive.
You're landing on the putting green right there.
If you're creating a social network back in 2005
for college campuses, like, God damn,
you were close to being on to something, you know?
Like I'm not surprised
that this guy ended up being really successful.
No, it's a really fascinating story.
But anyway, where do you want to go?
You want to drive?
Can I, can I tell my story really quick?
Ben has a story.
Well, so the story is this guy adds me
from Utah State University.
Looks like he's just graduating or about to graduate.
I have a bunch of mutual friends with him on LinkedIn.
So I was like, okay, I'll do this kid a favor.
I don't know what he wants.
So I click add.
And he immediately starts posting cringe.

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Like I'm starting this company.
It's going to be huge.
And then he keeps posting stuff that's like,
I don't know how to describe it.
It's very like Adam Grant or Dumber, like business.
Like, did you know that you can increase your productivity
by 20% by having a team offsite?
So we're having a hashtag team offsite this weekend.
And I was just like, who is this kid?
He says he's starting a cookie company.
Honestly, when they opened their first location,
I was like, I am amazed.
I didn't think this kid would ever actually get
even a location open.
And it was Sawyer, the founder, the CEO of Crumble.
And this kid who just posted cringe
to my LinkedIn timeline is now in the middle of there.
Oh no, that just totally like breaks my frame.
I just always assumed that if you're that mega cringe,
you won't win.
And now I have to consider the possibility
that every hashtag user could actually be a winner.
Because I just had a blanket rule.
If you're a Mormon guy and you're telling me
you're going to start a cute cookie franchise, I'm in.
I mean, come on.
Of course, these guys got to crush it.
Mormon does trump cringe.
So like, if you're Mormon, I have to,
the checkbook's already out.
I'm just waiting to hear how many zeros
I need to put my number here.
But that's based on the idea.
So yeah, you're right.
That actually overwhelms the cringe part
because it's like, this guy's going to sell.
The person knows how to sell.
Yeah, well, that sucks, Ben.
Yeah, you missed out on that one.
Yeah, I know.
I should have just hit him up and like,
oh, this looks really cool.
But you know, live and learn.

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Sean, I have a couple of things.
What do you want to do?
Okay, I have a quick little idea.
So I was watching the Super Bowl and did you watch,
by the way?
I watched the halftime show.
Yeah, I watched it.
I watched, no, I watched like quarter three.
How long did it take you to figure out Rihanna was pregnant
during the halftime show?
Quick on the uptake or no?
You know, it was one of those things
where my wife loves her and like, you know,
you don't want to be rude when you see a lady with a lump
and you want to like, you know.
I'm not going first.
That's, I'm not talking.
Yeah, yeah, yeah.
So I had her go first, then I asked.
But she was doing some pretty raunchy stuff
as a pregnant lady, right?
I mean, that was like.
I thought that was tame for Rihanna.
That's like, that was PG to Rihanna.
Dude, I'm a Rihanna fan.
She's in my like top five,
like most beautiful women on earth.
I'm on team Rihanna,
but when I saw that she was pregnant,
it was, that was surprising.
I think she just had a kid too.
Yeah.
That's, yeah, she just had a kid like nine months ago.
I don't know.
The math doesn't even make sense to me in my head.
I don't know.
Whatever.
Whatever.
I'm watching the football game
and one thing you notice if you're watching the game
is that when the chiefs were scoring,
they were scoring with these like incredible plays
where the guy was just going untouched into the end zone.

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Like three or four times.
Dude, what was that thing where they like,
will they get in the huddle?
Yeah, they did the merry-go-round.
They do like, ring around the rosy
and then they like run to the line.
That was crazy.
Did that like work?
What is that?
But amazing that they tried it, right?
Like that is, that was an awesome play.
So I was thinking about it and I was like,
but it did stand out.
They had the two or three touchdowns
where it was just like brilliant play design,
right call and like totally worked.
And then, you know, I've gone, you know,
I love sports and I've watched tons of sports documentaries
and shows like last year.
And you could just see the life of a coach
and a coach is like a really specific character in my head.
Like a football coach at a high school,
college or even pro level is like,
it's the same type of dude in most cases.
And their life is football.
They live and breathe this shit.
They're preparing all week for, you know, the Sunday game.
And then they started again the next week
and they're just like,
they're just live in this playbook and the X's and O's.
They all have the same value system
about toughness and grit and whatever.
And I was like, oh, this is another job
that AI is gonna replace.
Cause I was like, this is an AI problem,
the problem of an offensive coordinator in the NFL,
which is basically what play should I call here
to maximize, you know, my expected return.
And I think somebody's gonna build AI
that basically ingests a bunch of data that says,
in this situation, third down in seven, you know,
maybe even take into account the teams
and the talent, you know, equation.

