

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

When I saw you went and did the watch site, a Hodenke,
I was like a blog for luxury watches.
What the hell is this guy thinking?
Did you just say that it went from like a million
or two in revenue and now it's same set
as over a hundred million?
Yeah, yeah, we're over a hundred million in revenue now.
Man, that is wild.
That's insane.
I feel like I can rule the world.
I know I could be what I want to.
I put my all in it like no days off.
On the road, let's travel, never looking back.
What's up?
All right.
In this episode, we are sitting down with Kevin Rose.
A lot of you know Kevin because he's an internet OG.
He created Digg back in the day.
He was a seed investor in Twitter
and a bunch of other cool companies.
He was been a he's been a VC, he's been a founder.
He launched a recently launched an NFT project
that's done hundreds of millions of dollars worth of entity sales.
And so Kevin's has been around for a while.
And the cool part of the interview, if you if you listen to it,
you're going to see very chill guy, very down to earth,
very humble, not a kind of like, oh, my God,
I'm going to go take over the world, you know,
bubbling over with ambition and a big chip on his shoulder.
Seemed like a happy dude who was enjoying himself
and had a ton of success in the process.
And I like that.
I like seeing people who play the game in different ways.
And he's definitely somebody who's interesting.
We talked about a bunch of his projects
that you may not know about.
So for example, is creating Watchville,
this niche project for watches that grew from one million
in revenue to now over a hundred million
after it got acquired and merged with Haudenki.
Then also we talked about how he hires writers.
We talked about, you know, how he got into Twitter
as an early investor and what does he do with his money?

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

So he's got a bunch of money.
How does he invest it?
Where does he put it?
And the answer is not what you may have expected.
The last thing we did at the end is we did the crypto debate.
So Sam is sort of a crypto skeptic.
Kevin is obviously a crypto believer
and one of the kind of most well-known guys
in the crypto scene.
And we had a little debate where we talked about,
is it all bullshit or are there some use cases?
So I hope you enjoy this episode with Kevin Rose.
I liked it.
I think you will too.
So Kevin, we're live.
We should give like a brief overview,
but like your resume, we don't really talk too much
about like resumes and stuff, but your resume is like crazy long.
So I've been following you forever.
So I've known about your work.
So you started Dig, which was, when did you start that in 2004?
2004, that's right.
Yeah.
And so you were, it was like one of the original like site,
like link aggregators and it was like a cultural phenomenon.
And that was crazy.
And you were like, was it Time Magazine
that you were on the cover of like Business Week?
Business Week.
It was like, here's this young kid taking over Silicon Valley.
What's the internet and who's this kid controlling it type of thing?
And like it had all this hype, but like Dig didn't turn out
maybe as wonderful as like we all thought
maybe it could have done.
But then you like had your finger on the pulse
of all these other things you've done at Dig.
You're done.
Is it, I read it all the time, but is it pronounced Haudenki?
Haudenki.
Yeah, Haudenki.
Yeah.
Haudenki, a watch blog that also like sells watches.
You are a partner at Google Ventures.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

You have this app called Zero Fasting that I use.
I love partner at True Ventures, which I still think you're at now.
You've got the Oak meditation app.
And then I have a feeling there's like five or 10 other things
that you just have brewing that like,
I don't even know like most people probably don't even know about.
But basically, my point is, is like, you're kind of an internet OG
and you are incredibly prolific.
I mean, does that kind of summarize it?
Yeah.
I mean, the most recent thing I started was Proof,
which is our venture into the world of NFTs.
And so that's the only thing I'm missing from from that.
And that that's about 10 months old now.
So all right, quick break to tell you about another podcast
that we're interested in right now.
HubSpot just launched a Shark Tank rewatch podcast
called Another Bite.
Every week, the host relived the latest and greatest pitches
from Shark Tank, from Squatty Potty to the 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.
So from the outside, if I look at this kind of like collection
of like the career path, it looks very random.
It's like, you know, from venture backed to angel vesting
to venture investing to kind of like niche communities,
you know, these like kind of apps that are like simple,
like meditation or fasting.
You did a podcast, you did a show,
you know, you've done a bunch of content,
you did a bunch of different things.
Was there a method to the madness?
Is this, do you just describe it as random?
Or is there kind of like some underlying theme
to this whole thing?

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

Yeah, there's, I would say that I've always been one, ever since I was a little kid to just tinker and just to play.

And if there's any method to the madness, it is this common thread of exploration and just wanting to, if I see something that doesn't exist, that should exist, I want to go build it.

And I've done that a handful of times, you know, probably at least 10 to 15 businesses of which, you know, 90% of them go to zero and then there's a few that pop and become, you know, pretty big.

So it's just this idea that I don't want to sit on the sidelines if there's something that's exciting that needs to be built, I'd rather just spin up a team and go after it.

Of all those projects, and I'm actually going to exclude proof from that because I want to talk all about that in a little while, but of all those projects that I mentioned, which one has been the most financially successful for you personally?

Mm, that's a good question.

Certainly I would say when I was in the middle of Web 2.0, which was the, when Dig was at its peak, which was about early 2006, you know, we hit around 38 million people a month using the site, it was, you know, of the Web 2 properties, it was one of the largest.

It led me to sitting down and, you know, dinners and conversations and hangouts with the Jack Dorsey's and Evan Williams and Zuckerberg's and all the household names that became these big products, and they were just friends.

And so because of that, it was more like, hey, well, you know, do you want to invest in my new thing? And so I would say the investment side has definitely been the best financial returns.

I did start a media company that, well, I would say there's two things that, well, three that are too unrealized and hodinky, which is going to be crazy.

It'll, you know, it's over 100 million revenue a year now, which is nuts.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

Whoa, really?

And then we have the stuff I'm doing at Proof right now, which has just been another crazy rocket ship.

But in terms of like true exits of businesses

that I've started, revision three,

where I was the co-founder as a media company

that became Discovery Channel's digital arm.

And we sold that for a \$35 million back in 2008

or something like that.

So that was probably the biggest company sale that I've had.

But, you know, they're much larger

on the more angel investment side.

And maybe that sale gave you the ammo to do angel investing

or would you have been able to do it without it?

A bit, but I was already starting

to do small investments prior to that.

So I didn't have any money.

I didn't come from money.

But when Dig really took off and we were a couple of years

in to Dig, investors, and this is a very common practice,

it doesn't get talked about a lot,

but investors come around and they're like,

hey, you know, you're doing this round of financing.

Can we take a little pressure off of you as an entrepreneur

and buy some of your stock personally, right?

And so I sold a little bit of my Dig stock

enough to give me the ammo to go and do small seed checks,

you know, and put, you know, 25K into, you know,

Twitter's seed round and put, you know, 25K

and or it was more into Facebook,

but they're a little bit later stage.

And so it was those little tiny checks that, you know,

when they turn into multi-billion dollar businesses,

were pretty meaningful.

How much does 25K into Twitter and Facebook early on actually turn into it?

Millions of dollars.

And Twitter's seed round, what was the valuation then?

Well, it was difficult

because they were a podcast company doing podcast software

and then they did a new round, they pivoted into Twitter.

And so, oh gosh, I'm drawing a blank

on the name of the podcast.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

Odeo.

Odeo, that's right, they were Odeo.

So, yeah, I didn't invest in Odeo,

they had become Twitter and I asked Ev

who I was the tightest with at the time

because I didn't really know Jack that well yet.

And I asked Ev, he was a CEO and I was like, you know, can I invest?

And there was no round available at that point.

But he's like, I got this engineer that Blake

that was leaving and had some stock

and was like, do you just want to buy some of the stock?

And I was like, yeah, that sounds great.

I think Gary Vaynerchuk said the same story

and he bought it from back after you.

Yeah, so here's the funny thing.

So I bought in from Blake

and then I told Gary that Blake was selling some

and then Twitter ended up actually,

they had a preemptive round come along

that really like five or 10 extra valuation.

And then Blake was like, oh, whoa, whoa, no,

there's the new valuation now

and he charged Gary the new price.

So Gary still pissed at me

because I got this like really cheap price

for Twitter stock, you know,

and then Gary had to pay the more expensive price

but that was a funny little stock.

What do you think Blake's saying right now?

I mean, Blake probably just lost.

He held on to like half or more.

And so, you know, he probably, I don't know,

if I had to guess, he made 50 plus, 75 plus million dollars

or something on it, I'm sure he's okay.

