

[Transcript] My First Million / Greatest Hits #6 - Sam Tells All, Again - Selling for 10s of Millions after Making Millions with an Email Newsletter

All right.

Quick break to tell you about another podcast that we're interested in right now, HubSpot just launched a Shark Tank rewatch podcast called Another Bite.

Every week, the hosts relive the latest and greatest pitches from Shark Tank, from Squatty Potty to the Mench on a Bench to Ring Doorbell, and they break down why these pitches were winners or losers, and each company's go-to-market strategy, branding, pricing, valuation, everything.

Basically all the things you want to know about how to survive the tank and scale your company on your own.

If you want to give it a listen, you can find another bite on whatever podcast app you listen to, like Apple or Spotify, or whatever you're using right now.

All right.

Back to the show.

This episode is brought to you by the HubSpot Podcast Network, but what is the HubSpot Podcast Network?

That's right.

It's a new thing by HubSpot.

They started with our podcast, and now they're branching into more and more podcasts with experts in different business areas.

So you might have a podcast about marketing, or sales, or operations, or customer service, and we're going to go over through the different podcasts on this network.

Some are more entertaining, some are more informational, some are a good mix of both.

That's what we try to do here.

And HubSpot's goal here is to have on-demand mentors.

So if you're an entrepreneur, you're a startup, you're scaling up, you're going to be able to hear practical tips and inspirational stories by listening to the different podcasts on their network, which by the way, I think this is a smart idea.

Too many brands just try to sell you their thing.

HubSpot, I love their approach here.

Just put out great, valuable, free content and help more companies succeed, and the more companies that we help succeed, the more we'll eventually come back to us, sort of like a good karma kind of thing.

So listen, learn, and grow with HubSpot Podcast Network, HubSpot.com slash Podcast Network.

All right.

We have another greatest hits episode, and what we're going to do is we're going to air this episode that Sean did about 18 months ago, and I'm going to talk over it and give commentary.

People seem to like this, and over the next couple of weeks, we're actually going to do this where we do commentary over lots of different interviews, whether it's ours or not.

And well, you're going to see, it's going to be pretty good.

But today, we've got a good one, and I say that with hesitation.

Why?

Because it's about me.

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I'm Sam Parr.

I started the hustle.

I don't actually think that, you know, like when I started HustleCon, this is like this big event we have, I would, I always had a rule where I'm like, I'm not going to talk at my own event.

That's kind of lame.

I think it's weird, and I always thought it was weird to kind of talk about myself a lot on this podcast because it's not supposed to be about me.

But by the numbers, this is like a pretty popular episode, and a lot of people want to know how to make money off of newsletters, and we just sold our company for tens of millions of dollars like eight weeks ago or something like that.

So people have been asking about this, and we're on our fourth or fifth or sixth installment of this, and this is like the fourth or fifth or sixth most downloaded episode.

So here we are.

We're going to play this episode.

In this episode, I'm going to explain how I started the hustle.

So when the hustle sold, we had millions of subscribers.

We were doing eight figures in ad and subscription revenue, and it was a great company.

And I loved working here, and I loved building this company.

So I'm going to talk to you about how I did it, and I'm going to give an update.

This interview was 18 months old, maybe, maybe 20 months old, and I'll talk throughout and kind of give you an update on how things turned out, and let's see how it goes.

So let's get into the interview.

We're going to be launching a ton of new stuff, by the way.

So we've been doing this little series where we do a recap on the greatest hits, but we've got this cool thing where we're going to splice together different people's interviews and different bits of content throughout the YouTube and podcast world, and Sean and I are going to roll together themes on.

So for example, we'll talk about how stuff is rarely an overnight success, and it takes a long time.

So we're going to have interviews of people explaining how long it took them to make stuff, even though you assume that it happened much faster than it did.

So that's one example.

That's going to be cool.

So in order to know when those are live, you've got to hit the subscribe button, though.

So hit the subscribe button on iTunes, and also hit the follow button on Spotify.

The more you do that, the more followers we get, which means the higher and the ratings that we go, and the higher and the ratings we go, the more listeners we get, the more listeners we get, the more we could do this.

Please do that.

Let's start the show.

A big CEO of a huge media company that you know of told me this business will never make more than \$2 million a year.

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And it wasn't until like six months ago where I was like, man, there's like a path to make literally \$100 million a year in revenue.

Right.

We are here with Sam Parr, the founder of The Hustle, the big daddy of the publisher of the podcast.

How does it feel to have a podcast on your network now?

Well, I'm excited, and I hope people will like it.

We have to wait and see the numbers first.

That's what I'll be excited for most.

I know.

I know.

So for those who don't know, The Hustle is a daily newsletter, goes out to about a million and a half readers.

Is that right?

A million and a half?

Yeah, we could say that.

And we're growing.

Every morning.

So people like to start their day with it.

The way I think about it is like you get an email and it tells you the news, and I like the way you describe it, which is it's like, you know, you're no BS friend just explaining it to you.

So it's a simple way to understand what's going on in the world without spending a whole lot of time doing the research yourself.

It's like we did the research for you.

Yeah.

As if I'm me, Sam Parr, are going to tell you, Sean, the news each day.

Right.

And because you spend five minutes on it in the morning, you save an hour of doing that, you know, reading and research and finding out what's important yourself and what to make of it.

And then, you know, you're at work, you're at the water cooler and you sound smart.

Yes.

And we have more stuff coming out, but that's our big thing now.

Okay.

Okay.

Yeah.

And something that launched today, I believe, right?

A little beta launched yesterday.

Okay.

All right.

So we're going to get to that in a second, but let's start with the question we always start with.

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Sam Parr, how did you make your first million?

By starting and selling multiple companies, which the biggest one being a news operation that emails millions of people a month and tells them the news they need to know each morning.

All right.

You said starting and selling multiple businesses, so different way of looking at it is, when did you know you wanted to make a million bucks?

Not for a very long time.

My mom and dad are entrepreneurs.

I thought that that's just what you do to make a living.

I didn't really think about money a lot other than I knew that I wanted to start businesses because that was like my hobby.

Like when you were a teenager, you mean?

Yeah.

But then when I got older, only like a year or two or three years ago, did I realize that money was something that's nice to have a lot of, but it's like not as nice as I thought. So for years, I was just doing this because it was fun and exciting and it just so happened. The output, the result was income.

Okay.

Like a lot of people say that.

They say, you know, I'm not doing it for the money.

The money is sort of a byproduct.

And I like that.

I think that is a great way of looking at it, but I also know you, you're my friend.

You think about money a lot.

You ask about money a lot.

We talk about it.

I love talking about it, but when I ran, I talk about it all the time, but I was a track and field athlete in college.

I talked about that all the time too.

It was just whichever the career I have or the vocation that I have at the time, that's what I'm obsessed about.

And so to me, money is, it's kind of like bench pressing 300 pounds.

Once you get past a point, which is lower than you think, it's not really that important to be able to bench 350 pounds, but it's just like you're obsessed with it.

Because you as my buddy can bench 400 pounds.

So it's like, man, I want to, I want to beat you.

I want to compete with you.

All right.

Let's talk about money real quick.

So a lot of people talk about money and I find it to be fun to talk about.

But I like talking about specifics.

So I talked about a certain point for me.

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So I'll give you the points in my life where money kind of felt differently.

The first was probably when I saved \$25,000.

I remember when I saved \$25,000, I was only spending three grand a week or sorry, three grand a month, maybe two grand a month, wherever it is, it was almost like 25 grand could last me close to a year if I made no income.

And I was like, hell yeah, I'm rich.

So I felt like rich then.

I remember when I saved \$100,000 and I felt really rich, I was like, oh my gosh.

And then a million, like they say a million is like a big deal.

That didn't really feel like that big of a deal.

Ten million felt like a big deal.

And I'm not worth \$100 million, but maybe I will be.

But a lot of people say that like, so I put down \$25,000, \$100,000, \$10,000,000, and then maybe like the next thing is like \$100 million.

But if you are interested in money, I think there's two things you should do.

There's this great subreddit called fat fire.

It basically is, so you heard of fire, I think that stands for financially independent retired early.

There's like lean fire, which is like people who want to save up like \$500,000 or a million dollars and they want to live off two or three or 4% of that, so 40 grand a year.

Fat fire is people who want to do that, but they want to save a lot of money and live pretty lavishly.

So they want to be able to save 10 million and live off three, four, \$500,000 a year.