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This is the best play to run
with the highest expected value.
It's basically like what Madden does
when Madden suggests like, yeah, run this play.
But like the really good version of Madden.
Now that we have like, you know, computers or geniuses.
So I'm pretty sure that there's gonna,
somebody's gonna build a basically like a play caller,
AI play caller that will help.
Cause these guys are, you just look,
they're literally looking on a cheat sheet.
Like, you know, like it's a open book exam or whatever.
And it's like, you can bring in one eight by 11 piece of paper
and everyone's writing in like size two font
to squeeze as many things as they can on it.
That's what these guys use when they're calling plays.
And it's like, they have, you know,
10 seconds to pick the play.
This is just a job that computers are gonna be better at.
And it's just reminds me of like,
how crazy AI is gonna be that like,
even these like total non-tech situations,
not even big markets,
but it's just gonna be like when now
when humans play against a computer at chess
or even, you know, go or poker or whatever,
where the computer is just so much better than the human,
that's what's gonna happen in this play calling situation.
It just kind of reminded me, man, AI is gonna be nuts
cause it's gonna take over all these things
that you wouldn't really have expected or in the line of fire
for AI.
Is football as like, you know,
there's obviously the famous money ball thing
where he's like, I don't care what, who's a superstar,
who's not, I'm just gonna look at the math
and we're just gonna pick people off spreadsheets.
And then famously, although I think this is highly exaggerated,
Chamath was like, oh, I'm gonna buy the Warriors
and we're gonna do that same thing with basketball.
So we're only gonna shoot threes or whatever.
I don't pay attention, but whatever their shtick is.
Sorry, I'm ruining this.

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And the reason I have a feeling it's not true
is I have a feeling that they're team and also like,
I think he said that though, right?
I don't think so.
Oh, well, I'm making it up then.
But other people did it in basketball.
Daryl Maury famously was like the big, you know,
proponent of this.
The reason why I don't believe that is I have a feeling
like teams were always doing this.
Like maybe it's one of those things where like,
like for example, my favorite copywriter,
he was like, I wrote these famous ads for the cat,
what's it called the Casio watch.
And he's like, we talked about how we use
space grade aluminum and crystal quartz to make this watch.
And he was like, little do they know,
every watch does that.
Like that's just like table stakes, like every single watch.
But I'm gonna explain it
because I know that the audience doesn't know.
And so like you have a guy saying like,
look, we use state of the art technology.
And it's like an Excel sheet that like everyone else uses.
He's like, yeah, I guess it's state of the art.
But anyway.
We have a premium license to Microsoft Excel.
Unlimited seats.
Unlimited seats, we do not use the trial.
But is football the same way
where you could just follow the math?
So there's actually, there's actually a great question.
There's a Darryl Moore, he went on that guy,
I forgot his name, but the invest,
invest like the best guy, Patrick.
Patrick Shaughnessy.
He went on his spot.
Actually it was a really, really great podcast.
If you like sports and you like kind of business stuff,
it was, it's kind of an amazing one.
He talks about like baseball is basically the,
almost like the perfect game for modeling.
Like you could basically, cause it's like stationary.

