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 podcast, we are the Internet Dork Renaissance.
All right.
So what do we got today?
You got ideas?
You got topics?
I've got a ton of stuff.
This book called More Money Than God, and it's about the history of hedge funds.
You know anything about hedge funds?
Not a lot.
Tell me.
Yeah.
Well, you know, I'm only in the first half of the book, so I can't tell you much about how they operate now because, you know, we're still in like the 1980s.
But basically the guy who invented, it was called a hedged fund, and his name was Alfred Jones.
Alfred Winslow Jones, A.W. Jones is what they call them.
And it's kind of interesting.
He was a journalist for Fortune.
You know, he was just a writer.
He was crazy that Fortune even existed back then.
This was in like the 30s and 40s.
For some reason, hedged fund is so funny to me, as you said.
That's what it was called.
I know it's real, but for some reason, it just seems like something we would just say wrong.
Trying to be smart.
Like, yeah, I'm looking at investing in some hedged funds.
Yeah.
People would be like, is he putting a D at the end of that?
I'm like, you know, go out there, have fun and break an egg.

So it was called a hedged fund.
And he was researching for an article, stock pickers, and he found this like small group of people that were doing like some slightly different stuff with hedge funds or with stock picking.
And at the time, rich people viewed Wall Street and a lot of like equity investing as just a way to preserve wealth, not really grow wealth.
And this guy, A.W. Jones, he was in his 40s journalist and he goes, oh, with these, you know, small group of people that I'm researching this like mathematical formula stuff that they're doing, it's actually really, really interesting.
And so he raises, I think $100,000 at the time.
And what he does is basically the kind of dumb way of explaining it is, which is the only way I understand it is that he just like does a combination of longing, going long on things with borrowing leverage, meaning if he invests $80,000, he would borrow another $50,000.
Now he's $130,000 into a stock.
Then with the rest of his $100,000, he would buy shorts in such a combination where his upside was much higher and his downside was a little bit protected and there was like some math behind it.
And at the time this was revolutionary, but here's where things get actually really cool.
That itself wasn't the revolutionary part.
I mean, that was one part of it, but wasn't the main thing.
The really cool thing that he did, which wasn't done ever before is he hired these young stock pickers and instead of just giving them a salary, he goes, all right, you work for me.
I've raised a million dollars.
You get $50,000.
You get $50,000.
You get $50,000.
You get $50,000.
You have two people to work with you.
You're your own group.
You're your own group.
You're your own group.
And get after it.
Let's see what you can do.
The person who does least best or the person who does worst, you guys are out.
And he created this cutthroat culture of these people who were just getting after it.
And he was the first person that made it.
So they were only paid a percentage, so 20% of future upside.
And at the time he did it because that just means your tax more, it was more beneficial for you.
So it was a capital gains tax and your tax benefits were way greater.
But he told his folks, he goes, yes, the reason we're doing this is Phoenician sea captains

used to keep a fifth of the profits of successful voyages.
And that's how he didn't say, hey, it's just so we can for this tax thing.
But he justified this weird reason.
But anyway, this team structure, that's what changed everything.
Prior to that, Wall Street was just like this stodgy, sleepy place of like, look, we're just doing 80% stocks, 20% bonds, and we just let it sit there.
But then once he changed that incentive structure, everything changed.
And that kind of got me interested.
That's kind of like been sitting with me because at the hustle, we used to do this too, where for our quotas, for our salespeople, we would say, you know, go out and get ad sales and you get a percentage of what you close.
But then they would close like dumb shit.
They would close like, for example, they're like, who cares if it's a porn company, if it's a weed company, if it's a shitty service, like it doesn't matter.
And then we're like, well, actually, that's a good point.
We need like inverse incentives.
Like do the readers like this is a click-through rate high.
Do they renew?
And I couldn't figure out how to do that successfully.
I couldn't figure out because both I thought for sure the story was ending with.
So then I created a better system and it worked beautifully.
You're like, I couldn't figure that shit out.
That's too good.
Well, I would have bet anything that you were about to say.
So then we did this and Pat on the back, I did a great job because I'm so used to people doing that.
You know, in tech, nobody says, you know, we kind of hit this problem and we didn't solve it.
We just didn't solve it.
You know, nobody ever tells a story like that.
I love that.
You just told a story like that.
That's amazing.
Well, so with my new business, I am trying to think, I'm like, how do I solve this?
You know, like, can I pay like 50% of the, but there's like, but I started researching different ways to solve this.
And I don't know.
Have you had, I'll tell you a few other examples, but have you had with like the milk road or with anything that you've done?
Have you had where you're like, if I just change the incentives, this other thing changed.
So it's like, the product isn't the revolutionary or interesting thing.
It's like how you operate.
That's what's interesting.

Yeah.
I don't think I have a great story personally off the top of my head.
Like we just did one where we needed to fill all the ads for like October or something like that.
And we were a little light and it was like, ah, how do we get this up?
And Ben was just like, you know, if we just told our like, you know, salesperson will give them an extra 10K if they can get this, if they can get us, you know, to this fill rate, I think they'll do it.
And I was like, yeah, but like, that's the same thing as their quota.
Like if they just filled it, they would get that percentage.
He's like, no, I think if we just say, I'll give you $10,000 on top of your quota, if you could do this.
And I was like, okay, I guess that makes sense.
And instantly they like way overfilled it.
And I was like, okay, I don't think you could do that all the time because like, you know, this got them, you know, to get off their ass and do something.
But yeah, I thought that was interesting.
So what's funny is you're right.
That does work.
And you can do it all the time.
So I was researching like incentives and one of the, there's a handful of ways to make it.
Basically, I think Charlie Munger or someone of the like rich smart guys said, like, you show me the incentives, I'm going to show you future results or something like that.
Yeah.
Show me your incentives and I'll show you your outcomes.
And there are a few successful ways to like incentivize people.
And so one of those ways I was reading this McKenzie study where they said you actually should give bonuses based on 105% performance, not just 90% performance and research shows that if you over attain to in order to get a bonus, people tend to do that versus the other way around.
Another thing is you do clawbacks.
So you get 50% of a bonus upfront.
And if you don't achieve the goal that you said you're going to get done, then I'm going to do what's called the clawback and I'm going to take that money from you.
So you can do this with kids or you say, Hey, look, your allowance is $100 a week or $100 a month.
I'm actually going to give you 50 now and the other 50 when you do your chores.
But if you don't do your chores, you're giving me that 50 back.
And that loss aversion is actually performs better than if I just say, I'm going to give you $100 at the end of the month.
If you do X, Y and Z.
100% right.