And that kind of changed how I thought about money.

And then there's this other book called How to Get Rich.

It's horribly titled and I'm embarrassed to talk about it, but it's written by this guy named Dennis Felix, sorry, Felix Dennis is his name.

And he started a publishing company in the 70s and eventually he launched a bunch of stuff including like Max and Magazine.

He did a lot of stuff.

So he died in his early 70s and right before he died, he wrote this book about his things he learned about making money and he was worth like \$700 or \$800 million when he died.

So he was like a wealthy guy who happened to write a book on this nut.

He didn't get rich from the book.

So I think you should read those things and those are the numbers that are interesting to me.

We actually talked about what's your number, but yeah, I like talking about money.

It's interesting.

And my perspective about it has basically mostly stayed the same that like I think it's important and I think it's great to have.

And by the way, I don't have kids.

I think that when I have kids, my perspective will change because it's like I want to provide for them.

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But for me, I was most happy or like the biggest difference.
I remember it's like probably \$25,000 saved and then \$100,000 saved.
So that's an update on that.
And I want to compete with myself.
Gotcha.
And when did you like first start doing business?
Was this, you know, are you a kid?
I first started...
I had a lemonade stand type of thing.
I was selling stuff on eBay, track and field shoes, my old clothes.
I would sell them on eBay.
And then I would sell stuff on Craigslist.
And you were doing it because you came up with it yourself.
You saw somebody else selling on eBay.
I came up with it myself and I thought it was a really cool adventure.
It was just like I have an addictive personality and this was my adrenaline rush.
I started YouTube channels that got millions and millions of views like the first year, two, three years that YouTube existed and that made money and I just loved scheming.
What kind of channels?
So this was in 2009.
I don't know how old YouTube was around then.
Yeah, I think YouTube started maybe 2004 or 2005.
So it was like the third or fourth year of YouTube in existence.
And I noticed that when you would type in a certain phrase on YouTube, it would auto-fill.
And I would just look at all the words that would be auto-filling.
And I'm almost embarrassed to say this, but I will.
But if you typed in street fights, it would be street fights and it would auto-fill with like black guy beats up white guy or street fights, white guy fights, black guy.
And so I was kind of scammy and I would create these videos with these clickbait titles and the thumbnail would be the only image that existed.
So it was a video with just this is because YouTube didn't have that filter to like catch that.
So the video was nothing.
Yeah, it was nothing.
But I can go and find it somehow and it probably has 10 million views.
And then I would charge bands money, \$10, \$50 a month to have their music as the background.
And so you didn't even have a fight because I used to search for these.
I used to watch Kimbo Slice.
Yeah, the same stuff.
Like street fight.
Like big black guy knocks out little white guy.
I have a video that's titled that that has 5 million views.
And don't you remember on YouTube years and years ago when you would click these certain

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videos and you'd hear these horrible electronic like music?

Yes.

So those people paid me money to put my ads or put their music on the background.

And so how old are you when this is going on?

I was a senior and freshman in college.

So like it was like sometime around 2008.

Yeah.

Okay, all right, so you started the kind of keyword arbitrage because since then I actually learned this from you.

I went to one of your workshops that you and Neville did.

And for those who don't know, Neville is a good buddy of yours.

Neville's the best man in my wedding is one of my best friends, yeah.

And he's kind of famous for this copywriting course, right?

So talk a little bit about that because I think this is something that's extremely underrated.

I added it to my arsenal when I saw you doing it.

Copywriting is the most important skill set anyone can have because copywriting is not writing.

Copywriting is understanding how other people think and feel and how to use words to get them to do what you want them to do, specifically the written word, but it can translate to anything.

Right.

Copywriting is sales, copywriting is persuasion, copywriting is...

It's meeting a girlfriend, it's talking to a friend and trying to let them know you care about them.

It's trying to sell something.

It's just the idea of understanding other people's perspective and then trying to figure out if you could solve that or empathize with that and communicating that you have the tool to fix their problem.

By the way, if you want to learn more about copywriting, it's so funny.

When I was into this stuff in like 2010, 11, 12, it wasn't as popular, but right now it's like really popular.

And I think that's good.

Part of me is like, I'm like an angry Karen where I'm like, well, I did it first.

But part of me is like, well, finally, like everyone cares about this stuff because it's actually really important.

And it is.

I still believe this.

So if you want to learn about copywriting, there's a book called Adweek Guide.

You can buy a guy named Joe Sugarman.

It's called the Adweek Guide to Copywriting and Believe or the Handbook for Copywriting.

But Joe Sugarman is the guy.

Another great book, I think, is David Ogleby's I Like Confession of an Adman.

He also has another book called Ogleby on Advertising.

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And those are all really great.

And then one of my best friends who I just mentioned, Neville Madura, he has a course called Copywriting Course.

It's awesome.

Just type in Neville, Copywriting Course.

You'll see it.

So if you want to learn about that, those are great resources.

Okay.

So perfect example.

The first business that I knew that you did.

I didn't know about the YouTube Street Fights.

I didn't know about the eBay stuff.

But I did know about the Hot Dog Stand.

Yeah, Southern Sam's.

The name of the Hot Dog Stand.

It's not just Southern Sam's.

What's the slogan?

It's Southern Sam's Wieners as Big as a Baby's Arm.

So a hot dog is a commodity.

Like they pretty much are all the same.

I mean, little variants, but I bought them Vienna sausages, which a lot of people buy.

And it was like, how do you just stick out?

How do you stand out?

And I thought that would be a funny slogan.

And the idea was if a parent put their baby's arms in one of my buns and we put mustard on it and we take a photo, they get a free thing, a free sausage.

And that was like the shtick.

And was this like pre-social media?

This was in 2010 to 2012.

So it was around.

But if Instagram was around, it was barely around.

Okay.

So we got Southern Sam's Wieners as Big as your Baby's Arm.

The best name.

I started a restaurant too, but it was nowhere near sort of the fame or appeal is that.

So I love that.

How did it do?

So I just tweeted about this today, actually, because someone would ask me if I had to make money today with \$1,000.

I started it with \$500.

I was only able to afford the first day's ingredients.

And the first day, it did okay, but it took me about a week to get \$1,000 a day with like 50% margins.

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Most days, I would make between 100 and 500 days.

If I would go and work all night or go to a concert, I could make \$1,000 to \$5,000 a night.

It was really hard work.

In Nashville in the summer, it's 110 degrees some days.

It was horrible.

It was really hard, but it was really fun.

But it paid.

Like, I got paid.

And you were the one manning the stand?

For a long time.

And in the beginning, I was there all the time, but then I hired friends.

My friend, Carly, my friend, Rydell, I would give them an hourly, like I'm going to have a wage.

You know, I was thinking on my way over here, I was like, what should I say in the intro?

And I was thinking, I was like, oh, what do I really believe?

Because when I started doing this podcast, the beginning, I would do like a radio host intro, which is not me.

It's me playing like a radio host, like, hey, ladies and gentlemen, welcome to the show.

Yeah, doing what you think you should do.

And now I'm like, well, what would I actually say about you?

Like if I was to explain this to myself or what I say, and I was like, the thing about you is if this was Lord of the Flies, I haven't even read the book, but I understand the premise.

We all get dropped on an island and sort of we're all starting from scratch, just us in our bare hands.

If you took everybody I know in San Francisco, a lot of great entrepreneurs, investors, successful people, but if you put us all on an island and it was like, here's a race to \$10,000,

I think you'd win.

Oh, thanks.

I think you'd win the \$1,000 Lord of the Flies Silicon Valley edition.

And the hot dog stand is like the perfect example of this, which is just like very straightforward, fundamental thinking.

I have this much money.

I want to get my money back quick.

What do people want?

What do people need?

Where should I stand?

Oh, I should go to the concert.

That's where people are drinking and want a bite to eat.

And just doing the basics and not trying to be sort of the genius inventor.

Okay.

Is that a good characteristic?

That's my mental model of views.

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Is that how you see it too?

100%.

So I'm from Missouri.

I'm from St. Louis, Missouri.

A lot of people think I grew up as a hick.

I kind of did, but I grew up in a city.

My parents started a fruit stand that eventually became a produce brokerage.

My father's not educated.

I was not that good of a student.

I was just like a redneck kid, right?

And so I just did whatever and I just, I will do whatever.

It just so happened that I learned how to use the internet.

So I would say I'm basically like a Midwestern small business owner that just learned how to use the internet.