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It's like one pit, one batter versus one pitcher.
And then, you know, like it's a like, it's a contained problem.
It's like, whereas in basketball,
you got five guys on the, on each team on the course,
you got 10 guys all moving around free form.
At any given time, the ball's moving like crazy.
It's much harder to model,
but you could still model the impacts of like one player
in these certain situations.
And so it's like, the data thing has had a pretty big impact
in basketball, but less than it did in baseball.
Baseball was like a math, became a math equation.
Basketball became more of a math equation
than it was before, but still it's never going to be perfect.
It's too complex and high school.
There's too many variables.
To be, to be, to be perfectly modeled out or whatever.
But still it was improved, which is why you see like,
they post like 20 years ago,
here's what the shot chart looked like.
And it's just dots all over the, the, the court.
It's like, as you'd kind of expect,
like people shoot from everywhere.
And it's like, here's what it is in 2023.
It's like people only shoot layups or threes.
Cause optimally, like basically a three is worth, you know,
whatever, 150% more than a two,
but there's percentage difference of shooting it
is only like, you know, you know,
five to 7% worse than a two-pointer or whatever.
So, you know, you get like way higher expected value
for shooting a three.
So that's why all these teams shoot threes now
or layups, they try, they tell their players,
don't shoot this in between shot,
cause it's the wrong combo, right?
So things like that.
And then he's like,
football is going to be the hardest one to, to game
because you have 11 players on each side.
And on any given play,
everybody's moving in different directions
and you can't really figure out like the net effects

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of this guy running in this lane,
what did that cause this other guy to do?
You know, it's much harder to do,
but I think that's, that's true at a like,
because the reason these general managers cares
cause they're trying to, they're trying to like,
basically it's like a stock picker.
It's like, they're trying to find undervalued assets.
So the way you do that is you say,
this player is not like, yes,
his traditional stats look like this,
but his game impact is different because of whatever.
And so you're trying to figure out the value of one player.
But it's the game impact because of locker room stuff
and leadership.
Or is it because-
No, no, they're looking at just the on the court movement,
like, you know, in basketball, for example,
there's an assist.
If I pass you the ball, you score, that's an assist.
But if I pass you the ball,
I've made the whole defense shift to me.
And you pass to the next guy, you get the assist.
The stat sheet doesn't show that I actually was the one
who created this whole play,
this opportunity by caving in the defense.
So the stat sheets, like the traditional stat sheets
limited, so what these guys have done is figure out like
advanced stats that like better,
better show an individual player's impact,
not including locker room stuff.
And he's saying football is even harder,
more players, more movement, more whatever,
less plays total, so you have a smaller sample size.
But I think that this play calling thing is bigger
in football, because in basketball,
you don't call many plays,
but in football, every play is called in by the coach.
And so if you can make the coach 20% more intelligent
by suggesting a better play,
that's gonna like, that's gonna shift the balance of power
towards that team,
because they're just gonna get that many more first downs

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and touchdowns.

So I think this is like, I don't know,
it's kind of like really, really niche here,
but I think this is an example of how AI is gonna touch
a bunch of areas and kill a bunch of jobs you don't expect.

Garshak, you got something.

Yeah, okay, so last night,
the game was dictated on that terrible call that,
you know, the Eagles deep ender, you know,
got called on like a pass interference that basically made,
ruin the game, chiefs win.

That should have been decided by AI ref.

Like, why are they not AI refs?

Why is any call up for debate, you know?

I agree.

Well, there are in some sports, like in tennis,
they put a chip in the ball.

So like when the ball lands out,
you see they always like instantly cut to this like,
silhouette of the ball and it's like, it was out or is in
and everybody's just like, it's unarguable.

And why is that?

Cause they have a chip in the ball
and a bunch of cameras that triangulate it.

So they can tell you exactly whatever.

Dude, but that looks like so boring.

Well, that's the problem.

Cause in baseball, you would have been like, oh, great.

Like the umpire call strikes by squatting behind the catcher
and trying to like eyeball this.

Like that's insane for this billion dollar sport.

Like why, why are they doing this?

And it turns out if you just used computer to pick,
that's like perfectly call pitches,

I guess the reasoning must be,

I don't know, Ben, Ben leave you might know better,
but there must be something where people preferred
that their human had the like final say here versus,
cause like the technology is there for a computer
to call balls and strikes.

There's really no need for that umpire anymore.

Yeah. And in baseball,
they're really married to like the legacy stuff.