Yeah.
I think loss aversion is what they, what they call it.
But basically it feels, it feels worse to lose money you have than to not gain the same amount of money.
And it should be the same thing, but it's, it's definitely not the same thing.
I had this, when we did, I did a deal once where we got a million dollar signing bonus, but it was contingent that if we left before a year, then we wouldn't get the million dollars.
And I would personally, I wouldn't get the million dollars if, if I left before a year.
And I think if you had just told me, Hey, do you want to stay for a year to get this million dollars?
I would have been like, well, you know, that sounds good, but there's other opportunities.
Maybe I could do it this other way.
But once they just put the money in my account, they're like, that's there now.
Go look at that.
If you leave early, you have to pay all that back.
And I was like, Oh man, I got to pay back a million dollars.
And it just felt, if my brain knew exactly what was going on, it was like, I just don't want to pay back a million dollars.
That sounds like that would be horrible.
I'm definitely not doing that.
I'm not losing a million.
Whereas if they had just said, Hey, if you, if you stay a little longer, you can get this extra bit.
I would have been like, maybe I can go get that some other way.
And that's like kind of a crazy like psych, you know, psychological trick.
I knew what was going on and it still felt real to me.
Well, and another interesting example, then we can move on, but another interesting example that I was thinking about was, you know, what's like a really fucked up industry is private prisons because you're incentivized by like how many beds you fill, you know, and that's like, you know, doesn't align with what we want as a society.
And I'm like, well, what it should be is you're paid a little bit of money for how many beds you fill.
But then if the inmate, you know, has a recidivism, if they go back to prison inside the next four years outside of being released, you got to give me that money back.
And if they stay out, I'll give you the second half of your payment.
And I was just like, I was thinking of all these different ways that because I was thinking about my business, I'm like, how can I change my incentives around in order to get a different outcome?
And that was like a really good example.
But the problem with incentives is that a, it's like to change them, you have to be kind of bold and like kind of be the first to like really try something new and be oftentimes it's not always straightforward.
Like did you achieve this or like tracking the results is actually like a huge task in

itself, which is what we had at the hustle.
I'm like, I could do this, but like, I got to build all this stuff to like track all this.
But anyway, I, they call second order effects, basically, usually the first thing you're trying to incentivize does happen.
It's the second thing that goes wrong.
Basically, it's, yeah, you got your ads filled, but they filled it with certain types of content which led to readers being upset, which led to churn or whatever.
Like you have to predict what would be the, the second order effect that comes from some of this stuff.
There's a, there's like a Farnham street blog that I read about this once with the cobra thing.
Yeah.
Like the cobra thing.
Yeah.
So basically it was like in India right now, like there's the, you know, the stereotype of like a guy playing like a horn or I don't know what it's called and like the cobra coming up and like dancing and it was like, well, why are there so many cobras in India?
And apparently I don't remember what year it was, but there, there was a little bit of a cobra problem and they go, Hey everyone, we're going to give you $50 for every day dead cobra you bring it, bring to us thinking, great, we're going to have no more cobras.
But in reality, the schemers were like, Oh, let's breed cobras and kill them and bring them to you.
So like, Oh, nice.
It's free money.
This is awesome.
And that there was now an overpopulation problem of cobras.
I actually have no idea if that's a true story, but that's like one of the urban legends.
Yeah.
That's one of those Malcolm Gladwell stories that just like becomes like known by everybody, whether it's real or not.
Have you heard the one about him talking about David Goliath?
Yeah.
That one's great.
I'll summarize it in 10 seconds, which is basically like everyone talks about David Goliath.
It's this underdog versus the big shot.
And they're like, Oh no, it turns out Goliath was like eight feet tall because he had a pituitary gland problem, which means that he was like had low IQ, meaning he like was like, you know, like an idiot.
And he was like big, which means if you have that pituitary gland issue or that issue, you can't see.
And at the time the Davids of the world were like shepherds and they had these slings,

which is basically like they had a rifle.
So basically this like lead BB that this guy had is already deadly and he hit like a big guy who was stupid and blind.
So it's really not that like impressive.
Yeah.
David's a bully.
Yeah.
All right.
So let me give you, let me give you an idea.
Okay.
So I need a name for this.
Don't have a name.
It's a working title here, but I think that isn't it crazy that basically so we're, we both invest in startups now.
And I had this real, one of, one of the startups that I invested in is just doing absolutely amazing.
And I'm like, wow, that thing is going to make like our little investment, we put 75 K in.
I was like, I think it's currently probably at like four or $5 million of value at 75 K check.
And we're not like, like it can still run.
Like that thing can still double twice.
You know, you're not doing anything.
I'm not doing anything.
And I was like, and also, so that's kind of a just amazing.
And I'm like, oh, I'm excited.
Like the fund is going to have like, like the first really, really big winner because we're only two, we're two years in.
And so it's hard to know what's your, what are going to be your big winners.
But I think that one's going to be one of the really big winners now.
It's, it's looking like very, very promising.
But the second part is I would have never guessed that that would be the one.
Basically I looked back at literally that, that, that batch of that quarter I did 10 deals.
And of those 10, I would have said, like, oh, this is probably like, you know, somewhere in the middle.
I would not have guessed it's like the one.
That's the big winner.
And I thought, wow, that's crazy.
And I was like, you know, it's pretty unfair that employees at tech companies don't have this sort of portfolio approach.
And it got me thinking, we talked about Sarah's list and how, you know, if you could pick one of these companies that's going to four or five X over your four year period there,

you know, you can become a, you know, a self made millionaire without taking huge entrepreneurial risks, but you got to pick right.
And so that got me thinking like, why do you have to pick right?
And so I got two startup related community ideas for you.
The first is, by the way, the way that you're setting this up, it's like, you know, doesn't it suck that when you eat 4,000 calories a day, you get fat?
Why does it have to be that way?
It doesn't.
Like, what if ice cream had just had a bad rap?
Yeah.
I told you that if you exhale while eating, it has no effect at all.
Yeah, it's like, yeah, okay.
All right, so my idea is basically this, you take a job at a tech company, you get your portfolio of stock options, or so you get your stock options, you can then click a button and you can, you can pool it, and you could pool it with other companies that are equally risk weighted.
So we basically create like a, like a, like a credit rating agency where we kind of rate stock options and we're like, all right, cool, like you're getting it at this price at this valuation.
Good.
We know that.
So basically, like there's a community like desirability to these options.
Like maybe everybody in the community really wants Stripe options because they're like, wow, Stripe is great, but I'm not working at Stripe right now.
I'm working at the smaller startup that I think has high upside, but like I consider Stripe options to be AAA stock options.
So you kind of get a valuation and then a trust of that valuation, but you basically put your, you put your stock in and you end up with, let's call it 40% your stock and 60% becomes a blend of other stocks that you get to either pick or index into out of the startup community.
And so as a, as an engineer or as a designer or whoever you are, you get de-risked a little bit out of just your one thing.
Cause maybe you got a crazy CEO, you got Adam Newman.
You thought we work was a good idea.
Now three years later, your stock options are worthless.
They're underwater and like, you know, that, okay, cool.
That's just how the game works, but does it have to be that way is my question.
And so Sam, I have two questions for you, how good of an idea on this on a scale of one to incredible.
And secondly, we need a name for this idea.
All right.
A quick message from our sponsor.
You know, I was thinking about the shortest day of the year earlier.