Right.

The internet is your corner instead of your neighborhood corner.

Right.

Versus like this idea, like the Mark Zuckerbergs, I will never, I don't understand how they think.

I'm much simpler.

Right.

And so when you're doing the hot dog stand, hilarious name, good results, you know, paid the bills for a period of time, at some point you jumped onto the internet.

Yeah.

The hot dog stand was more like the kid in Missouri and the stuff you do today is a lot more like the kid in San Francisco.

Yeah.

And so what I was doing in the evenings after selling stuff, so I worked for this guy named Mike Wolf.

Have I told you this?

No.

Have you seen this TV show, American Pickers?

Yeah.

Mike Wolf was my boss.

So when I was in college, he was, I loved that TV show, American Pickers.

I saw him walk down the street.

I thought he was cool.

I was a huge fan and I walked up to get my photo taken with him and I just became friends with him and he asked me to run his store in Nashville or to work there and help set the shop up.

And so I did.

Okay.

Hold on.

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Pause.

I went up to him to ask to take a photo with him and I became friends with him.

This is a Sam Parr thing that you do and I want the people listening to know how the hell you do it because that's how we became friends.

You literally emailed me being like, hey, Sean, heard great things about you.

You'd never heard anything about me.

I had.

Heard great things about you.

Probably not.

We had never met.

The point is you just reached out cold and you were like, hey, I got this big dinner.

I need to host for like 80 people like next week.

Can I borrow your office for free?

It's going to have all these awesome speakers.

You're going to love it.

You can attend the dinner.

And I was like, yeah, sure.

And we became really good friends since then.

By the way, I knew who Sean was and I admired him from afar and I still do this all the time.

I reach out to people on a regular basis.

I think you should too.

I think I like to think about what's going to be interesting in 20 or 30 years and we're going to say to ourselves, I can't believe that that was allowed and there's a few things I think.

Like privacy, people are going to say, I can't believe people will just give out their information really nearly like that.

The second thing though, that you should take advantage of today.

I think in 30 years, we're going to say, can you believe that you could just guess someone's email and email them because you can.

You can email like Jeff at Amazon or maybe it's Bezos.

You can email.

It's very conceivable that if you spend six months at this, you can reach Jeff Bezos via email by just following up consistently.

And that's wild to me.

And you've got to take advantage of that now before that loophole closes.

I think it will close eventually one day.

And so you have this gift of befriending people kind of out of the blue.

So tell me what actually happened when you met him on the street.

I called the gift of gab.

Okay.

That's what my parents called it growing up.

Let's see.

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I had my dog Sid with me.
Mike's a big dog guy.
I walked up to him, asked for a photo.
He started talking about my dog.
I go, oh yeah.
Thank you.
Like yadda yadda.
Dog stuff.
And I'm like, by the way, what are you doing here?
I'm opening up the shop.
Amazing.
Who's going to run it?
I'm still looking.
Mike, I'm your guy.
I know we just met, but I'm your guy.
Like, let me do this.
I probably said it in that exact tone.
And he was like, yeah, like, I don't know, baby.
And I just started heckling him and just like, joke him with him a little bit.
And he's like, yeah, okay.
Well, here's my wife's number.
Call her.
Right.
And so I called her and then I found out that the place that I met him at, it was a jeans store.
And I like jeans a lot.
And we used to go to the same store.
The next day I was, I went into the jeans store and I, there was a guy who worked there named Matt.
And I go, Matt, Mike Wolf was here the other day.
When's he coming back?
And he goes, well, he's got some clothes that he's got to pick up tomorrow.
So I go, okay, here's \$50.
Text me when you think he's going to come in tomorrow.
I'm going to show up.
And so he did that.
And I just waited on the couch for him and I go, Mike, what's up, man?
Look, here's the deal.
Let me run this thing.
Or let me, let me help you set it up.
He goes, all right, fine.
You're in.
And that's how it happened.

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Right.

So that's your effort to get rid of this kid and to just give him what he wants.

Yeah.

So that's kind of how that happened.

But anyway, while working there, I like met all these amazing people because Mike's a celebrity and he would get all these cool people coming in and kid rocks manager or something like that came in and I started just, just messing around and talking to him. He said that there's this new law that allows small time distillers in Tennessee to create whiskey in the same way that in the nineties, craft beer was allowed to be created.

And I was like, oh, that's kind of interesting.

And because I worked at Mike Wolf's store, I knew that like Americana and vintage stuff was really popular and moonshine is Americana vintage, all this kind of like this.

It was a trend shout out to you.

Yes.

So we had this new product coming out called Trends.

But it was like moonshine was like popular and there's all these like moonshiner shows and it was basically moonshine means illegal whiskey.

This whiskey that the kid rocks guy told me about, it was called popcorn Sutton's.

It was, it's illegal.

They could sell it in stores, but they only would make it in small batches.

And so what I did was I created an online store called moonshine online and I would try to get customers from all over like places that weren't the South that weren't used to this, this novelty whiskey.

And I started selling it online.

Wow.

And how was it doing?

I mean, it was awesome.

Do I even need to ask you sold what we sold alcohol online probably did pretty well.

Yeah.

I mean, I would be in like finance class and my this was pay I pay pal on, I don't even know if I had an iPhone, but it go kaching, kaching, kaching and I said, my finance teacher, I'm like, I just made a thousand dollars while I was sitting here in class like, what do I do?

Right.

And so it was good.

It was making.

What did they say?

They're like, well, he was like, you need to talk to a lawyer because I don't know what you're doing is legal.

So I talked to a lawyer and they're like, yeah, you're kind of breaking some laws here.

So the moonshine online didn't last long.

Okay.

So this is the blackberry with PayPal installed had to go quiet for a bit.

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Yeah.

And so he was like, yeah, like you got to like jump through all these hoops and I was like, okay, well, I don't know if I want to do that.

I Googled like where in the country do internet companies live and online it said San Francisco.

So I emailed the founders of Airbnb.

I asked for a job.

They said, can you come to our office next week?

I was like, yeah, I'm here already.

And so I bought a ticket and flew out here.

I interviewed there and, but while I was here, I met a really cool guy named John Havel and he had started a business because I stayed on his Airbnb.

That's how I met him.

Gotcha.

And I was like, I was like, this is so cool.

There's people my age doing cool stuff.

I'm coming out here.

And so I moved, I went back home a few days later, sold the limited possessions that I had, left school and I moved out here.

And we started bunk a roommate matching app that was sold after 10 months for a tiny amount of money.

And then I started my current company.

How important was it to get out here?

Like what happens if you don't move it?

Is this a lot of people right now?

Nothing would have happened.

Nothing, nothing would have happened differently or nothing would have happened at all.

I would not be where I am.

What would you be doing?

By the way, all right.

So we're in pandemic or post pandemic time.

Do I still think that?

I kind of think that I kind of think that you still should move to a major city.

If you don't, if you're like young and, you know, like go West, young man type of thing, I think you should.

I don't think you need to be in San Francisco anymore, although I still recommend it.

But I do think you should go to New York, San Francisco, LA or Austin.

For sure, if you're trying to make it in business, I think that it is inspiring to physically see people around you.

I think someone like me who has a network, I don't need to do that because I can just call people.

But I do get inspired being around people like physically being around them, although now I have a network so I can kind of call people and still kind of get in on stuff.

But if you're a nobody, I mean, I don't mean that to be offensive, but like if you don't

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know a lot of people and you're you're totally fresh and new, a rookie, that's way better than a nobody.

Because that's what I mean.

I don't mean nobody.

But you know, if you're a rookie, still move to one of these cities.

Highly recommend it.

Working at hotdog stands or started a lawn company or was it obvious to you and others at the time, like when you were saying, Hey, I'm going to go out to San Francisco.

It seems like that's where the internet was.

It was not.

I told my mom about Airbnb and at the time 300 people or 200 people worked there.

So it wasn't like small, but it wasn't well known and she was like, Is this a scam?

What is this Airbnb thing?

You stay at other people's homes.

I was like, Yeah, there's another company called Uber cab.

And it's kind of like that, but like with cars and she's like talking about, do they offer health insurance?

That's all I care about.

And I was like, I'm doing this guys, I'm doing this and they gave me, I sold my car.

That gave me \$5,000.

And then they gave me \$1,000 to as like my, I hadn't graduated college yet, but as like my graduation gift and they go, all right, come, I will help you do it.

And I gave me a grand and I moved out here.