Did at the time, cause Twitter kind of had like a,

well, there's like audio kind of failing Twitter, who knows?

And then there was like this like small community

of people in Silicon Valley that were like using it back

when it was like texting your updates out.

Like when you were writing that check,

did you feel like this is the, you know,

the next big thing or was this kind of like,

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

I don't know, my friends are smart, let's see?
Or where was it in that spectrum?
No, I felt like it was the next big thing
because there was, I loved,
so as someone that was building a social graph of sorts
at dig, you know, there was always this idea prior
to Twitter that was bi-directional friendships.
So, you know, on MySpace and Friendster
and all the others that had come prior to Twitter,
you had to actually know the person to see their content.
So it was like, would you like to send a friend request?
Yes, do you accept this friend request?
Yes, right?
And it was like, same thing with Facebook.
And when Twitter came out with that model
of just this idea of following,
and it allowed like, there was no celebrities
on the platform, it was like me and Lila Port
and a couple others that were the top followed people
on the platform at the time.
But I thought to myself like, wow,
if this catches on with the celebrity crowd,
it's just gonna be insane.
It's gonna be, because everyone will just wanna see.
And also the barrier to entry, a lot of back then,
it was impossible to get, you know,
celebrities to sit down and kind of do technical things
because we didn't really have smartphones,
but the fact that you could text to that number,
that short code, just what you were up to,
anybody can do that.
It doesn't require any special software,
it doesn't require you sitting in front of a computer.
And so it was just so dead simple to use.
It felt as though as I saw the tech crowd,
you know, kind of catching on,
I knew eventually it would spill outside of that,
that small vertical of users into the mainstream.
And if that, when that would happen, that was the bet.
And when that would happen, if and when that would happen,
that would, it would blow up and it did.
So that was awesome.
I've also seen you did a video back in the day

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

when Square was like a prototype.
It was like a YouTube video.
I remember you were like, hey, yeah, check this out.
Like, you know, here's this little square
and you could plug it into your phone,
you could take credit card payments.
You're like, and it was not even released yet.
And you were like, you know, promoted,
I think you, did you invest in that too?
Cause that would have been like another mega winner.
Yeah, so that's a great story.
Cause I hit Jack up and I was like,
hey, I heard you're doing this new credit card thing.
I'd like to be an angel investor.
And he's like, oh dude, it's over subscribed.
I'm sorry.
Like we've closed the round, like blah, blah.
And I was like, damn it.
I'm like, well, let me see if I can help you in some way.
And so he gave me a prototype
and I just went and recorded the video
and it got a lot of traction
and it got a lot of people excited about this new product.
And it was like our early glimpse of what was to come.
And it started getting, you know,
tens of thousands of views on, on YouTube.
And he calls me back and he's like,
I had an investor drop out.
I've got some room.
Do you want to, do you want to put a check in?
And so that's what got me into their seed round,
which was, which was awesome.
What was it like, you know,
I lived in San Francisco from 2012
up until somewhat recently, Sean's still there.
It's happening a bit different now
because like startups are, are quite popular
and Jack Dorsey is like basically a celebrity.
Mark Zuckerberg is obviously a celebrity.
What was it when back then in 0405, 06, you know,
2010 when these things were just getting going,
did you actually think that a guy like Jack Dorsey
was going to be like this kind of like

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

Titan of industry like he kind of is?
Like what was it like being around some of these folks early on when they were just, you know, you guys were just messing around.
Well, it was, you met a lot of entrepreneurs back then and there was, it was clear there was a few people that stood out as just being wildly creative and just deep thinkers.
And I was really drawn to those folks.
I wanted to just like pick their brain more and get to know them better.
And so, you know, one of the things that struck me is just how mature Mark Zuckerberg was when he was younger.
How old is he now?
He's still only like 38.
He's younger than that.
Oh my God.
Oh yeah, you're right.
He's 38.
Yeah.
I mean, that's still, I mean, he's in his 30s.
That's pretty wild.
Yeah, it's crazy.
So yeah, so when I met him was 2005, I want to say.
So he was 21.
Wow.
So he was 21 years old.
And I remember just thinking about how put together he was and how well spoken and just what a deep thinker he was about the space and he wasn't winging it.
He was taking it very seriously.
And that was a big, big shock to me.
I remember just those conversations being like, I was like, wow, you're 21.
I was definitely not as potatoes as he was at 21.
What's something he said that made you think that?
Well, you know, one of the things that I was always frightened by as an entrepreneur in my youth was just this idea of would people take me seriously and could I admit when I didn't know something?
And was it okay to, I tried to hide my vulnerabilities as an entrepreneur.
And he just came in and was asking so many pointed questions

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

and, you know, I asked him about some of his hiring and firing practices and how he would edit his team, how he ensured that he made the right hire on the engineering side.

Because it was, it was, that was a very challenging thing to do back then to scale websites.

You were like racking your own servers.

And, you know, the way it was in the AWS of the world and we were talking a lot about that.

And it was just, it was one of those things where he just told me that he just, you know, it's the obvious stuff, you surround yourself with people smarter than you and then you ask a lot of questions and you're not afraid to ask those questions.

So, you know, back then I had some great investors and board members, but at times I was a little hesitant to be like, hey, I don't quite understand how this works.

Can you help educate me?

And I think it was due to my lack of like, for some reason I thought because I was a college dropout that I had to hide that and they would be like, if I asked a question that I should have learned in college that it would have looked, had it had egg on my face.

And so there was a lot of nervousness around that.

And just to see Mark just be so open and just curious.

And there was no, it was clear that if he didn't know something, he was gonna get to the bottom of it right away.

It was, it was inspiring.

I had an experience just like that.

When we were selling our last company,

I met with all the big companies,

Facebook, Google, Amazon, whatever.

We also met with Discord.

And I go in and I meet Jason, who's the CEO of Discord.

And I'm like pitching him on like, you know,

basically if you bought our thing,

like it would add this dimension to Discord.

It would be awesome.

And what I was so used to was most founders,

if you're just kind of saying how awesome they are

and how they can take over all these different,

how there's so much more they can do,

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

how this is just the beginning
and how there's all these different ways
that they can expand.
Normally they're like, yes, yes, yeah, yeah, totally.
We can do that too.
We can do that too.
It all sounds good.
And he was just sort of like, you know,
I would acquire you guys because I like you
and I like that you came in and you had this like whiteboard
and you just like painted a picture for me.
But we won't do any of that.
And he's like, no, that's not what Discord should do.
What we should do.
And he said, no.
And he was like, we should just be this one horizontal
utility that does this one thing.
And that's the right strategy for us.
And he was the first guy that said, no,
when I was like kind of giving him some ice cream of like,
you can have this too.
Right, right.
And I just thought, oh, that's what like,
this is probably what Zuck was like.
You know, this is probably what somebody who was focused
was like, because back when Zuck was building Facebook,
it was like, my space was adding music and then TV shows
and doing these like brand deals.
And like, he was just like, nope, real names,
simple profiles, we're just gonna let you like,
you know, communicate and add photos and do this stuff.
And like he said, no to a bunch of different things,
which is why Facebook was such a cleaner site than my space
and all the other competitors that were out there.
Yeah, I would argue they've lost a lot of that
because they say yes to a lot of the cloning of features
of other competitors.
But yeah, you're right.
That relentless focus is so essential.
And oftentimes it's more what you say no to
than what you say yes to on the product side.
You know, that totally agrees and vibes with me for sure.
Do you have like a set of rules?

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

Like for example, I know a guy who is incredibly successful.

I talked to him one time, it was Kevin Ryan.

He started like MongoDB, Business Insider, Guild Group, all these like amazing companies.

And he was like, well, I just do back at the envelope math

and then I give each project six months

and me and my partner typically fund it with \$300,000.

And we kind of like feel it out.

It's a little mathematical, but it's also like,

let's just see what happens in six months

and see if this is promising and we'll decide.

And so he's like, six months, 300K,

can we make something cool?

And I talked to Atomic Labs,

the other day, you know Atomic Labs,

they're like that incubator that's,

they're not really an incubator,

they're like start companies.

And they said something like, they're like, yeah,

well, like sometimes we'll only spend 50 grand

and like two months or something like that.

Do you have like something like that

when you're starting a bunch of your projects,

like the fasting app or the meditation app,

where you're like, I think you did another one, milk?

Or is that the name of the production?

Yeah, it was the name of the kind of incubator studio.

Yeah, we created.

Yeah, do you like have like rules

for what you're looking for?