And while we technically have the same amount of time as every other day of the year, the lack of daylight makes it feel so much shorter, which is exactly the same kind of feeling as working with disconnected tools.
Our work days, the same length as always.
But before you know it, we spent three hours just fixing something that was supposed to be automated.
Thankfully, HubSpot's all-in-one CRM platform can serve as a single source of truth for managing your customer relationships across marketing, sales, service operations with multiple hubs and over a thousand integrations and an easy to use interface HubSpot lets you spend less time managing your software and more time connecting with your customers.
Learn how HubSpot can help you grow your business at HubSpot.com.
We already know I'm not funny on the spot.
So the name thing, I'm going to, I'm going to, I'm already going to, yeah, it's already a swing and a miss.
I mean, I called the company The Hustle, like everybody would get a name, not on the spot.
So, I mean, this podcast is called My First Million, like we're not, we're not exactly good at this.
I told Sarah I want to name my, our kid Buck and she, she wouldn't feel in it.
Dude, that's so funny.
I had told my wife, I had been saying this since college, I wanted to name my kid Jumper.
And then even I was like, that's a horrible name, but at some point I was committed because I had told like 12 people that I was doing this and those are like my 12 friends and it made no sense.
But I like had to stick with it till my wife was like, what are you, what are you saying?
This is not even close to what's going to happen.
Yeah.
I've suggested Biff and Buff and she's not into it.
These are like, you know, in Batman comics where they like punch and it's like, pow, like Biff, fuck, it's like a sound effect of a cartoon punch.
I have a feel like that first name Chuck middle name steak is not going to pass either, but TBD.
So I'm not good at naming anything.
But yeah, I mean, if you could pull this off, dude, one thing that I learned when I was running my company was I thought like, Oh, it's a privately held business.
I can do whatever I want with the shares.
Like I can just, you get a share, you get a share, I can give this to you.
I didn't realize that it's like, it's not, I guess it's, I don't know if it would technically be considered regulated, but there's like rules, right?
Like you can't, for example, if I give, if I sell you a share for a dollar, I can't then six months later, and I'm like summarizing this, which means I'm probably a little bit off.
I can't then go and give like another employee that same share for 50 cents.
You know, that's, I guess, I don't know if that'd be considered illegal or just against

like certain rules that were, you can get in trouble, but it's like, you can't do whatever you want.
So yeah, if you could, but if you could figure out how to like operationally pull this off, I think it's badass.
Well, there are like secondary markets where you actually sell them, but I think this would have to be some, you'd have to create some, some, you know, financial contract, some, some derivative product that basically says, I pledge or assign my shares to this portfolio, basically.
And then in exchange, I receive shares of the portfolio and there has to be some sort of like consequence for trying to like, you know, renege or whatever, let's say your startup hits it huge, you're like, oh, I don't want to do that.
So I don't know, I'm going to wave my hands in the air right now that what I'm doing right now is legal financial magic, like, all right, it's done.
That's done now.
And now we just need to like, you know, start the company and have it take off.
Yeah.
I mean, by the way, that's how I actually run my businesses.
I'll go talk to the lawyer or the account and I'll be like, I don't know.
We don't have the, we don't, we don't know what the contract says, like, you know, you got it.
You got this.
So I'm just giving them good vibes and I'm like, Hey, I already agreed to this deal.
You got to figure out how that works, like what, why don't you just talk to me first?
There's like this leadership principle that you're supposed to like, give people autonomy and like, let them figure out and empower them.
And I always see you, I'm like, you're empowered, dude.
I'm empowering you to figure this out.
You're welcome.
Yeah.
Autonomy I'm giving you.
Your ashes got empowered, my friend.
Congratulations.
Yeah, you're welcome.
Thank you.
This makes you happier.
Yeah.
I mean, if you could figure that out, I just empowered your ass and I just empowered your ass.
Yeah, you like that.
Like on that Harvard, speaking of like investing, I was reading about the Figma thing.
So Figma is like the design thing that just sold for 20 billion.
So have you heard of O'Reilly media?
Yeah.

They published like books and the conference, right?
Like, yeah.
But basically, what's the guy's name?
He started, I had dinner with him one time.
What's his first name?
Tim O'Reilly.
So he's like, they call him like, he had this title, like the Oracle of Silicon Valley because he's been in the game since like the 70s and 80s and originally started writing books on programming and his mission statement for his company was actually really cool.
It was like, work on interesting stuff with interesting people.
And he's like, we'll try books for a little while.
And then he's like, oh, we'll just, let's just stick with books.
That's fine.
But like, he didn't actually necessarily care about books.
He just wanted to like fund his ability to work on cool stuff.
Anyway, they're famous for writing these books.
Now they make like two or $300 million a year with a combination of books, conferences, and like you can pay like 50 bucks a month and like get access to like a bunch of their like technical content.
So it's content for engineers and shit like that.
Anyway, they started a little fun using the profits of their business and the profits of their business where it was big, but their fund wasn't necessarily big compared to like a full-time, you know, proper fund fund.
And I was looking at some of the stuff that they did and they were in Figma's seed round and I was doing some math and this doesn't account for dilution and if they sold early.
So these numbers actually could potentially be off by a lot.
But assuming that isn't the case, if they, if I don't know what Figma seed round was, but I think they raised $3 million.
So if you assume that it was around a $15 million cap, it sold for 20 billion.
That means it went up by around 1300 times.
So a $250,000 check is something like $300 million.
And it's crazy that this is one of those examples where the main thing didn't even make the main money.
You know what I mean?
Like the, or sorry, the main, the not main thing made more than the main thing.
Dude, I mean, there's so many examples of that that actually leads me to another topic I had.
Like the, remember that when we did camp MFM, we stayed in a house and I don't know if you saw it, but did you see on the stairway up to the guest bedroom, those plaques on the wall?
Did you walk to that staircase, like the back staircase by any chance?
Yeah.
I thought they were just like kids trophies.