And so they supported me, but they, they didn't know what I was getting into.

You don't even know this.

Our stories are, are so, they're very different, but they're like parallel, parallel tracks.

Everything you're saying, I literally had a moment like that in my life, which it's, it's for another day.

Cause I want to, uh, this is your story.

But having supportive parents is like a really unfair advantage.

Absolutely.

So having a level of like, you got to have a little fuck it in your system.

And you had enough fuck it to say, all right, I'm just going to go out there.

I don't know.

I don't have the whole thing figured out.

I'm going to go and I'm going to figure it out.

I know enough that that's where I need to be.

Tony Robbins has this really good phrase I like, which he says proximity is power, which is just like, if you know nothing else, just get close to the stuff you like, get close to the people you like, just hang with them more.

The proximity has its own power.

Go to the place you want, just be near it.

Proximity is power.

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I play out many times for myself.

Your story reminds me of that.

Well, the thing is, is that you and I both have a lot of buddies that are really wealthy.

Their children probably aren't going to be willing to take a lot of risk because when you grow up wealthy, you kind of know what there's to lose and all the stuff.

But the way I grew up, like I was a little bit of a wild man and like sometimes I would get kicked out of my house and I would literally sleep outside.

So it's like the worst case scenario is like, I just sleep outside.

It's like, this, this, this is no big deal.

Or the worst case scenario is I go and like sell bottled water in the corner.

Like I can make it work.

Like the downside is, is really, really low.

Yeah.

Or the worst case is I call my mom and be like, Hey, I don't ever want you to support me.

But like, can you give me like \$300?

I can get, I can just come stay in my room.

Yeah.

There's a get out of deal free card.

Did you ever, you know, I remember when I was doing my very first startup, I was living in Colorado, kind of a similar situation.

I won't do the whole backstory, but I got into a spot where we had 130 grand of just prize money because I would just go pitch in these business plan competitions.

That's amazing.

I was good at pitching.

I would win the business plan competition, so we rolled up 30 grand in like a month of prize money.

And then my dad was also like, okay, if you're going to do this, not going to go to med school.

I took the MCAT.

He's like, if you're not going to go, let's take, you know, some of that tuition.

And he gave me like, I remember I was 20 grand or something like that.

He's like, that's going to last you the year.

So I got 30 grand from this, 20 grand from this, and there's me and two, two co-founders.

That's like such a good dad.

Oh yeah.

It was huge.

And he was, he was not even trying to be helpful.

He was like, you've been so lazy your whole life that like I finally see you switched on.

I think this is a terrible idea.

You're doing a sushi restaurant.

Like that's a terrible idea.

But it's your tuition.

But yeah, but you're, you're actually waking up and doing something every day without anyone

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telling you to do it.

And, and he, you know, he gave me this line that's in life.

It's a lot more about motion than it is direction.

So you know, imagine you're on a beach and you want to get to this island, the island is where all the fantasies come true.

And if you could see the island, you would say that's the direction I need to go.

Problem is from where you're standing, you can't see where the island is.

You just think this island.

You just got to move.

So you got to go, you got to get in the boat and start paddling.

And then as you go, you'll realize, Hey, actually, I see it.

It's over there.

And you, it's easy.

He's like, it's much easier to move a boat when you actually have some momentum.

You can just put your paddle in the water and you'll actually turn and you'll start going in the new direction.

And that's literally what happened in my life.

So, so I give him credit for that.

But I remember we were living pretty frugally.

Frugal.

You're frugal.

And, and you're Mr. Frugal.

And so I want to get into that.

I remember one time, the way we were living, it was like kind of embarrassing.

It was three of us in a one bedroom apartment in Colorado and everything, everything we would need, we would buy and return.

So it's like, Hey, we need a camera for this photo shoot and take our menu pictures.

Cost goes to best for that.

I can still tell you, yeah, it's like best buy 14 day policy, but you don't need this.

And, you know, so we would go buy this DSLR camera and return it 14 days later, 10 times.

And I remember we would sleep on air mattresses and we knew that target had a 90 day return policy on air mattresses.

So I remember going and returning my air mattress, so embarrassing of like, damn, I'm this poor that I'm just like,

But your parents, were your parents poor or they're frugal?

We were like middle class.

Just normal.

It was just that I couldn't go to them for, with an ask, because when you go with an ask, you got to have a little, it's like going to a bank.

It's like, you got to have a down payment of some kind of successor momentum.

No, I feel you.

At this point, I didn't feel like I had my down payment of, I know what I'm doing.

Look, it's working.

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Just give me a little money.

This was like, Hey, I'm taking a leap of faith.

You already gave me a little money.

I need to stretch that dollar because I don't know if there is another dollar after this.

All right, boys and girls, time to talk about this week's sponsor, the HubSpot CRM platform.

If you're looking for a CRM because your business is growing, it's getting complicated and you need something to organize all your customer conversations, relationships, check out the HubSpot CRM platform.

It has things like analytics tools and some cool called conversational intelligence.

And that means you can have transcripts.

You can monitor the different conversations that are happening.

That makes it easy to manage and coach your team, provide feedback, and create sales playbooks for everybody to learn from.

So if your business is growing and you're scaling your company up and you want to scale the company without scaling complexity, check it out at HubSpot.com.

Did you have any sort of, when you were living frugal, did you have any moments like that that were the sort of...

No.

I grew up kind of poor that my parents started a thing that made a pretty good living for them.

And they paid my high school tuition and I got a car that was \$5,000, an F-150 truck.

But it's not like I was pulled up from my bootstraps like from nothing.

But I've never... The \$1,000 gift that I got from graduating college was the most money that they've ever...

Thank you.

Yeah, and that to me was like \$1,000, yeah, no, it was... And then they gave me a credit card that had a \$500 limit on it.

They're like, here's this for emergencies.

And I remember I cut it up right when I got here, I was like, I'm doing this.

I was like, I'm going on the... I was like, I'm literally going to be homeless before

I ever ask for help.

And so you lived pretty like a Spartan lifestyle for a while when you were starting up the hustle.

I loved it.

And people got to know sometimes what it takes, sometimes... You don't have to sacrifice, but there are sometimes situations where before it builds up and gets big, you got to live that Spartan lifestyle.

Tell us about that.

Yeah, so I do well now.

But people are like, you know, it's only been... Our company just turned three years old the other day.

It's only been three years and you're doing good.

And I was like, well, I've been grinding since... Taken risk since like 16, 17, 18.

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And up until a few years ago, I didn't have any money.

And so for the longest time in San Francisco, I had a \$600 rent maybe.

And I did that because I was... I was scraped together some money after selling something and I rented a four-bedroom house.

I furnished the whole place with used or free furniture and Craigslist and then I rented it off to people, like the other three bedrooms.

And that ultimately paid for my rent, which means that on just living expenses, I was able to only spend about a grand a month.

And so because of that, the first couple of years, my W-2 income was only about \$15,000.

And so that was the first couple of years of the hustle.

And then let's give people a sense of the numbers today, you don't have to say the specifics.

But what should we be thinking about when we think, how is the hustle doing?

How are you doing?

Yeah, so our business is very profitable.

It makes eight figures in revenue, really fat margins.

My goal is to get it to \$100 million in revenue by 2025 and I think we'll get there.

So it potentially may not be Uber, but it'll be a nice-sized business.

It'll be \$100 million business, companies like ours could probably sell for any in the huge number, the huge range of \$20 to \$60 million and we haven't taken any venture capital. Right.

And you raised money, but you raised it sort of from the Rolodex in a way.

Yeah, but they weren't in the Rolodex at the time.

Tim Ferriss was like, lived on the block from me and I became friends with him that way.

So he ended up investing the founders of Bleach Report, the founders of NerdWallet and loads of other people just like that, like 36 people, Scott Belsky, one of the early Uber guys, loads of people like that all collectively put in some sum between \$20,000 and \$100,000 from MeetSethi and collectively we raised about a million dollars.

And then you also raised from the community.

Yeah, so what we did, the hustle started as a conference, a conference with a newsletter and I realized the newsletter could be a way bigger business, but then I realized the newsletter could actually lead to an even bigger business, but in the meantime, let's use this newsletter to make profits.

And once we hit 200,000 users, we said, we always got emails of people wanting to invest and we go, let's just let anyone invest.

And so I thought that we would get \$150,000 in 90 days.

We ended up getting close to \$350,000 in \$48.

Wow.