Yeah, I mean, I guess the question really comes to

when you decide to kill something or sell it off

or get rid of it or move on to the next thing.

And oftentimes it's because your original thesis around

either the market size or just the concept behind it

just didn't take hold.

And so I don't have any like hard set number of months.

Sometimes you're early.

So, you know, the fasting app, for example,

you know, when I launched Zero, it sat at, you know,

tens of thousands of users for the first eight months

and then fasting hit and it became more of a household thing

and people were talking about intermittent fasting.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

It was all over TV and different, you know, places were picking it up. And so people are just naturally searching for fasting in the app store because that's just what they do. And then that's when it exploded to, you know, hundreds of thousands and, you know, a million plus monthly active people doing fast. But it was, had I shut that down after the first six months, you know, they'd been too soon. So something like that, if you just believe the market is not quite mature enough, I typically put it into a little bit more of a maintenance mode. You know, I got it to that first version where I felt like this is a useful utility for people that are looking to learn more and get into fasting. Now let's just let it kind of organically build from here. And we were seeing, you know, nice, slow, consistent, kind of week over week, month over month growth, but nothing explosive like you're used to seeing in a high growth startup. So that one in particular was just like, let's just wait around. And then other times, you know, you create something and you've just clearly missed the mark. It's like, we created this app called Tiny, which was a fun little photo sharing app. Yeah, I used it. I liked it. Oh, you did? Awesome. Yeah, it was the little small-postage size, looping videos with no audio. And we thought it would just be like a little bit more quick, a little intimate way to show kind of how you're traversing throughout your days and weeks rather than having to take the time to set up to look all perfect in front of your perfect Instagram. There was less pressure, literally, because it was small. Right. Exactly. That part was actually kind of true. Yeah, and that was a crazy one because, you know,

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

we launched and it just, it caught fire immediately.
And we had, you know, hundreds of thousands of downloads
in the first week, and then it just died off completely.
And everyone was like, ah, that was a fad.
That was a fun little fad.
And that one we shut down pretty quickly after that
because it was clear that it was a fun little thing,
but there was no depth to it.
It was a feature, not a real product.
Okay, so you talked a little bit about, like, you know,
which one was the most lucrative?
Okay, obviously Angel Investing and Twitter,
and then getting into, you know, Facebook
and others, it works out well.
Which one was the most fun?
And kind of with that is, I'm on this mission.
I just, you know, like after selling companies,
like I got time.
And so I was like, all right, well, what's the party now?
I was like, I want to find out who's having the most fun
in their career and like, because that's what I want to do now.
I just want to have the most fun type of career.
Who's having the most fun with their life right now?
So I want to know for you,
which of your projects was the most fun?
And then who do you see?
Who's a blueprint I could look at where you're like,
this person, I've met this person,
they're having a blast with what they do.
Yeah.
Well, I would say that, you know,
there's the nice thing about starting your own businesses
is you're doing it because there's a personal drive behind it.
Like I've never created anything
because I thought here's an opportunity to make money.
It's never been that.
It's, we were talking about this as we were just, you know,
prior to hitting record or whatever
about the little podcast case holder on Amazon, right?
And like there's, sometimes there's these little businesses
where you see a broken piece of an industry
and you're like, well, gosh, if I went out and created this,
I could sell X number of units per year

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

and it'd be a great little profitable business.
And like, that's never really interest me.
It's more about the, just the creativity of it all
and just the exploration of an idea that I'm drawn to.
And so no startup is fun.
They're all roller coasters, loop-de-loops,
like there's the chaos of all of those things, right?
Especially as you grow your team and there's HR issues
and people getting sick
and products not getting shipped on time
and customers being upset.
And, you know, there's,
it's never gonna be just like this perfect dream.
But that said, as long as it's something
that you're just naturally drawn,
I'm always having a good time.
And I'd say though, that said,
that's kind of a, you know,
a little bit of a dodging the question,
but the more recently,
when I've gotten into the art and NFT side of things,
that world and the world of cryptocurrency
is probably the most fun because it is so blue ocean.
And there's just so much to be built there.
It's not building yet another app
and competing on CAC and the app store.
It's like, it's really,
there's so many different directions you can go
and very few,
well, there is a decent amount of high quality entrepreneurs
in the space, but not as much as, say, you know,
building something for the app store.
So I enjoy kind of more the blue ocean aspect of that world.
Man, I remember when, so basically,
I started this company called The Hustle.
It was like a daily email and we sold it for,
we bootstrapped and sold it for tens of millions of dollars.
It kind of, it's kind of sounds a little bit similar
to what you were saying about your story.
I lived in San Francisco and I started a media company
because I was like,
I'm not capable of starting a tech company,
but I wish I were.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

And also I'm good at writing.
And I think maybe it was the same case for Sean,
although he was able to start a tech company.
When I saw you went and did the watch site,
Hodenke, first of all, Sean, have you ever read that?
Like when I, when I was like a blog, I like watches.
I have Rolexes as like a blog for luxury watches.
What the hell is this guy thinking?
Like he just like, he, he, he like.
It started as something else, right?
You started it as like Watchville or it was like a,
it was something else you got acquired or merged
and you became like the CEO of this.
I remember looking at that and just being like,
I have no idea what the hell he's doing.
I don't wear watches.
So I had no, I was completely out of touch with it.
And it just seemed like a, you know,
a hobby project at the time.
And then I started looking into it and I was like,
oh wow, there's like a huge passionate base around this
and this company makes a lot of money
that has been around for a long time.
I don't think it did make a lot of money.
Did it?
Like I remember I read that and I was like,
I like this business cause I'm into it.
But like this guy is frankly way above this.
What is he thinking?
Like this is, he's like, this seems needlessly hard.
Well, Watchville was, so again, like just kind of
like personal passion stuff.
So I was into watches mainly because when my father passed
away, he left me with a single watch.
And it's something that I aware of once in a while.
It was for him, it was like to afford a single Rolex
in a middle-class household is a big deal.
Like that's like back in the 80s, you know,
when my dad bought that, he was just like, I've made it.
You know, I have it.
And I'm not talking about one of the crazy Rolexes.
I'm talking about just the standard day-date,
kind of like, you know, simple Rolex.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

And like that was like the one thing he was really proud of, you know, that and his like GMC pickup truck, right? And so those, that was something I was left with. And then I started reading some of the content. So Ben Kleimer created Haudenki the actual blog. And I created Watch Fill, which was an aggregator and an app that brought together all of these different sources so that people can read this stuff on the mobile, on their mobile phone, because a lot of as silly as it sounds, back then, I mean, most of the watch sites didn't have mobile versions of their site. So they were on just like old, old software, publishing software that was just horrible. So I made it all very readable, push notifications, like all this stuff, just kind of a wrapper for like all of this great content. And it just started growing and growing and growing. And I had a lot of eyeballs, like some of the biggest collectors were now using the product. And, you know, I, Haudenki was the most kind of best prominent source of this content that took it very seriously. So it was, you know, they had a couple full-time writers. And so I talked to Ben and said, hey, you don't have the tech team here. Let's, let's, let's merge and combine forces. So we, we merged the two companies together. He was three or four people and I was three or four people. I moved to New York, became CEO at the time he was doing maybe a million and a half to \$2 million a year in revenue. So just enough to kind of do payroll. And we grew it from there and then turned on e-commerce and then started selling and creating partnerships with the big watch brands. And now, you know, as authorized dealers represent, you know, several dozen of the big watch brands that are out there and that just became a massive, it was still a relatively unknown back then, whether or not people would actually spend large sums of money over Apple pay, right? And so I remember we had someone from Apple

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

that was, you know, helping us on when you get to a certain size, they kind of give you a little bit more concierge help on the apps stuff. And they said that they had seen a \$250,000 transaction come through Apple pay on an American Express. And that was like the largest known transaction at that time that had been done over Apple pay for a site unseen vintage Rolex, which was kind of crazy. But anyway, yeah, so that, I mean, new luxury watches are double digit billions of dollars a year in terms of market size. So it's a big industry that many people, it's not as apparent in the States. When you go overseas, you'll see how, and in Europe there, you know, watches are so much more kind of a type of thing that is worn versus smart watches are more than normal, no watch at all here in the States. Did you just say that it went from like a million or two in revenue and now it's, Sam said, it's over a hundred million? Yeah, yeah, we're over a hundred million in revenue now. Man, that is wild. That's insane. And a lot of it's commerce. I mean, you guys, like when people talk about content and commerce, I think most of the time it's nonsense. Like BuzzFeed talks about it. And I'm like, I don't know, man, I don't think people are gonna be buying a lot of branded BuzzFeed pillows and shit like that. Or like they had that tasty thing. I was like, I don't think people are gonna buy a BuzzFeed oven. I just don't think that's gonna happen. And you guys did it. And I was like, I don't know. Is this like gonna be a thing? It seems so challenging. But you guys are a perfect example of that. And you know what the other good example, I bet you go to bring a trailer. Do you go to bringitrailer.com? I've been to bring a trailer many times.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

Yeah.