Like that's one.
I didn't even look at them.
No, they were adult trophies, basically what those were.
So the guy whose house we were staying in, he's a venture capitalist.
Oh, he's a venture capitalist who lives in North Carolina and that on that stairway up,
I was walking up there and I was like, wait, beyond meat.
And it's basically what he was framing was a share certificate.
It's like this guy, you know, whatever his name was owns, you know, 45,000 shares priced at.01, you know, a dollar, like basically one cent a share.
And then it's like, beyond meat going public at $11 a share.
And I was like, wait, I was just like, literally took out the calculator app.
You know, it doesn't go up to a billion or whatever.
I was like, oh, my God.
Unless you turn it.
You got to turn the phone.
Oh, really?
If you turn the phone, it gets, yeah, that's a fun little fact.
Game changer.
I've been just like, you know, same, I'm like, what is a bunch of times, 10 mean?
Exactly.
That's fine.
That's my goal, not to be a billionaire to get an E in my network.
Yeah.
But the guy basically had like 20 of these on his wall and they were just like, yeah, issued shares at 22 cents a share, now going public at $22 a share.
And I'm like, wow, that's like, yeah, these are crazy run-ups.
And it's like, okay, you own 10,000 shares, 20,000 shares, 5,000 shares, 50,000 shares.
You just do the math.
You're like, this is a staggering amount of money that's being generated by this.
It is really mind boggling when you get these investments, right?
And it is also really funny how some of the really successful people made their wealth not out of the main thing that they did, but in a way out of the main thing that Tim Ferriss is another example.
Somebody was asking me the other day, they go, how much do you think Tim Ferriss makes a year?
And I said, I don't know.
I don't think he maximizes like what he can do.
Like he doesn't sell out, you know, fully like he just probably five to 10 million bucks.
Yeah.
I said, that's exactly.
I said five to five to $8 million a year, probably of just like cashflow at this point from, you know, podcasts, sponsorships, newsletter, whatever, but bookroll to something like that.

So maybe $5 million a year, I said, they're like, oh, okay, that's really good.
But, you know, I guess that's not that big.
I go, yeah, but like he also, because he was Tim Ferriss got to invest in Shopify and Uber and like probably made hundreds of millions of dollars off of his Uber investment.
Yeah.
$100 million is my guess.
I would bet that his net worth is north of 150, maybe north of 200 liquid.
Yeah.
Which is, I mean, insane.
And obviously like what that means is that 90 plus percent of it probably has come from not his, if you describe yourself, you might say, I'm an author, I'm a self-experimenter, I'm a podcaster, but then all the money came from like, you know, for angel investments or whatever.
And that's like really, really impressive, but also more common than you'd think.
Do you know other people who had this?
Otherwise I have an example that I want to go into anyways.
Yeah.
Just like a few famous people, just like you see like, like Nas, the rapper, like on all these cap tables, like, yeah, you know, the guy who started Figma in one of the articles, it said that he had made $10 million because he owned the most expensive crypto, one of those like big ones, and he bought it for nothing and he sold it and he had 10 million before he even sold Figma.
But what are the other ones?
Well, I wanted to do, I was thinking about, okay, who do I do as Billy of the Week?
And so my Billy of the Week that I came up with was Roger Federer, the tennis player.
A million dollars isn't cool.
You know what's cool?
A billion dollars.
So the U.S. Open was on, got me thinking about tennis and I saw that Roger Federer was one of, he's part of the Billy Athlete Club.
Roger Federer is?
So there's like, I think five athletes who have made a billion dollars, Tiger Woods, Floyd Mayweather, LeBron James, Ronaldo, and I think Michael Jordan may be messy.
So that might be six.
I think it's five.
And now Federer is in that club.
So did you give him like a $300 million bump though because he married Brooklyn Decker?
No.
That's not even included.
That's, that's just bonus points.
So how does this work?
So he has the same thing where, okay, he's had a great career, right?
Considered, I think the GOAT in terms of tennis tennis players.

So he's the greatest tennis player of all time, but less than basically 90% of his money came not from winning tennis tournaments.
So he's made 130-ish million dollars from official prize money from tournaments.
He's got 20 grand slam wins, but most of the money he makes is off the court.
So just for example, like last.
Is he retired?
Yeah.
So Roger Federer, who just announced literally yesterday that he's retiring.
In his last year, he made like, I don't know, 300,000 of prize money, but 90 million from sponsorships off, off the court, off the court, which is kind of insane.
But his story is kind of cool.
And when I was studying these different athletes, I'm actually going to do a whole episode that's just a deep dive on each of these athletes, the moves that they made that made this happen.
So one of Federer's big moves was that early on, he was not getting paid jack shit.
Even when he was the best player, they, you know, they would pay like Andy Roddick more because they're like, oh, Andy Roddick, he's American, America's a bigger market.
Federer's Swiss, the Swiss market, you know, that's the tiny population.
He's kind of this like clean cut sort of boring guy.
He doesn't have this big personality.
And even though he's really good, he's not as marketable.
He's not a sellable.
And this is what they used to tell him.
So he was getting like very small.
Like Nike was paying Andy Roddick more than they were paying Roger Federer, even though by the way, that's number one.
That's the guy who married Brooklyn Decker.
Oh yeah.
Andy Roddick.
Damn.
That's that one.
So anyway, he's making like very little money from Nike.
Then he carries on and he goes and he gets to a $10 million a year deal with Nike.
And it's sort of like, well, you made it, you know, you should be happy.
You got this $10 million a year deal, you know, you're set, you're your family set, whatever.
But he made two decisions, which are really one decision led to two things that made him an extra $600 million.
And here's what those two were.
So the first is his contract with Nike is coming up and the expectation is that he's going to just renew with Nike and he goes to Nike says, Hey, this is now or then this back then.
He's like, I'm one of the best tennis players in the world.
What can you do for me?
And they're like, Raj, we put so much marketing behind you.

You know, the reality is you can't compare yourself to basketball players or to soccer players like, you know, tennis is just a different thing.
Here's the best we could do.
We gave him a deal and the deal was basically like every year that you're playing, you get X amount of money.
And he's and you know, something similar to what he was making right then.
But he started, he decides, you know what?
I'm going to pause here.
I'm not just going to take this deal.
I'm going to go shop around a little bit more and see what I can do.
And then Uniqlo comes at him with this crazy offer.
And so Uniqlo, who's not even in the like sports apparel game really, but they kind of had this like tennis vibe, they're trying to come, they're trying to come to the West.
And so Uniqlo comes out and they offer him a 10 year deal worth $300 million that pays him even when he retires.
He signs this deal knowing that he will retire during this deal and he's going to get paid $30 million a year doing this.
He goes back to Nike.
He tells Nike, Hey guys, I got this offer.
Can you also give me an offer like this?
It doesn't even have to be as much.
And they're like, no, we'll throw in this like, you know, here's that extra free t-shirt.
But you know, no, you're not getting a new deal.
So he's like, all right, he leaves, but there's one key thing that he kind of knew here, which was that Uniqlo doesn't make shoes.
And so he signs the Uniqlo deal, he starts wearing Uniqlo, but he's still wearing Nike shoes and they ask him at the press conference, like, Roger, I noticed you're still wearing your Nike.
He's like, are you allowed to do it?
He's like, Oh yeah, I don't have a deal with them.
I'm shopping around.
Let's see what's out there for me.
You know, it's exciting.
I want to see what's out there.
And so for three years, he keeps wearing Nike's essentially for free because he's just playing and then he doesn't have a shoe deal.
And then finally he gets, he does a shoe deal with the brand called on running, which I'm guessing you know about on the running brand.
They're another Swiss company.
Yeah.
They've kind of taken the world by storm and you know, what's funny is they were one of our advertisers when we first started and they started spending a little bit of money and their spend kept going up each year.