All right, ladies and gents, if you want to make that first million, you have got to be organized.

Our sponsor, Monday.com is back to get you there with a weekly dose of the Monday.com motivation.

Keeping a clean desk, making to-do lists and using a calendar, those aren't just things that adults do.

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They're things that wildly successful teams do to hit their goals.

In other words, being organized makes achieving your dream of swimming in that money vault that much closer.

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And you can use their customizable templates that will help you get organized.

It'll increase your workflow.

It'll manage your workload and get you one step closer to hit your goals.

And so we raised a little bit of money from our users as well.

Looking back, logistically speaking, I didn't need any of that money.

We've always been profitable.

It's huge cash flows, but Tim Ferriss gave me money.

Now he's my friend, and I could text him and ask for advice, and that's kind of like a cool trade-off.

And with the community money, was that worth it?

Because most people don't do that.

Looking back, no.

Issues.

That was not worth it.

Why do you say that?

I have grown to be much more private than I was in the past, and I hate having people that know my business.

Gotcha.

And just a second on the origin of the hustle and the hustle con, the conference really, because it started as a conference before it was a newsletter.

And it started before you.

Somebody else started the hustle con.

I randomly met Eric Bond and Elizabeth Yen, and these folks are successful entrepreneurs, Eric had a business called Beat the GMAT that he sold for, I don't know how much, but if I had to guess, eight figures.

Elizabeth Yen had another business called Launchbit that had a nice exit.

And so I met a guy who introduced me to them, and we just became friends.

And I had like a really small exit in 2012 or 13, and I emailed Eric, I go, what do I do now?

And he said, I got this thing I put on.

I put on this thing called hustle con.

It was kind of like a conference, but in reality it was like a meetup, and like 100 people came.

Like \$4,000, I forget some number like that.

It's just basically a website and an email list of 200 or 300 people.

Do you want it?

Just do something with it and give me like 10% of the profit.

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I said, in.

So I relaunched hustle con on June 1st of 2014, hosted that conference six weeks later, and it made like six CG's.

And the whole idea behind it was, I'm not trying to make money, I'm just trying to meet interesting people.

And so I would cold email all of these speakers, and I would say like, hey, do you want to speak, these other 15 speakers are coming.

And of course, so they hadn't, they weren't coming.

And they would say yes, and I would go to the other 15 and be like, hey, you know, I would just do the same shtick with them.

And they all started coming.

And then I became friends with them, and they would teach me stuff, and I would learn stuff, just hanging out with them.

I'd be like, hey, I need to come by your office so we could talk about the talk.

But I talked about the talk for 10 minutes and the next 50 minutes, I just would ask them questions.

And so I hosted this event, and the way in which I made it popular was by doing email marketing, and I knew that email marketing was effective because of just like studying it and teaching myself how to be a copywriter.

And so that first event in six weeks made about 60 G's, and I only spent eight grand or some low number like that on the event.

So I was like, oh, that's cool.

So took that money.

And actually for six months, I drove my motorcycle around the country and camped and hung out.

And then during that trip, I was like, let's do this again.

The next time, this time was 80 days.

That's when I met, I think that, yeah, that's when I met you.

That event did about a quarter of a million in revenue on 30 or 20,000 in expenses.

And then it was like, okay, this is cool, but I don't want to run the conference forever.

I had just read the biography of Ted Turner, the guy I started seeing it, and I was like, that guy is Southern.

I'm kind of Southern.

He like is kind of wild like I am.

I could do that.

I'm already doing that kind of like I could start a media company.

And so that's when we said, let's do a media company.

And then the first six months of the hustle, which started in 2015, it was just a blog.

Okay, really quick, 100% if you're sitting there, a lot of people are listening and they're just sitting there and they want to figure out something to do.

You can do this exact strategy and make a great company, not only a great company.

It's pretty fun.

I mean, it's hard work.

It's not like software where you can just go to sleep and you're making money in your

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sleep.

I mean, you kind of are if you hire good people, but so it's hard work.

I mean, like an event's a pain in the butt.

It's just a pain in the butt in so many capacities, but you could do this right now.

And we actually did a whole podcast where we broke down the economics of this.

So if you're interested, Google My First Million Events.

There's a YouTube video that we did and then there's a podcast where I show all the financials.

And what you should do is do an event.

Make it B2B though, not B2C.

So you don't want to do something sexy.

You want to do something a little bit more boring, like if it's like, I don't even know.

I mean, it could be like in nursing home industry, whatever industry you work at, like whatever you do for your job, you could do this for that or whatever your profession is.

So if it's like user research, product management, AI software, like whatever, whatever your profession is or industry, you could do this.

You create an event, you get people to come, you charge a little bit of money and then you eventually you can make hundreds of thousands, you can make millions of dollars doing that. Then you turn it into a blog, you get sponsors to sponsor the blog and then blog people come to the event.

It's such a good little flywheel business.

You could 100% in three to four years make your first million office, whether you're off selling the company or just making a million dollars plus in profit.

I remember that.

It was, you were just telling really great stories, but it was like long form.

Long form blog stuff.

And I would just blog about like funny stuff or interesting stuff like taking LSD or living on soil for 30 days, stuff like that.

And it got loads of traffic, but it was clear that wouldn't be a huge business.

So we relaunched on April 19th of 2016, so that's why I say we're about three years old.

And that's when we decided, let's go all in on email, let's build this whole thing on email.

And then it became very clear that if you study the history of Groupon, of daily candy, of thrill list, people may not even know what the last two are.

But anyway, I was like, man, some of these like billion dollar companies all started with an email list.

Like, let's do that.

Let's build up this huge email list and then start creating more products and use that as a distribution channel.

And I think we could build a billion dollar company that way.

And that was the idea.

And I remember pretty early on, there was a temptation from, not even really, you didn't seem tempted, but other people were tempted to say, jump on Facebook, jump on video, jump on this trend, Snapchat.

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I knew from day one that would be a horrible idea.

It's like, I've always wanted to be independent and I felt that building an audience on the back of Facebook was like building a business in a rented apartment where the landlord raises the price every quarter.

It's like, that's a horrible idea.

And so I called my email list, my pirate ship and every subscriber was a little bit of wind in our sails.

Because like I said, I'm kind of a simpleton, I'm a simple guy.

And if you look at like the economics of like building something on Facebook or someone else's platform, you're like, so where's the profit come from?

Well, if you do this, like, I don't understand that.

That doesn't really make sense.

Too fancy for me.

Yeah.

Let's just narrow this down and call it what it is.

It's called focus.

There's basically two ways, I mean, I guess there's a bunch of ways, but the two easiest ways that a small nobody startup, you know, one, two, three, four, five people can crush a huge company.

The first one is speed.

You can move faster.

You don't have bureaucracy.

You can just do whatever you want.

You can come up with an idea.

You can launch it the next day.

The second is focus.

I think an agile team of one to 30 people, you know, small can 100% outwork and outmaneuver and out-compete a huge multi-thousand dollar or multi-thousand person company without a doubt.

No question in my mind.

So it's called focus.

I talk about focus all the time.

I've stolen that idea from other people.

I have no idea how people can have multiple projects at the same time.

I can only do one thing at a time.

And to be honest, like that's one of the few things I'm going to say, I think that way is just better than most every other way.

If your goal is to make something big and make it big fast, like that does not make sense to me.

And I don't want to do that.

So we didn't.

And I think that's paid off because now you have, I mean, this got to be one of the biggest daily emails in the world.

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Yeah, I think so.

I think we got to be up there.

I only know of maybe two or three people that can compete.

And who's that?

Who can compete?

There's the skim.

I mean, they claim to have six or seven or eight million.

They're pretty big.

There's maybe a handful of one-off things that aren't confirmed, but I would guess.

And when you were doing this and it started to make money, that was also pretty counterintuitive.

I mean, unless you really knew the email game.

Which I didn't.

By the way, I do nothing, like up until, like, I didn't know anything.

I didn't know what like basic words were, like an RFP or, I mean, I knew nothing.

I didn't know what CPM meant.

I didn't know.

I didn't know how, like, I was doing our accounting.

I didn't know the difference between cash flow and revenue.

Like I didn't know anything.

And do you know things now or are you just hired people who know things?

I know a lot of things.

Yeah.

Yeah.

I do.

I know how to read a balance sheet and do a P&L statement.

I know how to make money.

I don't know how the, I don't know how to code.

I cannot code at all.