It is awesome.

It's one of his favorite sites actually.

They are awesome.

And so they've done the same thing, but with cars.

Where basically it's like this perfect tie of like,

I just, I bought one car from actually those websites.

And but I read it every single day.

I'm like, let's just see like what they're gonna write about what cool cars out there.

And then you guys did it with watches.

And I loved your videos with John Mayer.

We talked about his watch collection and all that shit.

It's awesome.

But what other verticals or what other like industries have you thought, man, maybe I could actually do this model?

I've always thought software,

but like that's not nearly as sexy and cool

as watches and vintage cars.

But has there any, it's like when you were like thinking

about this model, I bet you're at night, you're like,

I'm not gonna do it,

but I bet you're gonna apply this here, here and here.

Yeah.

I mean, in some sense, that's kind of what we're doing right now in the world of NFTs,

where everyone that's armed with Photoshop

can create a digital piece of art on the blockchain.

And there's this mad rush into the world of NFTs,

but there is just a ton of clutter, right?

And just a ton of projects to sort through.

So what we created with Proof was this idea of,

you know, it's the same thing with Haudenki.

It's the same playbook.

It's this curation with a point of view

where you can have a strong editorial team come in

that isn't talking about the flipping side of the industry

that isn't talking about how to make a quick buck in NFTs

that is really talking about what would you buy and hold

for the next decade plus, right?

And the playbook that Haudenki nailed so well

was that we took editorial so seriously

and really hired out just an absolute stellar team of writers

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

that had a deep understanding of the world of watches
and not just an announcement,
this is a new watch that was dropped,
but an understanding of the mechanics
of the internals of the watches.
So they could tell you about the different movements
and escapements and why certain complications
were harder to pull off technically than others.
And so it was a real geek's blog.
And with that technical hardcore writing developed trust.
And so you, and once you have the trust of your readers,
then you're able to extend commerce in a meaningful way.
And it's not asking them to buy, you know,
a microwave or some like inexpensive or a throw pillow.
It's saying, we have your trust.
This is what we believe to be a very important,
you know, watch or collectible.
And because of that, you know,
you're willing to pull the trigger
on a 20, 30, \$50,000 purchase.
So trust is so essential.
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
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Learn how HubSpot can help you grow your business
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[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

Do you think that, at the hustle,
we hired a bunch of writers,
Sean hired some writers as well for his thing,
is a crypto thing.
And I've always debated this in my brain.
I'm like, do I hire good writers
and teach them about business?
Or do I hire smart business people
and teach them how to write?
What did you find was the best way
to do that for watches?
Yeah, I mean, the best way to do that
was to find people that had the natural, organic,
built-in love for horology.
Like just for all things mechanical watches.
So, we would have writers,
if you take, for example, like the Speedmaster,
the watch that made it to the moon from Omega,
they could tell you every single variant
and movement change and the reasons why
and they were just super geeky on this stuff.
And they may have been just like B plus writers
where you get them,
but they had the technical knowledge in their brain.
And that's a lot easier to fix
because you get them to put that technical information
out in draft form and then you just apply
an editorial layer over the top of it
where you have copy editors that come in
and help stitch together a better, more cohesive story
before you actually publish it out to the world.
Yeah, I love that.
You're a pretty chill guy.
When do you get really fired up?
Like what gets you excited or in a good or bad way?
Like, I get really enthusiastic
about the most random shit.
Like it'll be like a creative project
that I'm like, I bet I could pull this off.
And I just go, like I just get too excited about it.
Sam has that same thing,
but he also has it where if he feels he's wronged,
Sam's like, you know, willing to fight to the death

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

about it until he gets really pumped up.
What gets you really pumped up?
Rage is my fuel.
I love fighting.
Yeah, so for me, new ideas and working with creative people
is the strongest source of fuel for me.
So when I get together with an artist
or a fellow entrepreneur,
and I actually, it doesn't have to be someone
that has created something big.
It's rather someone that just has wild ideas
that are potentially just new ways of looking at the world.
So you meet a lot of entrepreneurs
that are opportunistic, iterative entrepreneurs
where they'll see something, they'll say,
oh, there's some rough edges on that particular product.
I'm gonna go sand them down,
make it easier for consumers and go launch a business.
And they have great success.
I like the ones that are just like,
really thinking about entire new verticals
or just flipping something completely on its head
in new and creative ways.
So that is what I'm really drawn to
from just a straight idea point of view.
And so entrepreneur wise,
and when I invest in some of these startups,
those are my favorites are those crazy
or world-changing entrepreneurs.
In terms of the rage side of things,
you've had a bunch of rage-inducing moments.
I've followed your career.
I've seen you throw this fucking raccoon.
I saw you with the raccoon.
We saw that one.
Don't rest with your dog.
I've seen people protest outside your house.
I've seen you get in trouble for like,
I don't know wanting to demolish like a historical building.
I don't know like the whole story,
but like you've kind of been a target.
Yeah.
I mean, those all have their own unique story

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

that the historical building thing was definitely not true.
That was a pretty funny one in that.
But that was just people wanting
to keep an old house up in the neighborhood.
And they called it historic,
even though it really wasn't.
We wanted to take it down
because it was filled with asbestos,
which we didn't want to live in a house
that had asbestos in it,
but that's a whole nother story.
The rage stuff, you know,
the last four to five years of my life has been spent
trying to kind of master my own mind.
And I think that if you can't come to grips
with your own impersonal,
like personal peace of mind,
it's a horrible place to be.
And so, you know, I remember as a young entrepreneur,
just kind of being on this 24 seven hustle
to go build, build, build, I gotta win.
I have to win, I have to win.
And it created a level of anxiety
that was not good for me.
And so I think that's probably why you saw me kind of do
things like the meditation app and other things.
Because it was just a natural forcing function
for my own self to like take
some of that stuff more seriously.
And so I just want to be able to be able to sit
and not have to have my mind be always on.
And that's kind of been my goal
and it's something I'm still working on.
So that it's not like,
I remember there was this interview with Elon Musk
and I'm not comparing myself to Elon Musk,
but there's one thing that I can certainly relate to
where he talks about how his mind
sometimes just never shuts off.
And he's always thinking about things, problems,
new ideas, like all of these things.
And for me, it's always been
that that has been not a blessing,

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

but something that has just been as weight on me.
And I've always tried to,
I guess the big push in the last few years
have been to try and wrangle that.
What kind of gets you all hot and bothered now
where you're thinking about like the new industries
or the things that excite you?
What ideas would you pursue, Kevin?
One caveat that you're not currently pursuing.
So because it's easy to say,
oh, I'm excited about this project I'm doing.
I think, for example, Palmer Lucky was on the last episode
and he was talking about, all right,
we're like, you're doing Andrew, you did Oculus.
What are the ideas that are on your kind of like,
oh, that's interesting, but like,
I only got one me, so I can't go do it.
You know, for me, a lot of the stuff
that I think about in that vein,
I tend to outsource and get other people to work on it.
A lot of the stuff around longevity,
I've been interested in, specifically a drug
called Rapmison where it's been proven now
to extend life in various animals
and now apply to dogs.
So myself and Jack Dorsey and Brian from Coinbase
and a few others all have been putting money
into funding studies out of the University of Washington
to really prove this out in dogs and canines
and then eventually move it into human trials.
So, you know, some of that stuff and the biohacking stuff,
I still put a lot of effort and time and attention in
and I try this stuff out on myself as well.
You know, I'm trying some of these experimental things,
not because I'm not one of these people
that wants to put, you know,
young people's blood in them and live forever.
I want to die.
I just, you know, I do like the idea
of since I am an older dad,
I didn't have my first kid until I was 40.
I would like to be around a little bit longer for them.
That's all.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