And I was like, you guys are killing it, aren't you?
And they are.
I think they make like over a billion in revenue now, or maybe they even sold.
Did they sell?
No, they went public.
So, so they went public at peak, it was like $11 billion valuation.
Now with the market correction is back closer to $6 billion, but at the, you know, at its peak, so Roger owned 3% of the brand in exchange for, he did an equity deal.
So he said, all right, I get it.
You guys don't have the same cash that these guys can offer.
How about a piece of the company?
And so he owns 3% of the company at its peak, his stake is worth $300 million now.
So that's sort of like bet on yourself and then do an equity deal.
Don't trade dollars for time, you know, trade your brand for shares, trade it for equity and that becomes worth $300 million.
And then he says, all right, what else can I do?
So he then takes matters into his own hands.
He cuts ties with his current representation company, starts his own player management firm to represent him and other players.
Then he starts creating his own tournament.
So he's got his own like, you know, cup that's basically like, you know, the equivalent of the Ryder Cup in golf where it's like Europe versus America.
So he wants to do the same thing.
And so now he's got his own competition thing.
And so he's built this whole empire made over a billion dollars total, most of it, 90% of it off the court.
And I think this is kind of amazing.
And if you look at it, there's a couple of like, like interesting things here.
So he goes up market.
So he goes basically like, how do I go premium?
So his sponsors are Mercedes Benz, Rolex, Lint chocolate.
He didn't do what Jordan did, which was Coca-Cola and McDonald's, right?
Because he's like, all right, where's my niche?
Where's my market?
How do I get paid?
Let me go to these like, you know, go to Rolex, basically.
The second thing that he did was he basically not only did he bet on himself, not only take matters into his own hands, he played a very patient game.
And so I think most people would have been during those three years where they don't have a shoe deal, they just be counting the dollars that they're missing out on.
I make five million or $10 million a year if I just signed this contract.
And this is a common trait.
This is great LeBron James story where LeBron is 18 years old.

He graduates from high school that same day.
You know, the day, the first day he's legally allowed to Nike shows up at Nike or Reebok.
I think Reebok shows up at his school or whatever they take him to a meeting.
He's like, I remember, dude.
This is like the longest table I've ever sat at, like the longest boardroom table.
He's sitting at one end.
I'm sitting at the other end.
And he's like, he slides a check over to me and I look at is more money than I've ever seen in my life.
And LeBron comes from like single mom.
She had him at 16, you know, couldn't pay electricity bills type of thing like came from like, he was dirt poor.
And they basically offered him a $10 million a year contract as an 18 year old kid.
He hasn't played a single game in the NBA yet.
He looks at it and they're like, you signed this now and you can become our signature athlete. We will put this money behind you.
It's the biggest deal we've ever offered to a kid out of high school.
You know, congratulations, son.
And he doesn't have him.
He doesn't have an agent.
He doesn't have anything at this point.
And he basically just says, appreciate the offer, man.
I appreciate it.
Thank you.
Let me get back to you.
They're like, get back to you.
This is $10 million a year.
What are you thinking?
And he's like, he tells a story later.
He's like, in my head, I'm thinking, man, this is more money that I've ever seen.
But if Reebok's offering me this much, I wonder what Nike will offer me.
I wonder what these other like, he's like, I must be worth something to these guys.
And he's like, I don't have to take this deal yet.
And just by being patient, he ended up with a much larger deal out of that, just for not like immediately grabbing the check.
So, you know what trait that's called?
It's called, there's this awesome book by this woman named Angela Duckworth called grit.
Have you ever heard of that book, grit?
I've seen like Silicon Valley people talk about it.
I've never read it.
Yeah.
Well, it's like centered around this story.

It's like a study where they give a whole bunch of kids, they sit them down at a table and they go, Hey, look, you can have one marshmallow now or in a couple hours, I'll give you two.
But I'm going to set this here.
I'm going to go out of the room for a little while and handle some stuff.
When I come back, I'll see if you decided to eat it or leave it there.
And that will kind of tell me what decision you made sound good.
And they leave and, you know, they just see who does what.
And they measure these kids for like 30 and 50 years, like for years and years.
And what they found is there's a correlation between traditional financial success.
You know, like our traditional word of success, there was a correlation between how successful they were and the children that chose to not eat that one in exchange for getting two in the future.
And the ones who put it off, you know, in eight, two, they were more successful.
And what you've explained to me is like the perfect, like real world, but rare example of grit, where it's like, no, I'm willing to like not do this thing now in exchange for a better alternative and potentially in the future.
And that's delayed gratification.
Yes.
Delayed gratification.
And that's like the best way to describe that.
I'm a marshmallow eater, dude.
Like I would have been that first.
You know, I would have had it in my mouth while they're explaining the instructions.
What?
There's another one coming.
I always got like frustrated when I talked about like, you know, I told you this when they talked about Warren Buffett and Jeff Bezos talking about patience and having fun.
I'm like, dog, you're way too old.
Go have fun now.
Like there is no, there is no long, there is no long term, man.
You're looking at Jeff Bezos now.
He's like, you know, he's rushing, you know, straight up over there.
He's turning into a frat boy.
He's like, he wants to be single, do roids, you know, drink beers on a boat.
It's like, all right, that's cool.
But like, not as cool when you're, how old is Jeff Bezos?
Not as cool when you're 57 as it was when you were, you know.
I don't know, man.
It looks like it works.
It looks like it looks like it's working for him.
Let me tell you about this thing I read right before we started.
So basically today, I think today, they're going to announce the feds, what their rate raise is going to be.