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I'm not romantic to the early part of the game.
I'm romantic to fist fights.
That's what I want.
And that's the best part about baseball is when like,
they get mad at each other.
I mean, that's what I watch.
I don't watch any of that other crap.
I want to see them fight.
There's a demo.
I sent this to Ben, I'll show it to you.
There's a demo of, cause this,
there's actually a bigger problem in fighting.
Like dude, how many fights,
I don't know in the UFC fight this fight this weekend.
Did you think the right guy won?
I thought he, I thought the right guy won, but people were,
Me too. But a lot of people did not.
People did not.
And it's this big problem with like,
it's these three judges that are going to decide
who won the fight.
And it's like, how do you call it?
Oh, yeah. How do you judge, you know,
if this guy made the wrong facial expressions,
like did he get hurt?
How am I assessing damage here?
Whereas there's a AI demo of basically the like,
like the striking tracker where it's like,
this guy did a left hook and it landed with this,
like with this level of impact or this like clean,
like it was deflected partially there or it was a clean shot.
And they're like, we should have basically like perfect
tracking of the fight game.
But for you as a fan, would you want that?
Would you want the computer to basically say who won the fight
or do you want these three old judges to scribble a scorecard?
I want the three old judges because a lot of,
I can't believe it.
A lot, but here's why.
First of all, when you watch WWF and W in like fake wrestling
and WWE is called now,
the best part is when they like hit the ref
or they like distract them.

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Like sometimes they'll have like a hot girl
come and distract them and he turns around
and then like something bad happens.
And that's like the best part of the show
is like when there's drama.
But also in UFC, they have a new thing
where they measure aggression, you know,
like who's like pushing, who's pushing the plot.
And I think they do that so it's more exciting.
And I don't know if you can entirely measure
like aggression with AI, but that's why I don't like it.
But no, I'm okay with having humans do it.
I think it makes it more exciting.
We're talking about it.
They're almost always like,
they're only ever in the conversation
when they do it wrong, right?
Like it's never more exciting.
Cause man, they really,
the refs really added to the fight there
by scoring it, they don't add anything.
They only subtract when they screw it up.
I'm surprised you don't want like the actual accurate score.
The only thing that I want,
I want them to tell me the scores of a fight
in between rounds and have that be the official thing.
Because I want the person to know
when they're going into round three, around five,
that I'm down.
And if I don't knock this guy out, the fight's over.
And so that would be the only change that I would want.
I want them to know the real score as it's going.
I got one more random topic.
Let's do one more, even though we're a little over time.
Well, if you're going to do one more,
are you going to do this guy?
This Ahmad, that seems meaty.
All right, we'll go for it.
Yeah, it is kind of meaty,
but let's do like a fast version of it.
So this guy, Armjad, who's the founder of Replet,
which is an awesome company is he tweeted this out.
He goes, you know, some of the biggest companies

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that were built, Airbnb, Uber, et cetera,
were built because they took an underutilized asset
and were able to get more utilization.
So for example, Uber or Airbnb said,
well, there's an extra bedroom in your house
or extra rooms, you have extra space.
Today it's not doing anything, but you could rent that out
and we could actually have more rooms to stay in
and more options for a customer.
And that became Airbnb, this multi-billion dollar company.
And Uber was the same way.
He goes, what are some other underutilized assets?
I think this is a great, you know, framework for
trying to figure out, you know,
where a marketplace could be or where a,
and I think people were doing this maybe five years ago,
seven years ago, a lot more.
There was like a, people realized this
and started jumping on it.
And that's why you got WAG, the dog walker app,
you know, it becomes worth a billion dollars
in Airbnb and a bunch of others.
And I have some examples here,
but what do you think about this framework
and what examples stand out to you?
I think it's brilliant.
I see on here, you have Stay At Home Moms,
one of the best, or one of my favorite companies
out of an iron, is called Squared Away.
And their whole niche is virtual assistants.
And the virtual assistant is a military wife.
And that's like, for some reason in my head,
I think they're going to act a certain way,
which who knows if it's true.
But I think that's one of the best ways of like,
a quote, an underutilized asset.
I love that.
But the problem is, is a lot of people like,
I knew a guy who started a thing where you could do,
it was like self-storage, but in other people's garages.
And I'm like, dude, this is the stupidest
shit I've ever heard of.
And it was, in fact, really stupid