I've heard of people doing this.
I know Tim's doing this with what's it called
Silicillin, like mushrooms.
Yeah, Silicillin.
Yeah, and how much does it cost to fund a study
and what do you get out of it other than like
the altruistic of like, well,
we're just contributing to like the grand thing,
but is there like a direct outcome that you can get from it?
Like we can use this to fund a company.
No, no, not in this particular case.
Yeah, Tim was also put some money into this one as well.
There was, there's nothing you get out of it
other than just trying to help further science.
In this particular case, the study was funded,
but depending on the sample size
and how many canines you have involved,
you can only detect certain levels of output.
You need a larger sample base.
And it's called like a properly powered study
in order to detect smaller little nuances in the data.
And so we wanted to make sure it was powered enough
to detect, I believe up to a 10% lifespan increase.
And so to power it was to add another million dollars or so
into the study to make sure that what they could bring on
the additional canines required to make that happen.
And, you know, I put my dog on it as well.
And he's 12 now.
And he still runs around like a pop.
And I attribute some of that to a cycle of this that he did.
But yeah, it's nothing other than just like,
you're figuring out ways in which you can,
like there's all these different avenues
on the philanthropic side where you're like,
what is meaningful to me personally?
And this particular study, you know,
I think even if it just worked for dogs would be fantastic.
Like, forget humans.
If I could have my dog live for an additional five years,
like what a win, you know?
So that was kind of a win-win study.
Dude, I talked to this guy that was like building,
I think it was called, is it called Ageless Rx?

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

I forget the name of his company,
but he's trying to like, you know,
do longevity stuff, supplements and shit like that.
And things are going well for him.
But he was kind of explaining his reasoning.
He was like, you know, a lot of people are afraid
to take these medicines.
But we've been thinking if we told them it's good
for their dog, they're actually will give it to their dog.
And he was kind of like hypothesizing to me
and like brainstorming with me in real time.
He was like, maybe we should just like do this for dogs
and just give it to dogs.
And if once people see that it makes their dog live longer,
then they'll be like, yeah, you know, fuck it,
give me that pill, I'll take that thing.
Because there's so much easier to commence
to give it to their dog.
I'm with Kevin.
Let the humans die, but dogs live forever.
Oh, for sure.
But you know, back to your question though
about what would I go pursue right now
in terms of startups that I'm not doing.
I believe, and it's very, very clear now
that AI in the next five years is gonna change everything.
With seeing open AI and a lot of the projects
they put out there recently,
whether it be creative writing or I believe Fiverr
as a company, it will just be non-existent.
It's gonna destroy the low end of the creative market
initially and then work its way up the chain.
And you know, just the outputs that you're getting now
from prompt based, you know,
the future versions of Photoshop are not gonna be
about moving mouse and pixels around.
It's just gonna be telling the computer
what to do on your behalf.
You know, you'll highlight an area and say,
you know, change this aspect and it'll all be done
via prompt and meaning you type in what you wanna see
change and the AI will just make it happen.
And we're seeing that today.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

And I'm seeing, you know, advancements on the AI side and in medicine, obviously all the creative side, there's probably a half dozen or so tools now that will write complete paragraphs for you. If you're writing sci-fi, you give it some initial kind of prompts of where you want the story to go. And the writing is quite good. I have no doubt in the next five years, we'll see a New York Times bestseller that was 90% written by AI. So there's just so much interest and with the interest and excitement flows the engineering talent. So I've seen a lot of friends that are these, you know, a lot of people I worked with at Google and other places where, you know, they're very insanely amazing engineers, you know, previously working on distributed systems and some of these hard problems that they were trying to solve. And now I said, hey, I'm actually gonna pivot into this new world of AI. And anytime you watch that kind of flow of high quality engineering talent and go move into something, you pay attention. So I'm looking for a lot of investments in that particular sector and I'm very bullish on it. And it's something I don't have time to work on, but I believe some great businesses are gonna be built there. What would be an application you would want to do in that space? So all those kind of like threads where it's like creative work, medicine, you know, writing an AI book, is there an application that you can think of that you're like, I feel like AI could solve this? Cause I think that's the, it's a hammer in search of nails at this point. Well, Sean, you made a joke. You made a joke. I always tease Sean about web three cause I'm not the biggest fan of it.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

And he was, and we were joking about how
he was like coming up with ideas with AI.
He was like, finally a use case.
We found it.
And like with AI it seems like
there's actually way more obvious use cases, right?
But yeah, what application excites you?
Oh, I'd love to have that web three debate at some point too.
But on the AI side, you know,
we're already seeing this, right?
So Figma was purchased by Adobe.
Probably all saw that it was crazy acquisition,
you know, probably the standard these days for prototyping
and creating interfaces for everything
from mobile apps to websites to you name it.
We're seeing already built in plugins to Figma
that allow you to prompt based build anything
in just a matter of seconds.
So you can say, hey, give me an interface
for a mobile app that has these five options
in this color with this futuristic type style.
And, you know, you get something back in real time
in 25 seconds.
And it's rough, but it's giving my design team
and other designers out there just a great starting point.
And it saves them a ton of time and effort.
But this is like inning one.
Like two, three years from now,
it'll be doing 90% of the work versus, you know,
the first right now was probably 20% of the work.
So that is super exciting in the assistance
and time to market for new ideas, new projects,
I think is gonna be compressed even further.
It's the same thing that we,
what happened with the kind of like late web two
when we went from racking our own servers
to fully deployed and automated and managed,
you know, AWS instances that, and some of these databases
that just auto-scaled as you threw traffic at it,
it really compressed the time to the go to market time,
you know, by quite a bit.
And I think we'll see the same thing on the design side.
So the speed at which we can develop and deploy new ideas

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

is just gonna be, you know, probably an order of magnitude better than it is today.

So I'm excited for that.

What message boards or Facebook groups or websites, what corners of the web are you lurking in right now?

Like for me, I love Facebook groups.

There's always like a weird Facebook group.

Like a tiny example is Overlanding.

You guys know what Overlanding is?

It's like, you know how you see like Toyota four runners or F-150s that have like campers on it and it looks like they can go in the desert for like two weeks.

So I started like joining Overlanding groups

like three years ago, cause I was like,

oh, this is kind of an interesting turn that's picking up.

Or another one that we got really into a couple of years ago was Mobility.

So like all these grown men, not caring about yoga, but they called it Mobility.

And it was all about like stretching.

And it's like, what's going on?

There's like all these weird Instagram guys like doing all this stretching shit.

It's kind of intriguing.

And like a lot of times it's like

instead of therapy, executive coaching, you know, that's what happened from yoga to mobility.

Yeah, they just changed like Mayo and Aole.

And it totally worked.

It's awesome.

Like I love mobility now.

And like for the body stuff, Tim Ferriss was always pretty good at that.

Like he'd be talking about all this weird stuff, like fasting.

It's like, dude, what the hell is this fasting thing?

What are you talking about?

And that was like a really cool corner of the web

to like look in on and like see like,

how are the geeks behaving now?

So I can learn like how the rest of the normal

like average Joe's going to care about

in the next five or 10 years.

Yeah, there's that Chris Dixon quote.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

Are you familiar with it?

Yeah.

What does he say?

It's just what the geeks are playing with on the weekends will become like what we're all using.

Like if several years later, it's something in some version of that.

Yeah. So like what geeky places are you hanging out right now?

For Shawna Nights, like a lot of Twitter people.

So we'll find like specific people on Twitter who are like quirky and we're like, what the hell is this guy talking?

He's talking crazy.

I mean, it's really cool.

Yeah, I mean, I follow a ton of people in crypto Twitter.

So I pay attention to all the, you know, the what's happening on web three via Twitter.

And then also, you know, mostly Discord.

It's just a lot of private Discord.

It's a lot of private telegrams, small groups and gatherings of peers that get together, discuss new ideas, new projects.

These DAOs, these decentralized autonomous organizations where people get together to discuss and collect and purchase things.

So it's a lot of, I've never spent so much time in Discord.

It's like, it's crazy that the conversation has shifted there and Twitter largely.

Dude, I hate that by the way.

I love the fact that like a dig or a Reddit or something exists where you can just like, if you Googled it and found it, like you could participate.

Now I'm like, oh, what the fuck, man?

Kevin's probably got this crazy as telegram group that like there's, I don't even,

I can't get in because I don't even know exists.

No, you can join proof.

It's \$50,000 and you're in, bro.

It's easy.