Yeah.
We're going to, we're going to learn how much money we've lost today.
Great.
But I don't know anything about that type of stuff, so I'm not going to pretend I do.
But I read this interesting article and it was about JP Morgan, you know, JP Morgan's is like, you know, amazing bank that's supposed to know what they're talking about.
And I was reading about what their predictions were and they had this like day of scenario where they're like, here's like the three options or here's the three possible outcomes and, you know, they raised the rate by this much, this much and this much.
And here's our prediction on what's going to happen.
And they weren't like being funny.
They weren't obviously they weren't being funny.
They weren't trying to be like silly or anything, but I'm going to tell you the, the, the range of the three options.
So option one was, well, I'll just say like, so what's going to happen is if they raise it by 0.75, sorry, if it's a full percent for full percentage point raise, we're going to have a 5% drop in the market.
Or if it's a 0.75% raise, we're going to have one of the best days on record for the S and P 500.
So that's basically this like the most like one of the most prestigious banks on earth with thousands of people studying this, they say it's either going to be the best day ever or a 5% drop, which is not quite the worst day ever, but it's a really bad day.
And it just goes to prove that even the quote experts, they don't know shit.
We're all just floating on this rock, trying to figure it out, but I saw this and I was like, wait, are you kidding me?
Is this a serious, is this a serious prediction?
It's going to be one of the best days ever or one of the worst days ever or something in between.
That's basically what the prediction is.
It reminds me of those people where you're like, all right, so, you know, what do you think of the chances that happens?
It's like, it's a 50-50, man.
It's either going to happen or it's not going to happen.
It's like, no, just because there's only two options doesn't make it a 50-50.
It's either going to be or it's not going to be.
It's not 50-50.
And then like, tomorrow, the statement analyst is going to be like, well, you know, I saw that going one of two ways, but I did not expect it going that other way.
It's like they released like an 82-page report and it just is like, I don't know, man.
At the end.
Yeah.
It just trails off.
Both of the hell knows though, really.

It's just like, NM, not much you.
That's just what the whole report should be because that's basically what they just said.
Like, what's your opinion?
Not much you.
I thought that was ridiculous.
So I was reading about all these head trends and I'm like, oh, these guys are smart, but it turns out like when I was reading about these hedge funds, these guys are smart, but they're like kind of lucky.
Like they like just make a bunch of their hedged funds.
Did this guy, this is a hedged opinion, by the way, hedged opinion I've ever seen in my life.
It's like one time I was playing roulette and I was so down on my luck at the casino.
By the time I get to the roulette table, that means I have like, I got bored of poker, and I lost money in five minutes playing blackjack, and then I had like an absolute roller coaster at the craps table.
And now roulette is my like, come down, my gambling addicts out there will know what I'm talking about.
And then at some point, I'm like, just betting wrong every time.
Like, what are the odds of me being wrong on red or black 12 times in a row?
And then I'm just betting both red and black just to feel a little bit of a win.
And it's like, you know, just hoping a green doesn't show up.
But basically like, there's a tweet that I saw that goes, yeah, I never realized my whole net worth was dependent on an interest rate.
Like, this year, did you know what the FOMC committee was?
No, did you know that like your entire net worth was dependent on 0.75 or 1% interest rate hikes?
Like, where the fuck did this come from?
And why did it turn out that they could just no, I just ragged all my net worth.
I remember people talking about the Fed and I was like, I don't know what the Fed is.
It's like, it's like,
I don't know what the FBI, to be honest with you, I watched a lot of like Breaking Bad and Narcos.
I had no idea.
Like, you know, like people say like, well, you know, scientists say, or, you know, they say this, that's who I thought the feds was, it was just they, you know, there's he, him, her, now there's they, you know, I just thought it was the, the official pronouns are they and fed.
Yeah.
Dude, I saw a guy on Twitter and he put, for his pronouns, he put, we dash, damn dash boys.
Dude, that is the best one.
It's the best one.
It's like a Jack Jack.

Jack, rain.
Rain.
We didn't boys that was too funny.
Good.
Yeah.
That one always make me laugh.
All right.
I have something interesting.
So in I found this video on, on YouTube, if you Google on YouTube, like Figma seed pitch.
So I watched that this morning, dude.
Awesome.
Let's talk about it because basically the story is I believe it was in this video was filmed, I think in 2013 and this guy, I don't know.
Like, I think it's a new, I think it's a new video.
Is it?
Wait, was that because he's, he's talking about, he looks young, he looks real young.
Okay.
Yeah.
I'm really looking up what you do, but, but explain what it is because it's all the video, the video was posted in 2020, but the way looking at it, he looks pretty young, maybe not 2013 young, but he looks young.
But regardless, he's going through his pitch.
And even if it's a recent pitch from three years ago, he looks like 18 years old.
And basically so Figma recap sold this week on Monday or Friday or something like that for $20 billion, one of the biggest exits ever for a venture backed startup.
And the guy who ran it started the business when he was 19.
And there's this video on YouTube of him pitching this guy named Daniel Gross, who was actually on our pod early on, who had a fund.
And I had a few takeaways from this pitch.
And so it's like a 20 or 18 minute or 10 minute video of him pitching my five takeaways were a, he's a kid.
And if even the video is like new, he looks like, he looks like he's 18, but, and he looks so young and he talks kind of young, but he's really wise.
Like you could, you hear him speaking and you're like, it's very impressive hearing him talk.
The second is that the pitch was basically videos of the product.
It was a prototype, like a demo of the prototype, not as much of a deck.
And oftentimes throughout the pitch, it was pretty fun.
And he like used the product to Photoshop the guy he was pitching Daniel.
He photoshopped his face and made it, he made him look like another person.
And Daniel, the guy being pitch was like, Oh my God, this is hilarious.
This is awesome.
And Dylan, the guy pitching was just like having fun and showing him the product.
And that was so much better than just showing a deck.

And the last two things were tech skills.
So the guy is like clearly technical.
And we often talk about how like it doesn't, you don't need this stuff.
And technically you don't need it, but God damn it helps this guy.
Clearly like they built something that like was actually working and that is such an advantage.
I do think you need to learn that.
And the last thing is that it's an MVP.
It does not look good at all.
It's pretty ugly and it's and it's mildly effective, but it's effective enough
that you can see the future.
Yeah, exactly.
I watched this thing so you could find it if you go to YouTube.
It says it's his name.
Dylan Field pitches seed stage figment to Daniel Gross.
That's the name of the YouTube video.
It's got 30,000 views now.
Yeah.
Like I bet you probably all of us in the last two days.
Yeah, yeah, yeah.
So he's pitching and my observations are very much like yours.
First of all, it doesn't doesn't feel like a pitch because most pitches are like,
hey, here's our company.
We're going after this really big market.
Did you know we have a tam of, you know, three trillion dollars a year
are spent spent on health care and you're like, oh, wow.
OK, three trillion dollars.
That's cool.
So what are you doing?
And they're like, you know, we like we sell weed.
Yeah, like we help you.
We help you do squats with using your phone camera like with better form.
And it's like, I don't think that's the three trillion dollars of health care spent.
But OK, yeah, like I'm not sure what the relevance and they always have like a
stupid quadrant thing with them on the top right.
Right. Everybody else, you know, the the Y axis is if you're, you know,
stupid or smart and then this one is if you're hardworking or or lazy.
Like it's like I was lazy and dumb and we're hardworking and smart.
And this 20 billion dollar company.
Are you sure you're better than them?
I think they're like, you know, poor product.
It's like, I don't know about that.
You're a poor product.
It makes me mad.