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and it completely didn't work.
And so I think that a lot of people approach us poorly.
Yeah, I think there's a lot of things you can think of,
like I know another one that people have tried a bunch,
who's like, chef.
So it's like, oh, why do you only order from restaurants?
Like, what if there's a lady who lives three doors down
that makes an amazing, you know, Thai red curry?
You could just order for her.
And she would get revenue for her cooking skill
and then she could deliver it to you and it's closer
and wouldn't just be limited to restaurants.
But it's like, A, operationally,
these businesses are usually absolutely brutal.
B, there's like a whole bunch of like safety
and quality concerns and like uniformity
of the quality concerns that come up.
So I think that's another problem.
And then the economics, like people do, you know,
is there enough dollar value for there to be,
you know, for the customer to pay,
the provider to get paid and the middleman to get paid
and the delivery person to get paid?
Like you need enough value in the chain,
which is why Airbnb works.
It's like a high ticket thing versus others.
And there's one for pools that I hear is killing it.
Yeah, yeah, exactly.
Share like rent a swimming pool by the hour, right?
Cause I have a pool, we're not using it 95% of the time.
So if somebody could rent it from us
and we make a few hundred bucks, yeah, yeah, that's great.
I want to give you some of the best answers
that came from the thread.
So the first, the number one is cars.
So cars I think are parked like 93 or 95% of their time.
And so once we have self-driving cars,
that car shouldn't just stay parked.
It should go be a taxi for somebody.
It shouldn't earn you money.
So I think that's like one of the big unlocks
that people, you know, people who know about this,
they're like, oh yeah, that's obvious

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and that's going to be a big deal.
But I would say the majority of the population
doesn't realize that your car is going to turn
into a worker for you.
And people are going to just,
you're going to be earning revenue when your car is idle
instead of it just sitting in your driver or your garage.
Dude, get around, which I used to use all the time
in San Francisco.
I think they raised almost a billion dollars in funding
and they went public recently-ish, their market cap
as of right now, \$59 million.
So no one quite has figured it out yet, it looks like.
Well, at least they haven't.
That's still rental cars.
This is going to be just like tax.
No, get around to other people.
Well, yeah, you're right, you're right.
Right, like this is what Tesla is basically betting on.
This is what Elon's betting on.
He basically is like, your car is going to go
from a depreciating asset to a revenue generating asset
for you, which will make the car worth five times more
than it is today.
Once it's able to just run all day for you
and just go do rides.
Okay, that's bold, but that'd be cool if it works out.
Clean structured data.
So basically there's a bunch of data
that in a bunch of different companies just sitting around.
And if you could kind of organize it and clean it up,
that data is actually an asset that can be used.
And like we talked about earlier,
the freight waves company that's doing pricing data.
How many companies have pricing data
about like what they bought recently, how much it costs,
how much with volume and from what provider?
If that was available in a structured way
and you could sell that to a middle,
like a network, like a data aggregator,
you know, that becomes a valuable asset
that today's worth zero to the company
that has the data but is not doing anything with it.

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And it's not their main business to be able to do something.

So I thought that was kind of an interesting one.

Someone wrote the sun.

Yeah, the sun.

So they were like, the sun is basically providing

all this energy, but until we have solar

and batteries to capture it, it's massively underutilized.

Like we're getting free energy from this giant, you know,

a nuclear fusion reactor that's in the sky or whatever,

but you have to be able to capture it and store it.

And it's underutilized for that reason.

Another one I thought is kind of interesting.

So a fun one, nightclubs.

Nightclubs are really like only useful like,

you know, for like 5% of the time at night

on Thursday, Friday, Saturday or whatever.

What can we do?

And they're usually in kind of prime real estate in cities.

And I've always thought it was cool

when I lived overseas in Indonesia,

they used to take nightclubs

and during the day turned them into like fitness daybars.

So you'd go in, the dance floor and the mirrors

would turn into basically like a cardio session

and then the bar would turn into a smoothie bar.

And I was like, oh, this is so smart.

They're getting like double utility out of their nightclub.

I don't know why I've never seen that

in the United States for some reason.

So I think nightclubs is a fun one.

And then another one that was on here was specialist talent.

So like, what's that mean?

Like think about somebody who's like a really great

3D animator or something like that.

So like if a company hires you, that's great.

But I would actually say like you doing the thing

you're world class at, you're probably only doing

like 10 to 15% of your time when you're in a big company.

A lot of your time gets spent sort of like waiting

for approvals or feedback or doing meetings

or doing whatever other stuff that's around it.