No, I think it's more like people realize that they wanted a little bit more intimate conversation.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

So I have a feeling that like there was a lot of this move to do smaller private Discord and smaller telegram groups because it would lead to just not the masses flooding in and the chaos that you would see on Reddit. And so that's kind of been the move that I've seen and the reason behind a lot of that. But it's not hard to get into that. You just have to actually show them that you know what you're doing. Like you have to, you know, get in there and embrace web three, which it sounds like Sam, you may not be the biggest fan of, but you have to get in there and talk the talk and know where to go. And people will tell you like, this is the place to be hanging out or I'm enjoying this Discord over here. You'll learn about this and this is where the AI Discord's are or whatever it may be. And that's just kind of the new, it's the new Facebook. I'm sure it's good for some things, but it's dead when it comes to web three. You want me to tell you why I'm not a fan of this? Yes, please. I'm gonna try and get you fired up here and then we can talk about proof. I do, it sounds like I'm making an easy out, which I kind of am, but basically like I am, I'm decently educated just by hanging out with Sean. And so I have to admit that like some of my beliefs are a little bit loosely held and I'm not the most educated on the topic, but my opinion on the web three is basically, it's a bunch of like, it's just this kind of circular economy of a bunch of people making products to serve in industry or I don't know what you call it, industry of movement that has yet to truly figure out like what the thing is that they're doing. And there's so many examples where people, I think are fairly like egotistical and elitist about it

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

saying like web 2.0 is old and like the way
this has to be decentralized
or this has to be this way.
It's like, man, just because you're putting web three
in front of something that doesn't mean
that there's actually a problem here.
And I think you're just wasting so much time and energy
working on something that is just like a circle jerk
that doesn't actually solve a problem
better than the web 2.0 version.
Also, I thought it's pretty dogmatic
where it's like, decentralize everything.
It's like, dude, I want some stuff centralized.
Like, can you imagine like calling customer service
on a decentralized, like, it's like, no,
like there are some things that I want
like to have a, to be centralized.
And I thought that they were a little bit too dogmatic
and I thought that they were oftentimes,
I'm saying like they, like you people,
like you guys like didn't always have wonderful solutions.
You were just making shit up in order to like get in the game.
And I just thought that it kind of bothered me.
Yeah, I mean, I feel your frustration there
and that I too am someone that when I look at what's being
built in web three, if it's just for the sake
of calling something decentralized
and there's nothing behind it
or no structural advantage for that being the case,
I think it's silly.
You know, it's like, I'll give you a great example.
There's a lot of things that you want to do in web three.
Some of them are high value and some of them are low value
when you were talking about working with the community.
So we have a community of people that come together
to do all different types of things.
And some of it is what we call token gated content.
So it's like a membership model where you have to be a member
of something and hold a certain NFT
in order to unlock certain access to videos
or content or whatever it may be.
Some of those things can be high value items
where you receive an NFT or something

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

that is actually has some financial,
like, you know, something behind it.
That is a case where you want to actually have
that hardware wallet and pull it out
and do it in a way that is secure and that is protected.
And the rest of the time, you don't need that.
You can use a Google login.
It's okay to use a web two login.
It's okay to use your email and password
with two factor authentication.
Like we don't have to throw away a lot
of the fantastic technology that's been built in web two.
There's other things like, for example,
some decentralized maximalists.
And I think maximalists is really
what we're talking about here
because anyone that is a maximalist on-
A maximalist means what?
You just like extreme and extremists?
It just means that you are so into something
that you can't see any other way.
And it's like, it's your way or there's no possible,
there are people out there that say
there is no other cryptocurrency than Bitcoin.
That's the only one.
Is it POMPS?
POMPS are our buddy.
Is it POMPS?
Don't they call him online like a Bitcoin Maxi?
I don't think he, I think he is a Maxi on Bitcoin.
And Dorsey's in that camp too,
where he's like trying to extend Bitcoin
and says that's kind of the only currency.
And I think this applies to so many different things.
Like I don't want to get into political talk,
but anytime you get to the fringes of anything
where it's like this is the only thing that matters,
you get in a crazy town, in my point of view.
And so, you know, I think that is a danger of web three
where there's a lot of that kind of idea
that if it's not pure web three, it's not right.
And I'm with you, I 100% agree.
But that said, I've seen this idea

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

and a lot of the DeFi tooling,
when I say DeFi I mean decentralized finance,
a lot of the DeFi tooling that's being built
on the blockchain in a performant way,
in a cost-effective way, in a way that
when you think about Wells Fargo as an organization
with 150,000 employees, I'm just making that up
by maybe it's 50,000 or 75,000
and somewhere in between that range,
where that is just a lot of bloat.
And because of that bloat
and because of that insane monthly nut
that that company has to cover,
those dollars are not flowing to the right people.
And so, there are examples of more efficient ways
of doing finance on the blockchain
that can be done in a trustless way,
written into smart contract code
that will mean for better outcomes for the consumer.
Now, those can be paired with centralized solutions, right?
Like Coinbase is a centralized organization.
You have an email address that you can send it
if something is wrong with your crypto account,
but they hold and keep decentralized currency, right?
And they do things like decentralized staking
where you earn 4% on your Ethereum,
but they're a centralized company
that gives you that customer support.
So, I think that the ones that really win here,
yes, there are gonna be the people that say,
self-custody is the only way.
There's this famous saying that if it's not your keys,
it's not your crypto,
like you have to hold your own private keys.
I'm not in that camp.
I do that personally and use safety deposit box
and a whole slew of things to safeguard that for some things,
but there's other solutions
where a hybrid approach makes more sense.
So, know that your argument is completely valid
and that a lot of entrepreneurs
that are building a Web3 completely agree with you
and that let's not throw away

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

the baby with the bathwater here.
There's a lot of great things,
but there are also some great advantages
that come with being decentralized
or a whole slew of other technologies
that's being built on Web3 that I could point to
that you'd say like, oh, that, yeah,
that actually, that does make more sense
than the old way of doing things.
So, let's do this real quick.
So, you've probably seen,
just like there's perma bulls for crypto,
there's perma bears and their mission in life
is to basically find every stupid use case of crypto
and highlight it or every bad investment
or every clip of a, you know,
some dude at A16Z who goes on a podcast
and says something dumb about crypto
when asked about a use case.
Are you talking about me
because I was just on their podcast two weeks ago.
No, no.
But like, you know,
there's people that sort of are focused on poking holes
and I think there's some value in poking holes
but there's also, you know,
it's a little embarrassing to spend your whole day
poking holes on something.
Let's put it this way.
I'm on this podcast.
I'm the crypto believer.
I'm the one who puts a significant portion of my net worth.
I have a crypto media company.
I have a bunch of belief in crypto.
But for this use kit, for this exercise here,
I'm going to point out two things
that I think would be, you know,
strong and valid points against crypto
to somebody like you who is also a crypto believer.
So, I want you to kind of argue against these
and I hope that this doesn't get clipped
as like, you know, famous investor X fumbles the ball
when trying to explain, you know, crypto things.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

So let's try to do better than that.
Yeah, let's do it.
Okay, so the first would be around NFTs, right?
So you're a big NFT guy.
And there's NFT art,
which I think pretty hard to argue against at this point,
like digital art, cool, their ability to own digital art.
That's one use case for NFTs.
But a lot of people who believe in NFTs will also say,
but that's just the beginning.
NFTs is a file format.
It's a protocol.
There's all these different use cases for NFTs.
And I saw the founder of OpenZ, I think,
talking about this yesterday on a podcast where he's like,
oh, another use case is NFT tickets.
And they're like, so why would there,
why would you want to have an NFT ticket?
He's like, well, because then, you know,
you could plug it into DeFi
and you could take a loan against your ticket.
And then people were like,
why the fuck would I want to take a loan
against my \$60 concert ticket?
Like, is that really what the hype is about?
And it's sort of a silly use case.
So I would like you to give me the non-silly NFT use cases
that you're excited about.
Yeah, let's take the ticket example.
And the art one is easy.
It's a new canvas.
But let's actually let's cover that first.
The art one is easy.
It's a new canvas.
You can do things and pull from real-time data
to display art in very unique, fun, creative ways, right?
It's really not that much different than Rolexes.
I mean, like, there's no reason why a Rolex is \$150,000,
other than like a lot of people think it's cool.
Yeah, well, I would say there's a difference there
because something you may not know about Rolex
is they make over a million Rolexes per year.
And so Rolex hides that number.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