I see that.
That's what I get very irritated with.
What they should do is put themselves in the bottom left and be like,
but one day we can move we were here six weeks ago when we met.
And then now we've moved up and like just imagine the trajectory.
And like, that's actually the reality.
That's actually what's happening.
We've already moved an inch on this screen.
Imagine if you have us five years.
It's not to scale, but.
So so he's doing this pitch and basically the first slide is a picture
of him on a boat.
He's like, here's me on a boat.
And I used to work at Flipboard.
He goes, I worked at Flipboard twice.
And then he goes, this is my co-founder.
He was my friend at school.
We dropped out.
OK. He goes, then he shows this video.
This talk, he goes, I was really inspired by this talk by Brett Victor
inventing on principle.
By the way, this same talk, I think is the one that the Webflow guy said was
like his inspiration for building Webflow was the same grainy ass video
of this guy explaining, you know, like how to build like a like a real product.
Well, I think that I think the takeaway from the talk is or he says
something to talk about how it's morally right to help people to create
or something like that, where he's like your goal as a business builder
is just help people create or something like that.
And so the Webflow guy, like the demo he's doing in this is like the
difference between like, imagine you have to you have to choose a bunch of
options from a menu or write a bunch of code and then push run and see how it
happens versus just you see the thing and you could just edit it live like a
drag and drop like it is.
So what you see is what you get editor and how much more creative you can be
when you're doing it.
The what you see is what you get version because you're just shuffling
things around in real time.
And I think everybody's kind of experienced this in general.
So anyways, he gives us talking, he gives a bunch of demos and all the
demos are like kind of it's like, oh, look, I, you know, I made this like
airplane, look at the lens of the background.
And then like, oh, I did this thing.
Like I merged these two people's faces together as like, you don't look at

this and you don't think 20 billion dollar company someday.
Like it's not like you'd have to have a lot of foresight.
Really what you see when you see this is like the only two indicators that
this would be successful is this guy seems really smart and really like
is a creative builder.
So like I bet on him and to be successful in life for sure.
And then the second thing was, and this is I think the underrated part of
what people are talking about, which is that there was a technology change.
There was an inflection in technology, which was WebGL had come out.
And I remember when WebGL first came out, there were a bunch of these demos.
I don't even know what that is.
You had to tell me.
Yeah, but I'm not technically enough to explain it.
But basically what it made, what it did was it let you do cool graphics
stuff in the browser that you weren't going to be able to do unless you
otherwise normally like normally a browser was weak.
And if you wanted to like play a game with cool graphics, you needed to
like download the game.
You need to have the application of the game to run on your computer's hardware
because doing it in the browser was going to be too laggy, too slow, too, whatever.
And WebGL was this like web framework that let people build things that were like,
they were like cool, graphic-y stuff, 3D stuff, like, you know, real time stuff in the browser.
So that's why when Figma, you would see people, if I'm working on the document
with you, I'd see your mouse moving around in real time.
And that was like a magic trick.
You had never seen that before.
And at the time, I remember with like, we were building stuff and when WebGL came out,
all of our developers really intrigued by it.
There was like cool stuff you could do in WebGL that you weren't other, like, wasn't possible before.
And then the question was, now, what's the application?
And then where he landed was like, I think we can recreate the whole creative, Adobe
creative suite in the browser.
And here's how we're going to do it.
And like, that actually made a lot of sense.
He didn't actually pitch it that well.
He like mentioned those things during the thing, but like, you'd have to like ignore
ignore 80% of what he said and just be like, oh, that's just fun experimentation.
This guy's smart.
WebGL is a game changing technology.
And this idea of recreating the Adobe suite in a browser, making it free for everybody,
that's a great idea.
And so like, you had to sort of see the great pitch through the forest here.
So remember how I told you about this guy named Brett Adcock, who's like this billionaire guy

who created a bunch of different companies, including basically a flying car business.
Remember that guy?
So he tweeted out the other day, like, here's what I've learned about entrepreneurship.
And one of the five things that he said was pick really, really big ideas because then you could attract more investors and it's easier to like get employees and all that and all that type of thing.
It's like that make no small plans thing.
And that thing has always made me self-conscious because like every plan I make is like pretty small.
Like, like, you know, I won't want marshmallow right now.
Not too later.
You know what I mean?
I only make small plans compared to like that plan.
And it's kind of cool that like this Figma thing, it doesn't seem that grand.
It was, but it doesn't seem that way early on.
And that like makes me feel better about my deficiencies.
So thank you, Dylan.
You know what I mean when people say like grand ideas and I'm like, yeah, but like writing a newsletter is kind of fun.
Right.
You know what I'm saying?
Like, I don't know how to make robots.
Yeah.
But I do dream about that sometimes.
I'm like, okay, me too.
And an alternate life.
What am I doing right now?
And I'm like, why am I not, you know, changing whatever, you know, building the next big thing, you know, the next Pixar or making a flying, you know, car or whatever.
And it's like, I could do it.
I could.
I know that I could do it.
And I do think about doing it.
And maybe I will end up doing it.
But, but it is for some reason for me, I sort of am like, I don't know.
There's a how hard do I want to work question.
Right.
Like, you know, if I made my quadrants, I'm putting myself in the lazy quadrant where I'm like, I don't need to do the hardest thing to impress myself.
So I'm trying to figure out the things that I can do that impress myself that are also like not going to ruin my life, my lifestyle.

And what I mean by that is just like, I like being home with my kids.
I like that I don't have to like freak out.
I don't like that I don't have like an office of 100 employees that are like,
we're hard charging and we're about to die at all times.
Like, I kind of like that I don't do that.
So I just need to find a way to impress myself that fits in my framework.
Dude, speaking of, I think I've just invented something.
I've been doing this for the past few weeks.
I call it like fitness dip.
So you know how like, you know, people dip like tobacco.
They put like stuff in their lip.
Yeah, okay.
You know, like chewing tobacco, you put it in your lip.
Heard of it, but you're the only guy who does it.
Yeah, just like a fat lip.
Lately what I've been doing is just putting, have you seen PB fit?
It's like powdered peanut butter.
Yeah, that's that's great.
I love that.
Dude, I just get a like a tablespoon of it and I just stick it on the roof of my
mouth and I'll just suck on it for like an hour and I just, it's my fitness dip
and it just keeps me like.
It's like a pacifier for you.
Yeah, it keeps you, it's like chewing gum almost.
Like, you know, you can't eat anything because you got that in the roof of your
mouth and you're just sucking on it real slowly.
That's my new fitness dip.
All right.
So how do you get an idea like this?
Like, I'm not saying it's, I'm not saying it's probably doesn't taste good
or might be therapeutic or whatever, but why are you like, you know what?
Something need to, I need something on the top of my mouth.
What can I do?
What can I do?
What can I do?
PB fit powder.
All right.
I'm going to like, I've never even wanted to put anything at the top of my mouth.
Nor have I just taken foods and be like, what if I stuck this here for an hour?
Would that be better than just eating it?
Because I go to the store and I just like, look at all the products.
I look at that new stuff and it says to add water and I'm like, what if I don't?
What if I just eat this as plain powder?