There's probably a case to be made that like people

with really specialist talent, you know,

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financial modeling or design or whatever,
they would be better off being freelance to companies
but it would need to, the market needs to be more liquid
and fast pace than it is today.
Like you would need like, like Naval has talked about this.
He says the future of work is basically like Ocean's 11.
It's small teams of people that are within each team.
There's like highly specialized, you know,
that guy's the guy who's a pickpocket
and this guy's the guy who can break codes
and this guy's the guy who can do acrobatics or whatever
like the ocean's 11, that's what they do.
There's like highly talented specialists.
They gang up together to go on this mission for a heist.
Then they split the money, they go on their way,
they rest until they get the next call.
And he's like, that's what, and he's like,
that's what work is gonna be.
It's gonna be pods of people that work well together,
highly specialized.
They're gonna get a beep on,
they're gonna wake up in the morning,
they're not gonna have a job.
They're gonna wake up in the morning
and check their phone for possible missions they could go on.
They could choose to do none of them
and just chill that day or take one.
Cause they're like, oh, that's a juicy bounty.
They could go do that mission.
When they're done, the employer rates them like Uber ride,
like five stars, you rate the employer five stars,
the money gets paid out to everybody's cell phone
and you go on your way and you wait till the next job.
And I just thought those are really sexy view of the future.
It hasn't happened quite yet, but like you could see like,
I guess Uber kind of works like that.
And I guess there's like, you know,
tax grab it and these other things
that kind of work like that.
And I guess freelancing is becoming more popular.
Maybe this is, maybe we are moving in that direction.
I hate when people make these claims
like this is the future of blank.

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Like if you say that like the future is electric car.
Yeah, I buy that.
But if you say the future of work is like oceans 11,
my reply to that is like, no,
maybe the future of criminals is ocean 11.
But like that's not like,
it's like the future of people getting money
is to rob banks.
No, maybe like a group of people will do that.
But I just don't think that like-
But why?
Okay, take the oceans 11 analogy out, right?
Like, yeah, that's leading you to bankers.
But what's wrong with the actual premise?
Because I think most people,
now it's like saying,
well, most people are just gonna freelance.
No, maybe 30% of America will.
But I think that 60 to 70% of America,
they wanna go to work at nine,
they wanna get off at four or five,
and they wanna play softball.
That's what they wanna do.
They don't wanna like go on a heist
where they like are having some exciting mission.
They just wanna clock in and clock out
and do the same thing every day.
Maybe we think that's cool.
Maybe our listeners thinks it's cool.
But I think when Naval says something like that,
I think that he is in this small bubble.
And although he's smart and gets a lot of things right,
I think it's too grandiose to say
this is the future of work.
And I think it's really dumb.
Like when people say the future of media are the creators,
like doing X, Y, and Z, I'm like, oh my God, dude.
Like maybe that's like a new band that you're assembling,
but that's not like how everyone's gonna operate.
I think you're just, you like to smell your own farts.
So I think you're just, you're out of your depth here.
That's what I think when I hear stuff like that.
Yeah, but I think nobody means 100% of people

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are gonna do this when they say the future is X.
I think they mean like a lot of people.
It certainly sounds that way.
Yeah, but no, 100% of people don't do anything today.
100% of people don't do nine to fives either.
So, you know, not even 80% of people do nine to five.
So I think that's kind of, I think it's a given, right?
That's like a, it's a given to play.
Is it not sexy enough?
You can't say anything is the future
if you say everybody's gonna do it.
There's still people who use AOL to get on the internet.
Like, yeah.
My mom.
You know, like, of course you can't say
that everybody's gonna do it.
It's, it's not a, that's not a realistic thing.
But I think it is real to say, shit's gonna change.
Trends are gonna shift and, you know,
huge chunks of the economy or the workforce
is gonna look different than it is today.
Because this whole idea of go to a,
go to an office for a nine to five,
that's also kind of new.
And that was also a shift from what was before.
So I don't think that's like just ingrained in human.
That's not like biological.
That's not physics.
That's, you know, society and economics.
And a society and economics tends to change.
It's not sexy enough to say
the future of work is this group of people
that's a nice small enough niche
that you can go and capture market share
while also being big enough to support
a multi-billion dollar company
that can return capital at a 55% annual return.
I get it.
That's not, that's not as catchy.
Yeah, it was a shorthand to the future.
Yeah.
But yeah, that's cool.
I have some more topics that I'll save for later.

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Yeah.

But this was a good one.

All right.

That's the pod.

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 a road.

Let's travel, never looking back.