And the reason they hide that number
is because if they didn't have a sense of scarcity around it,
and they do this specifically when you go in their stores,
they'll always be like,
next time you walk by an actual true Rolex boutique,
notice how there's like some missing spots.
And when you go inside, and that's all play.
It's play because they're like,
oh, they're sold out, they're not available.
But we can put you on this list.
And in three to four months, you might get a phone call.
Guess what, you always get the phone call.
And the watch is coming
because they're making a million a year.
The nice thing about, one of the things
that I was always so confused by
is I was a comic book collector way back in the day.
And I bought Wolverine number one,
because I love Wolverine, it was like my childhood,
like I always wanted to own one, right?
And so I bought Wolverine number one
and it always hovered around \$50.
And I was like, why is this not going up?
It's the very first Wolverine launched in the 80s, right?
It wasn't the first appearance of Wolverine,
but it was the first Wolverine comic.
And I finally got a hold of a really well-known collector.
And he goes, oh, he goes, you don't know.
They knew by that point that Wolverine was a hot character.
And so they printed over 300,000 copies
of that first edition.
I was like, oh, shit, like that's why.
There's just a flood of these in the market.
So, you know, NFTs, the beautiful thing about this,
when you have an artist produce a piece,
it has proven provenance.
So you know where it's come from as proven scarcity.
So you can't like create, you know, additional add-ons
or duplicates because it's all recorded on the blockchain.
And then you have the unique ability
to do very creative things like animation,
oracles where the art can change based on the stock market
price or time of day or a phase of the moon.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

And there's just so much more extension.
It's a new vertical for art.
Fine, that's great.
Awesome.
Like digital frames are going to be getting better.
It is going to be a thing.
Like there's no, in my mind, there is no argument
to be had there that this won't be.
I don't bet against the future or the inevitable.
And art is the easy use case for NFTs.
The ticket thing is different, right?
So the ticket thing, I'm with you.
Like, I understand that people are trying
to like create these fancy financial instruments
to like leverage you on anything that you own.
They're like, hey, you have a ticket
to that upcoming concert that's sold out,
you know, spin it into this DeFi unit
and take a loan against it.
And then you can buy it back and use the money
in the short term.
And it's like, that's all bullshit, man.
Nobody's going to do that, right?
It's, don't get me wrong.
There are specific use cases where that does make sense.
Like loan against NFTs is going to be the same thing
that happens when Christie's gives you a loan
against your Picasso, right?
Like these happen, this happens all the time.
It's just a parallel for the digital world.
There are certain types of assets, digital assets
that getting loans against them,
if it's something you want, will make sense.
The ticket thing for me is very confusing.
But what I will tell you is interesting,
and I've talked to actual rock stars about this.
Like I had Mike Shinoda from Lincoln Park on my show,
and he's a huge NFT fan, and he creates them.
Awesome Flex, by the way.
You know, I've talked to some rock stars about this.
I mean, that's a good one.
I'm not making fun of you.
I'm saying that's cool.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

I think it's cool.

I think it's important because you want to get the artist to buy in on this stuff, too.

Totally.

No, I'm saying it's cool.

You're saying it's cool.

Yeah, he's an awesome guy, very approachable, very approachable in the terms of rock star guys.

But Shinoda will tell you that like, what we talked about, which is an obvious one is like, well, let me step back.

One thing I believe to be true.

90 plus percent of people that interact with NFTs over the long term, I believe won't even know it as they're doing it as an NFT.

It'll just be something where they have a digital wallet, an app or something like that, and they have a ticket there, right?

They're not gonna know that behind the scenes that is powered by the blockchain and recorded by the blockchain, right?

So I think what's gonna happen is the nice thing about the blockchain is because it is a ledger, an immutable ledger that is a way to say, improve that you have done something, that you either attended an event or you've actually physically done something, there's a ton of possibilities that I can unlock, right?

If I go and I see Mike Shinoda play five shows or 10 shows, maybe he says, okay, now according to the blockchain in our app, again, the consumer doesn't need to know about this, anyone that's attended 10 of my shows gets a VIP meet and greet before the show, right? And there's a thousand different things that you can do that you want to have that security of the blockchain behind the scenes.

So it's not being forged.

So there's not being copies of it being made.

So there's not like a way to fake it.

And that's the nice thing about the blockchain is it provides you a way to have the security and knowledge that something is not being faked.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

And you can imagine that's broadly applicable to a whole slew of different industries. I don't think we'll be calling them quote unquote NFTs. You know, it's just gonna be a great piece of tech. It's just another database. That's all it is. It's a distributed immutable database that is decentralized. It's that's all this is, which unlocks a bunch of fun new use cases. Let's caveat it. All right, so let's say, cause I think I get it when I get what you're saying, but I also get the the eye rolls that people get when it's like, cool, tell me like how this is gonna make my life better. And it's like, well, the cool thing about a blockchain is that it's provable scarce. It's like, it's like, wait, you're telling me about the under the hood part. Whereas for example, if my mom is like, if I'm like, mom, you should set up an email address. And she's like, what the heck is email? I don't need that. And it's like, well, no, check this out. Like, you know, you send letters or you, you know, you send letters to your sister who lives across the country. Like, watch this. If you do it this way, it's free and it'll be instant. And like, oh, wow, that's cool. And hey, you know, it's even better because it's all digital. You can just type the word and it'll find that file. You don't have to keep it organized somewhere in a folder in your house, right? So I can, I don't have to tell her how it works at all. I can literally just say it made your life better by being, by giving you, you know, more time, more money, more whatever. And so I think the question is, what does NFTs give? What does, what will an NFT give a person that makes their life better without explaining how the tech works at all? Sure. I'll give you, I'll give you a great example of one that hasn't launched yet,

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

but something that I'm personally working on.
So I'm working with a well-known, like very culty
kind of wine producer out there.
And, you know, wine at the highest level, at the high end,
it's a tricky business because there's, you know,
forgeries, there's fake labels.
There's, they're putting holograms on the side of them.
They're putting chips inside of the labels
so that they can be scanned to prove
that they're authentic, right?
That's one piece.
So the first question is,
if I'm buying off the secondary market
and not directly from the producer,
am I getting something that's legit?
The second piece of that is, once I receive that bottle,
you know, how do I store it to ensure
that if I'm gonna keep something
and I want this asset to appreciate over time
and I wanna drink it a decade from now or two,
then, you know, how do I ensure
that it is being stored the right way?
So one thing that is happening in the next four months
will be the issuance of NFTs to people
that is gonna be from a major well-known winery
where it will represent one physical bottle of wine.
There's a couple of advantages here.
One, you don't have to take possession of it right away.
You can let it sit in its proven perfect storage conditions
and age for decades to come.
You can let it appreciate in those storage conditions
and you can hold on to the proven ownership of it
as an NFT.
Let's say that bottle of wine for four or five axes
over the next decade.
You don't ever have to then pull the wine in
out of the cellar, take ownership of it,
find a third party to sell it, and then resell it
where that person is questioning
the authenticity of that wine.
Instead, you can just transfer the NFT to a buddy.
You can gift it to them for a special occasion
or an anniversary.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

And then when they decided, hey, I wanna drink this,
they press two buttons in that bottle of wine
that has been stored perfectly for a decade,
shows up at their door.
That is efficiency that eliminates fraud.
There is just so much to love in that equation
and that'll be applied to the watch industry,
to the luxury world, to all these different verticals.
And it just makes sense.
Like what about that?
I'm just curious as you hear me explain it,
it doesn't sound like a better world,
like in terms of fixing a bunch of problems.
I think if I was gonna argue against that,
like just to steal man the argument against it,
I think it would be cool.
Like maybe it's gonna, maybe these are certificates
for collectibles, most, you know, it's not gonna,
that doesn't impact most people's lives
because most people are not collecting high-end bags
or wines or this, where there's huge problems
of forgery like that.
That may be one thing, which is,
it's not gonna impact that many people in that sense.
Oh, you're telling me NFTs are this game changing,
world-changing technology, but that's a really niche
specific, you know, 1% or type problem.
And then the other is like, you know,
sounds like an NFT is like a digital certificate.
You know, you could have done that
with another type of certificate
or another type of database, maybe,
but maybe this is better.
Like I do agree it's better,
but like it was possible before.
It didn't take the impossible, make it possible.
It made the possible, maybe made it more efficient
or a little bit more convenient for the consumer.
And so I think that would be maybe one argument against it,
but I don't wanna go too far in the weeds.
Yeah, the other thing that I think to add on to that though
is that because you have, well, I'll give you an example,
back to the rock star example of an artist,