A rebel without a cause over here.
I don't know.
I just tried it.
It was interesting to me.
Just add water.
Don't tell me what to do.
It works.
It's works.
You should try it.
I definitely will not.
But what about Roger Federer?
Like, who's doing his shit?
I was going to ask you that.
Like, who's doing his stuff?
We had Mark Laury in the podcast and I talked to a bunch of people who worked with him and they're like, yeah, he's really good at raising money and then he hires people.
And then he just kind of like, they didn't, it's exaggerating to say he chills.
That's not true.
But like, they kind of like said, like, well, he wasn't doing the hard work.
He did a lot of the work early on, but he kind of like got all the leverage by getting the money and having the idea and starting it.
And then like everyone else, he did a really good job of hiring them and letting do their thing.
But same with Roger Federer.
He ain't the one running that, running out a lot of that stuff.
I wonder how he partners with people.
Yeah.
Well, the other one that I was looking at was Floyd Mayweather.
And Floyd Mayweather has kind of an amazing bet on himself story like this, too.
Like, you probably know it, but I don't know if most people know.
So boxers in general, UFC fighters make basically nothing.
And with like, you know, one or two exceptions.
And then boxers kind of make more boxers can make, you know, 10 million, 20 million in a fight.
And they can do that once or twice a year.
That's great.
That seemed like the top.
And what Floyd Mayweather did was he was like, who the hell is making all this money?
Because I see that crowd is full of people and the pay-per-view number is huge.
But like, where does the money go?
And the reality was that the money would go to the promoters and it would go to
the cable companies, it would go to all these other people.
And so he decided to bet on himself.
So he buys out his contract.
He spent he takes $750,000 out of pocket and buys himself out of top rank,

which was the promoter that promoted Oscar de la Hoya and Manny Pacquiao, all these guys.
And he starts, you know, Mayweather promotions.
And now his business model is like basically it's it's vertical integration, right?
Like it's to use the business school term.
He's like, OK, I'm not just going to be the talent.
I'm also going to be the production for the show,
which means that I also collect the live gate revenue,
which means that I also have to pay the other fighter.
Like I have to I have to write the check.
I'm also going to own a piece of the pay-per-view.
I'm going to make it.
He's like, I'm going to make money on every hot dog sold in this venue.
I'm going to make money on the merch.
I'm going to make money everywhere.
And so because of that, now when he does a fight,
like his Manny Pacquiao fight, his Cotton McGregor fights,
he's pulling in somewhere between 250 and $400 million.
That's crazy.
himself on those fight per fight. So he, you know,
more than 10 X, more like 20 X what he could make by betting on himself
and building that brand.
And then then he created all the associated brands.
So then he basically created.
He's like, why am I these sponsors are paying me to wear their shit?
You know, why don't I just create, you know, the money team clothing line?
And I'm going to like own my own clothing line
rather than promoting these other clothing lines.
LeBron did the same thing.
He's like, why am I promoting McDonald's?
He bought equity and blaze pizza and is like, cool,
I'll just own a piece of this chain rather than just be a sponsored athlete.
And so there's, there's basically a bunch of people who do this model.
And then Floyd, you know, he did, he did a couple of things.
One was he went nuts on the self branding.
So he changed his brand from pretty boy Floyd to Floyd Money Mayweather.
And he knew that people were going to hate that.
He knew that people were going to hate it.
And he started doing hateable things that he would just post a photo of himself.
Like at a dinner table, but there's no food on the table.
It's just stacks of cash everywhere.
He's like, this is how I eat or whatever.
Or, you know, he would, you know,
just go throw like a, you know, a wad of cash at somebody

and just like make fun of them because they're poor.
And like they would pick up the dollars because they're like,
well, this is like 10 grand.
And so like he would do things that would get attention.
He would do things that bill his brand.
But in reality, he would look like this party,
like this party guy, own strip clubs, never smoke, never drink, you know,
like the guy trains at like three in the morning.
So, you know, he kind of built this brand.
Like he's this kind of like badass or whatever.
But in reality, he's like a extremely well conditioned athlete
that was like extremely disciplined
and never like ran into any of those problems.
But he hired Al Heyman, who Al had run.
You know who Al Heyman is?
He's like, he's like, we have to do a whole episode on this
because Al Heyman is really intriguing.
Al Heyman, if you Google his face,
there's like four pictures of him on the internet.
And he's one of these guys,
I think he's like famous for like you never meet him in person,
but he does everything on the phone.
And he's always in the background of the most powerful boxers
and fighters in the world.
And before that, you know what he was doing?
No.
He was doing the same thing in the music industry.
So he represented Janet Jackson, Whitney Houston,
helped build their brands and their whole business empires.
Then he taught Floyd how musicians make their money.
And he's like, oh, I need to do that.
Basically, my fight is me on tour.
I need to own the tour.
And so I need to own the shows.
I need to make the money from the tickets,
not just be the fighter who goes on the stage.
And so Al became his business guy on that side.
And then he has Leonard Ellerby, who does it on the Mayweather promotion side.
And like the joke, of course, about Floyd is that he can't read.
And it's like, he's like, I can't read, but I know numbers.
And like, you know, he's like, you know, he's found a way
to make a ton of money.
He understood like the core fundamentals of business

and knew how to put people in place.
And so he generates a lot of money.
Now, some people think he's going broke because he spends so much.
I think he might be.
I totally believe that.
That's hard to say.
Dude, I totally believe that.
This podcast, we, we are the Internet Dork Renaissance.
We started with RSU's option shares.
Then we talked about the Fed and JP Morgan.
And then back to Mayweather and Al Heyman.
You can't get this anywhere else.
You just can't.
Where are you going to get all this?
Yeah, you know, we are the Chinese buffet of podcasts.
Yeah.
They say that like true wealth is created by being like an inch wide,
but like a mile deep, not here.
We are, we are, we are a rain puddle.
We are just going to cover everything just a little bit.
Well, you've built your whole life off being four inches long.
So it all worked out.
And you get comedy at the end of the show.
Average at best and lots of different.
If you're average at best and just about everything,
you're kind of above average.
So it works out well.
All right.
That's, that's the show.
I'm exhausted.
I got to take a nap after that.