And we have a tech team, a nice-sized tech team, and we built all our own custom technology.

I just, I'm really good at being like, what's the simplest solution?

Like what needs should exist?

By the way, building your own technology for a new newsletter business nowadays is stupid and it's not simple.

Don't do that.

If you're going to build a newsletter business, use MailChimp to start and then go to like constant contact or HubSpot or something like that.

Don't build it yourself.

Just start with HubSpot, to be honest.

Don't build it yourself.

That was actually dumb.

So there it is a few years later, me telling you that.

And I'm like, hey guys, can you like, it would be cool if this existed.

Can you, do you know how to make that happen?

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And they would just say, yeah.

I'm like, all right.

Great.

Show me in a week and let's see.

Right.

And what was the first milestone where you were like, holy shit.

This thing's actually, not just it's working, but this thing's actually going to be really big.

Well, the first week of our existence, we got a million people coming to the website.

And I was like, that's awesome.

That is great.

And we got on the front page of Reddit and we had like two or three thousand concurrent users on real-time analytics, Google Analytics, and I was like, sick.

That's awesome.

I wanted to watch the real time.

It's addicting.

It's addicting.

It's hugely addicting.

And then I was like, this is not going to, this cannot be big.

I thought that, and someone once told me, a big CEO of a huge media company that you know of, told me this business will never make more than \$2 million a year.

We could do that in a month now.

What was that person wrong about?

What didn't they get?

They were a New York media person who was kind of fancy and they didn't, they're like, email is such a small thing, like an email newsletter, a newsletter, like you don't even have a website.

Like there's no way advertisers are going to want that.

And I'm like, well, but if you think about it, if you just look at how much they're going to pay per click on all these other platforms, who cares if it's on your email or on a website or like, does it matter as long as they get like traffic to their stuff, like who cares?

And it's like, well, it doesn't work like that as like, okay, well, and so I kind of believed them.

I didn't think that it would work.

And then once we started growing, I was like, oh, this is crazy.

And then it wasn't until like six months ago where I was like, man, there's like a path to make like literally a hundred million dollars a year in revenue on this.

I kind of knew a little bit that it could be big daily candy.

The company that I modeled model us after early on, they claimed to have 25 million in revenue and 10 million in net income a year.

So I was like, well, if we just do that, that might happen.

And they're still around.

They're doing well.

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They sold for 125 million to Comcast and then Comcast screwed it up and shut them down.

These numbers are still true, by the way, and it's actually bigger than I thought.

I think that there's definitely, we don't do advertising anymore, but I see people in the space who are making 30, 40, 50 million dollars a year in sales with the newsletter business.

You 100% could still do this.

It's a harder now.

So if you're going to copy this model, which I think you should, don't do something mainstream. The hustle kind of mainstream.

It's like a tech, like a generalist type of thing.

Do something a little bit more specialized.

So do, start with a more special niche audience and then expand from there and make sure it's B2B.

And I think you can do really well.

Gotcha.

Okay.

And so let's play a little game called remake my first million.

If you had to remake a million bucks, I take away your business as it is today.

You can't do that again.

This exact business, you can't do it again.

You're 21 years old though.

I give you back that youthful energy and time.

What would you work on?

What would you try to do?

Let's say you don't have capital, you don't have network, you don't have a lot of those pieces.

You're you, but you're 21.

What would you do again?

Or what would you do differently this time?

If I was 21, 22, I would try to get a quick win and try to get like a couple hundred thousand or maybe a million dollars in my bank by like starting a business that made a hundred grand a month and try to sell it and own all of it.

And I think that that is significantly more possible than most people think.

So I'm, I'm 21.

I'm listening to this.

I say, all right.

That sounds pretty good.

Be more specific.

What do you mean?

Let's talk about that real quick.

If you're young listening to this, a lot of times you, you want to go, go big.

You know, you're like, I got this energy.

I want to raise all this money.

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And I think a lot of people should.

I mean, like if you're, if you're capable, I think you can do that.

But I also think if you're young, if you can kind of get a fair bit of money issues out of the way at a young age, your life, life's different.

I mean, let's just do the math.

Let's say that like you, we make eight percent.

That's a little ambitious.

It's between six and eight percent a year, but for the next five or 10 years, it could be as high as 15 to the way the economy is going.

But let's say it's like seven ish percent a year, just S&P 500 boring stuff.

If you have a million dollars that doubles every 10 years.

If you have \$5 million at age 30, you're looking at 10 at 40 or 20 at 50, it doubles up fast man.

And that's maybe not enough to retire right away, but you get that winning new and you act different.

This is why startups can sell secondary.

So you have a startup, you raise \$20 million and the VCs are happy to let you walk away with three million of that because when you have a little bit of money, you think a lot bigger and it's a lot smaller than you think, you know, like I said earlier, \$20,000 made a difference.

Get a million bucks in your bank at age 25, 30, it's freaking life changing.

That's rich.

I know that we have billionaires on here and all these fancy people, but you get hundreds of thousands of dollars in your 20s.

That is very good.

And that's why I think a lot of people should start something relatively small that can build up and these things build up fast.

So in three, four years, you start something small in a very short amount of time, you could have something that's making hundreds of thousands of dollars a profit and kind of solves the money problem for you.

So you can create something even larger.

What's your ideas to do?

Well, if they're 21 today, start blogging and when I say start blogging, I would say learn one new interesting thing each week and then just blog about what you learned.

Do that every single day, every week for a year.

Try to get two to 3,000 people a day coming to your site through search.

The way you find out what to write about is you go to HRefs.com and you buy a subscription and that will teach you what to write because it will tell you what people are searching for.

Try to rank for those words, build up an email list of 5,000 people and then create a course and sell it to them.

I like it.

And I like the looking up the keywords.

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It's like having the answers to the test.

It's like, here's what people want to know.

Yeah, just answer it.

Just answer it.

And answer it by learning on your own and then just teaching people what you learn.

There's two ways to teach or to create content.

One is to be the expert and the other way is to be the curious novice.

And so...

The second one 100% works.

Right.

A lot of people count themselves out because they just assume I'm not the expert but in reality the curious novice works great.

You only need to be one step above.

Yeah.

You just got to be one step in front of your audience.

And that one step could be you just read a book over the weekend.

So if I was a 21-year-old kid, what I would do is go and yelp, find, pick a very specific niche like irrigation services, scaffolding rental, lawn cutting service, pick some niche in a town like Nashville, Denver, something like that and try to start a business that beats all the other people and yelp.

I'm quite obsessed with the idea of consolidating local businesses.

And so you were...

Boring stuff, right?

Well, it's not boring.

It's like people don't like to hear the obvious and it's almost the obvious as it was the basics.

Dude, because the people are super fancy, man.

Like me and Ramon, him and I have started or funded like five or six companies that collectively make \$10 million or something like that and it's like the most simple shit on earth.

And if I told you that this company makes us much money, you'd be like, what?

That is so stupid.

Ramon owns this one that I participate on a little bit as well that sells dog ramps.

What's a dog ramp?

A dog ramp is when you have a dash hound or...

What kind of dog do you have?

Like a chihuahua?

I have a multi-pooch.

He said it was for wiener dogs.

Yeah.

Oh, okay.

That's the fancy word for it.

Sausage dog.

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Wiener dog.

When you have these small dogs and they want to get on your bed, they can't get up.

So it's just like, oh, this is a piece of wood and it flips up.

So like a ramp, like a miniature handicap ramp and your dog can get up there.

That company is going to do \$40 million this year, by the way.

That's the update.

How's that?

Holy moly.

And that makes sometimes tens of thousands of dollars a day.

Why are people scared of these businesses or do they just assume it can't be big or...

Here's why.

I think about this all the time because I struggle with my team.

They don't understand leverage.

So they think that in order to make, let's say, a million dollars, you have to work an equivalent amount of hours that in their head they think is a million dollars.

Or you have to have an idea that is the equivalent of a million dollar idea.

When in reality, you could just have really good execution, which is not tied to the amount of time in which you spend on something.

You could have pretty good execution, like 100% effort for a short amount of time.

And that if you leverage it correctly, it creates significant amounts of value.

And so they overthink stuff.

Also I think they feel guilty.

It's like...

Guilty how?

The way I compare it is when your mom makes a peanut butter and jelly sandwich, it always tastes better than when you do it because you see also how simple it is and you're like, oh, this isn't that.

Yeah, this is...

It's got to be way better.

The other people must do it way different because this isn't that...

This can't be that easy, can it?

And that's kind of like the idea.

And people overthink stuff.

I also think that we hang out with a lot of high IQ people, and I think the smarter you are, the more disadvantaged you are at some of these simple things.

Our whole podcast is about this at this point, by the way, guys.

Just yesterday I recorded an episode where we met this guy who created this bump box or box bump or something like that.

They do 40 million sales.

They just have box that sells pregnant ladies and ladies who just have babies.

You pay 50 bucks a month and you get products that are met for the baby's age.

So if you're eight months pregnant, you're gonna get itchy, so you get itch cream, and then when your baby's three months, the baby is...

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I don't know what babies are doing, but teething, then you get some double teething thing. And that doesn't sound like a revolutionary thing.

It's probably worth \$200 million, and they own the whole thing.

The world is big.

Small things can be big.

So small niches can be quite lucrative, quite large.

I just told you about a freaking dog ramp business that's gonna sell \$40 million of freaking dog ramps.

We talked about a soap opera business that sold for \$10 million.

I just told you about a baby bump box that is gonna crush it.

I mean, there's 400 million people nearly in America.

I know if you're not in America, maybe you're in India, maybe you're in Australia, you're in Europe.

There's a lot of people out there.

You can make a lot of money selling a lot of stuff that appears quite small, trust me.

And it's also fear.

Right.

People are afraid.

The PB&J businesses can be great businesses if you apply leverage.

And that's sort of the difference, where your same hot dog stand idea could have been a big business if you had just applied more leverage, more stands, more locations, prioritized it out.

And the way you create leverage is you just have to set things up in a very particular way.

You can hire key people or you use the internet and you realize, well, I can do the same thing, but I just put two zeros on the back of my ad spend.

It's like, wow, I just, I'm not doing any extra effort, but I'm getting like 10 times the amount of money.

Right.

And that...

I think you had a business that you bought, a SaaS company, or for those who don't know how to subscription.

Yeah.

So Ramon and I also own a SaaS company.

It's like a \$30,000 a month SaaS business.

And all you did was raise the prices.

Is that correct?

Yeah.

All we did so far was just went in and changed a three to like a six.

And that was it.

That's all we did.

You're like, I can't code, but even I know how to do this.

Yeah.

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Most people don't price their stuff effectively.

We bought a company.

Literally all that was done was double the price and revenue doubled.

Same amount of people sign up every day is super simple.

I love it.

This is why I call you the Lord of the Flies, man.

You would find the way to make the money.

And what I would like to do is buy more software companies and 10X the price.

I think that that's possible as well.

So you have all these experiments in your head, but one experiment you guys just launched is trends.

And I want to hear about it because I like trends, but I don't fully get trends.

Yeah.

A lot of people who haven't experienced it, I don't think they're going to get it yet.

And that's because we are.

What is it?

Yeah.

So basically the idea is it's a premium publication, a paid publication, a paid weekly email.

And we have hired a team of analysts as well as myself and we crawl the web and look at millions of bits data.

And we also talk to people like you and other experts and we just explore various industries and we do deconstructing of various businesses and we just show where are cool opportunities and where's the white space and loads of different industries.

So if I'm somebody who is looking for my next opportunity or my next idea.

This has become pretty big, by the way.

Trends is almost two years old.

It's basically an eight figure subscription business or around there and there's a very clear path to make it much, much larger by launching different types of verticals.

So this paid off.

I learned a lot from it.

I got a lot of parts wrong.

We should have charged differently.

I should have maybe branded it a little bit more higher end.

This totally worked.

There's so many of these now.

There's all these different people copycatting it, but this worked.

So pat myself on the back on that one.

I'm not going to lie.

This one totally worked.

I didn't explain it well in this episode because I was still figuring it out.

We had actually launched the day after this episode or the day before to not be pretty good.

So Trends.co, sign up.

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The community ended up being a lot more successful than I ever thought.
I didn't think that was going to be important.
The information was good, but people prefer a community shocking, shocking to me.
And yeah, it's a great, great business.
I love Trends.
And the podcast ended up becoming this.
You notice how I'm being interviewed here?
We don't really do that anymore because all we do is deconstruct different ideas.
It worked.
The way that we explained it is like, look, if you start a company, you can make it win or at least be mildly successful with enough effort.
You could probably, if you like, are willing to spend 20 years on something, you could probably get a little bit of success out of it.
But if you start something on a small ripple that can eventually become a wave or a tsunami, it's just going to, the products will get pulled out of you.
It's just going to push you down this hill and life will be a lot better.
So it's just like, let's explore some of these waves while they're still kind of small and what they're doing.
Gotcha.
So you guys are trendspotting early, these business opportunities.
As well as looking at interesting companies and saying like, well, here's how they work.
What if you applied that to this thing?
So like we interviewed the guy who started 1-800-GOT-JUNK, Brian, and he said, yeah, 1-800-GOT-JUNK, here's how it works, here's the economics, and we're like, oh, that's amazing.
We're like, where else can this work?
And he goes, local irrigation services, and we go, awesome.
Thank you.
We went and interviewed a bunch of people, and we got the data, and we chose, all right, this is like a cool idea.
Nice.
And so if trends works, the hustle becomes this thing that it's got, the daily newsletter would tell you what's going on.
You got trends, which tells you about the big opportunities that are coming.
I'm trying to steal SoftBank's playbook.
So in the late 80s, early 90s, Masa-san, he started what was called basically the PC magazine of Japan.
He started a publication, started a conference.
And that's a good example, right?
PCs was the wave.
Yeah.
He started the magazine.
He started the magazine.

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Then he started the conference, which is now called CES.

And then with the...

He created CES.

He bought it.

He bought it with the profits from the publication, and then he was also selling software.

And then he started investing in the companies that he saw that were advertising with them.

So I just want to do that same thing, because I think working at SoftBank would be a really cool job.

Nice.

Going after SoftBank.

Wow.

You picked a big blue whale.

It seems like you see his life, you're like, oh, man, he gets to hang out with cool people.

He gets to invest his money.

Let's just do that.

Yeah.

That's pretty good.

Okay.

So when you think about...

When somebody's listening to this podcast, let's talk about the podcast for a second, because this is a new product, essentially, that is being published on the hustle, by the hustle.

Yeah.

Hopefully there's 100,000 people listening to this right now that came from our email list.

If you're listening to this and you're one of the 100,000, just tweet at Sam so that he knows you're listening.

All right.

So why do a podcast...

I guess...

Why didn't you do a podcast earlier?

It was a better question.

Because I didn't know anyone that could do it well.

And you and I shoot the shit all the time.

You're very successful.

You're amazing at asking certain questions.

You're also amazing at saying these weird phrases like when you were just talking about your father and talking about motion versus direction.

And so when you said you were going to do a podcast, I was like, oh, let's see if we could partner with him and we got to do that.

I also think that podcasts in general are a horrible business if that's your only stream of revenue.

But since we have all this other stuff, it's like, yeah, let's do that.

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Yeah.

It's just sort of...

It's found money on top of the existing audience that we have today.

And I think that the good thing about what you guys do is that...

I think you guys capture just a fraction of the value you create.

So giving people the news every morning in a super simple digestible way, and then you capture...

It's free for them and you capture just a tiny amount of that value on average.

Yeah.

So with trends, we're going to be capturing a little bit more.

And this is now another component that we can actually give for free and capture a little bit of the value.

And hopefully people will sign up for...

Maybe 3% of people listening will sign up for our paid services.

Gotcha.

Okay, cool.

So to close it out, I want to do a bonus segment about money.

Money.

Okay.

This is the money round.

I'm going to ask you a bunch of questions related to money, and you're going to tell us about them.

How much money were you making at age 21, 25?

And I usually say 30, but you're 29.

So we'll do 29.

So 21, 25, 29.

21.

I had just...

I joined a company after we had a little exit.

My salary was \$50,000 to \$60,000 a year with a bonus that was nice sized.

I was able to save \$25,000 with that salary in San Francisco.

You saved \$25,000 on a \$50,000 salary?

\$50,000, \$60,000 salary?

Plus bonus.

Yeah, plus bonuses.

I think my bonuses maybe came out to be like \$80,000 total compensation.

Okay.

Gotcha.

That's good.

And \$25,000.

Lower, because I started the company when I was 25, the conference made \$60,000, about \$50,000 in profit.

The second conference made some number of around \$200,000 in profit that all stay in

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the business other than a draw I did of \$2,000 a month.

And then 29, your company's doing really well now.

What do you pay yourself?

I pay myself six figures.

I pay myself...

There's a number between six and seven figures, below seven figures, above six figures.

I didn't pay myself six figures from the company until last year.

For a long time, it was...

It ramped up from like 40 to 60 to 100.

And then I started giving myself meaningful bonuses based off performance.

I make more income from my investments.

So selling other businesses, rental income, things like that, I make more money that way.

And so last question, a lot of people have a number in mind.

This is the number that they want, the number of where they feel like they've hit it, they've made it.

And the number can move.

I think when people hit their number, they make a new number.

But right now, what's your number?

I think that an old guy who I love, Stuart Alsop, I don't know if you know him, he's a good friend, but he's a big time investor.

He invested in Twitch's seed investor.

Does he like being called an old guy who you love?

No, but he's like 70 years old.

I just like calling him that.

I don't know.

He's a good guy.

He told me that the first unit you make makes life different.

And I go, what's the unit?

And he goes, 10 million.

He goes, you get one unit, that's when life changes.

So one unit where your liquid is a big deal.

It goes probably 10 and then 100 is like, you're set forever, 10 is like, be cool and you're fine.

Right.

Don't go Mike Tyson and you're fine.

Yeah.

100 is your set, 10 is like, life is never going to be the same, but you could still ruin it if you really do something bad.

So that's your number right now, one unit.

Hey, look, at least I'm consistent.

That's what I said earlier.

And I think it's true.

A unit, getting liquid.

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That said, I don't think I'll be happier with it.
I know I won't be happier with that, right?
You're not going to be happier with \$10 million.
I don't think.
I think I would be.
I think it's not so much happier.
I think happier is kind of the wrong word.
The money won't make you happy.
Update is true.
Such a stupid thing to say.
People listening to me, oh, you're complaining, you're not happier.
I get it.
I'm such an idiot right now, the way that I sound, but it doesn't make you happier, unfortunately.
I think money does make you happy though, but my opinion was like that 100, that first 100K got me amped after that, less amped, but there is a sense of accomplishment.
It's like, like I said earlier, it's like bench pressing, you know, you hit a number and it's like, awesome, it feels great for a minute.
And then it's like, okay, what's next?
But I'll fully acknowledge how silly this sounds.
So hopefully you can experience this and agree with me, but until you do, trust me, I get it.
It's the fact that you did it.
The fact that I did it, as well as the lifestyle.
So I think money, I have this thing that money is just stored time.
So when I give you money, I'd like to unlock some of your time to go do something for me.
And when you give me money, it's because you want some of my time.
And that's sort of how money works.
Money is just time frozen into a piece of paper.
And when you give it to somebody else, thaws out, you get their time.
And so the thing, you know, if I had a unit that would make sure that I'm the one unlocking other people's time, nobody's really unlocking my time unless I'm choosing to do so.
Yeah.
This actually changed my life when Sean talked to me about this.
And I call it being a time billionaire.
I think that that should be the goal here is time, not money, time, time, time.
If you've got a, if you can make a little bit of money, but then you've got to grind and dedicate 80 years to doing something you don't want to do and doesn't make you feel better about yourself or you're not proud of or is not fulfilling, I don't think that's worth it.
I'd rather be way less, have way, way, way less money, but be able to do whatever I want my time.
That's the only thing you can't get back and how do you know this to be true as yourself?

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Would you trade places with Warren Buffett?

He's 90 years old.

We're just made in the world.

90 years old.

Would you trade places with him?

I bet you wouldn't.

And every person who has money says they would give it all back to be young again.

So time, I totally, I'd rather be a time billionaire than a cash billionaire.

You can just do that with a lot less money than you think.

I choose to work.

I could not work.

I do it because I like it.

As long as it's a choice, what I'm saying is that most people, and I put myself in this bucket right now, I don't dictate how I spend every hour of my day.

It's not all my choice.

There are several things that are things that I don't want to be doing with my time.

So the day that I can do sort of what I want, when I want, where I want, the way I want, that will be sort of the ultimate freedom.

I agree with you.

I don't know if money allows that.

It could be lower.

It's a lower number than you think.

What's the number?

It depends on how much you spend.

But like, I don't spend a lot of money.

I could say fuck you to everyone and balance and be fine.

I'm a spender.

That's the problem.

Man, maybe when I hit 100 grand, I'm like, 100 grand in liquid, I was like, that's fuck you money.

But I always wanted to say fuck you to...

Yeah, you live a fuck me lifestyle and you could have fuck you money out of your case.

Yeah.

Dude, I still give Sean trouble for this.

It is about how much you spend.

I still don't spend a lot of money.

He would make it fun of me when he came to my house because I had sold some clothes online for like \$93 and then I went to Target to return something for like \$8 and he made fun of me and I like clipped coupons still.

I don't spend any money.

Why?

Because I don't spend anything.

I don't spend money on stuff that doesn't make me happy.

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Also, whenever I buy something, I always try to make sure I own it and it doesn't own me.

I don't spend a lot of money and I tease him for that and he spends it because he just doesn't really care.

He's like, look, if this saves me time, I'm going to do it and so our philosophies are the same.

If this saves me time, I'm going to do it.

If this makes me happier, I'm going to do it.

It doesn't make me happy to waste though.

So instead of buying something fancy and I'm like, all right, this saves me time to store it or have someone just take care of it, instead I'm like, I'm just not going to get in the first place because it just doesn't make me happier.

So I still stand by this.

That's exactly right.

If you're one to say, fuck you, even a 10,000 or 1,000, 100 gram liquid made a difference.

That's the number I'll give you.

100 gram liquid made a difference and I was willing to say fuck off.

I like this segment, the money round, because money is this weird taboo thing.

I remember when you messaged me on Facebook once and you were like, you were just like, how much do you make?

And I was like, we knew each other, but we hadn't talked about it before.

No, I'm close friends.

I'm very open.

I'll be like, here's how much cash I have.

And you asked me all these questions and I was like, this is kind of cool because I was like, at first I just admired the balls of, hey, just to ask.

But the second thing was I was like, this is how we can kind of help each other get ahead is information.

Can we unlock some information so that you understand how people are playing this game?

Because the pie is very, very big.

It's not a zero sum game.

A lot of people think that like, if I make money, that means I took it from someone.

It's like, no, that's not exactly how it works.

Like if I create a piece of art, I didn't take this from anyone.

I just created this valuable thing that someone's going to give me something for.

And even if you are taking money from somebody else, there's so many players in the game.

Yeah, as long as we can all win.

And so whenever I ask people, it's never out of jealousy of like, I wish I was bigger than, I do wish I have more than what I have sometimes, but it's not of like, I want you to be lower than me.

It's like, oh man, what could you teach me?

Right.

Yeah.

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And I've learned from you and you've learned from me in that regard.
So all right, Sam, where can people find you aside from subscribing to the hustle?
Subscribing to the hustle.
The hustle.co.
Yeah.
Go to trends.co.
Trends.co.
Sign up.
What about you personally?
Where do they find her?
Me personally, don't email me because I won't reply more likely than not.
But tweet at me and I will reply, theSampar.
Awesome.
Thanks, Sam, so much.
Great episode.
We're going to do a Spartan race tomorrow.
Yeah, we're running eight and a half miles.
I don't know if we're going to run, but we're walking eight and a half miles.
Yeah.
We'll get a long stroll tomorrow.
All right.
Good stuff, man.
Great talking to you.
I crushed Sean in that race, by the way.
I crushed everyone in that race.
But all right, that's the episode.
I just bragged about myself a lot, but I wanted to say thank you for listening.
That's the episode.
I'm going to keep doing this.
I think people like this.
My handle is TheSampar on Twitter, let me know.
We have some really cool ones.
They're going to be a little bit more well-produced and we're going to keep doing this.
A few topics that I'm going to cover are things don't happen overnight.
They take a long time.
So I'm going to aggregate a bunch of interviews with people explaining that topic.
And you're going to see a lot more of this stuff.
It's going to be really good.
So please go to your iTunes, your Spotify, click subscribe, click follow, click all those buttons.
If you're listening to this right now and you hear people explain this all the time that they need this, it makes a huge difference.
So go do it.

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Leave a review.

Let me know what you think.

We'll see you on the other side.

My first million.

This is Sam Parr.

I feel like I could rule the world.

I know I could be what I want to.

Put my all in it like no days on.