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

you're reliant upon, if you did wanna do some type of rewards program or something for, well, actually, let me step at one point. The point you made about the 1% or problem and is this applicable to those people, you're absolutely right. Like there's only a certain number of people that are gonna collect art at the highest level and wine at the highest level and all of that. I mean, granted, these are double digit billions of dollars a year, like big markets to go after, but you're right, these specific use cases that I'm giving are very niche. I think on the more broadly, on the idea of just membership and access and prove where you've been, what you've done to unlock loyalty and rewards over the long term and think about replacing the Amex points or other point type systems or reward systems with blockchain, the beautiful thing about it being decentralized, and this is one argument for decentralization, is that it's forever on the chain and you're not dependent upon a company being around for that to exist. So if an artist is engaged with a startup that is working on a loyalty rewards program for them and they run out of capital and die three years later, as long as they stored their information on the blockchain, that artist can then just pick up where they left off and it just, it continues forward. And we've already seen this happen where there's been several startups that have stored their information on the blockchain where they go out of business because their idea didn't hit and then someone fills the void and comes and says, I have a better take on this and now let me tap into that public data and use it going forward so that not all is lost, which is kind of a new concept. And rather than just a database going away, it's always gonna be there and can be reused, which I think is pretty compelling.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

The really simple two second example of this is you play a game, you get really into Fortnite, you go buy a bunch of skins, you dress up your character, you got the cool, like Glider and you bought all that stuff and a year and a half goes by, your friends have moved on, they're all playing Call of Duty now, you've sank \$350 into Fortnite, you don't own those items, you can't resell those items, you can't recoup any of that value, nor could you take those items into any other game. So in a web three world, either another game could come out that says, hey, we accept item, we plugged into this protocol, so you can bring your cool sword from game one to game two, that makes the sword more valuable because now it can be used in multiple games. So maybe I'm going to pay more. And we're seeing this already, the interoperability between multiple web three platforms saying that this is a defined standard and now these items can digitally move between platforms. It makes a ton of sense. Now those items are more valuable because they can be used in more places. And the other one is that if I'm just done with the game, I could just dump it onto the next person who's really interested in Fortnite and I can recoup some of my investment, which will make more people want to spend in games because it's not just a money pit, it's an asset that they could resell. All right, so that's like the quicker example, maybe. I love that you joined my side. You're actually on your side, but I have to argue the other way in order for this to be interesting. Let me give you a second. At the end, you're like, I get it, I'm in. The other crypto nerd argument would be, okay, for years, people have been saying that Bitcoin is this inflation hedge or this currency that doesn't inflate. And oh my God, how lucky for you guys, the US government starts printing trillions of dollars,

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

inflation is at record highs, it's in the news every day.
Wait, what happened to that awesome inflation hedge asset?
Why is it down 50% when inflation
is the bigger problem than ever?
Shouldn't this be your time to shine Bitcoin?
So what say you to that?
Yeah, I mean, it's a real shame
that Bitcoin has been so spiky
because if it had it been this linear growth
to 20,000 to where it is today,
we'd all be like, this is the most amazing thing ever.
Like if you just take the spikes out
and make it look linear,
it still looks like an incredible asset.
Like, you know, just go back five years,
look where it is now versus five years ago.
So it's the spiky nature of it that hurts it in the end.
I would say that I'm a fan,
I think Bitcoin is a tough one
because I don't like that it's not a green currency
and I don't see a clear path of ever being the case.
And I know everyone's trying to extend it
in new and exciting ways
and try to make it more Ethereum-like
so that it can do more than just be this type of digital gold.
For me, you know, when I think about those types of assets,
it's, I'm responsible in that
I'm not betting the farm on this,
but is it a small percentage of my portfolio?
Absolutely.
And I just considered another asset class
that provides me a little bit of diversification
across the board.
So, you know, the majority of my, you know,
personal holdings is still standard, you know,
index funds that are pretty vanilla.
Low-cost index funds, you know, the Vanguard way, right?
Yeah, and I was actually gonna ask that,
what is your liquid portfolio look like?
Like, I was been waiting to ask you that.
Sam is like a low-cost ETFs and bonds.
Dude, I'm 80% in Vanguard index funds, 20% bonds.
That's all, and then I build private businesses.

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

Yeah, so.

Where Sean, like, has put everything into...

I'm like angel investing, crypto,

and then like, you know, five companies I believe in

and, you know, a little bit of index funds.

Like, it's like, it's like 5% or something like that.

I keep 10% in cash or something.

And so, what would your pie chart look like?

And obviously it changes over time.

Yeah, so my pie chart would be essentially this.

You know, 80%, well, I think there's an important thing

to caveat here is that as a venture capital partner

over True Ventures, I have a lot of risk on the table there

in venture early stage investments.

Did you have to put your own money into that,

or is that just your carry?

I do, yeah.

I had to put my own money into it as an investing partner.

You also invest alongside the fund.

So, that is my bucket of risk, right?

So, just setting that aside and saying,

okay, you know, I have carry in the fund.

That's my bucket of high risk.

You don't have to put too much capital in it, right?

You put like, I don't know, what, like quarter million dollars

or a million dollars, something like that into that.

It depends on the size of the fund.

It's a percentage of the fund.

We just closed our latest fund, which is 750 million.

And so, the partners put in a percent of that

in back into the fund.

I'd have to look at what the exact numbers are,

but it's substantial.

They want you to have skin in the game

when you're investing.

So, you know, I consider that to be like,

those are the big high risk buckets.

So, everything else I do, I want it to be just super vanilla.

And it's that Vanguard index fund.

Keep it, you know, keep it really simple.

I don't do bond funds.

I'd rather rely on people to buy bonds on my behalf.

You know, I am laddering into bills right now

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

because you're getting four plus percent in the short term.
And so, you know, just ladder into those
makes a ton of sense right now.
You know, anyone out there that has 10 grand
that's sitting around that doesn't go buy an eye bill
right now that's earning over 9% is just insane.
Like that's the most no-brainer scenario
for someone that's listening to this podcast.
By the way, there's like one week left of that, right?
It's like, yeah, that's right.
Obviously not investment advice,
but you are getting the full faith
of the US government as the backer and it's over 9%.
And you can do 10,000 for yourself
and 10,000 for your spouse, which is amazing.
So anyway, it's, I keep it really simple.
And then the rest is the crypto,
the crypto side of things is like, you know,
let's call it 50% NFTs and 50% digital assets.
And that's, you know, probably 10% of my overall high.
Okay, so 90% of non-venture stuff
is in just an index fund.
Yeah, yeah, multiple index funds
that cover a variety of markets.
But yeah, low-cost.
Do you touch real estate at all or no?
Not really, other than just, you know, my own stuff.
Do you own or rent?
I own.
We've always had this debate
and I know you gotta go and I hear your alarms going off,
but we always have this debate.
Well, we both agree.
I own, I wish I would have rented.
Dude, I just want to rent everything.
I don't want to own a lot of stuff.
Do you regret owning or do you like being an owner?
You know, the thing is when interest rates were low,
you can just take a bunch of capital back out of your house
and pour it back into the market,
assuming that you're going to beat that.
You know, if you could get own a house,
take a loan out against that house

[Transcript] My First Million / Kevin Rose: His \$100M/Year Watch Blog, Money From Digg.com, & Web3 Business

and get, you know, a couple of points
and earn five to seven in the market.
Like I'll take that delta all day long.
So that's kind of the way I play it.
Cool.
Well, dude, I'm really happy we got to talk.
I used to work out of the Reddit building third and bright
and I remember seeing you walk by
and I was like, oh, shit, that's Kevin.
I wish I would have said, hey, that was in 2012.
So it's only been 11 years later, 10 years later,
but I'm happy that we were able to talk.
I've been a big fan of yours.
I know Sean has as well.
So it's really exciting to be able to meet you.
I love that you guys are doing this show.
I mean, it reminds me a lot of like the,
the kind of fun little hash out debates
that Tim Ferriss and I have when we do our random shows.
Like they're just fun, right?
You get a couple of friends together
and shoot the shit and some, some crazy discussions
come out of it.
So that's, that's great.
Dude, those were,
I can't believe how big those were back then.
I remember the, the Kevin and Tim shows,
I think they call that he like had a funny name for you,
like Tim, Tim, Tommy.
Oh, I call him Tim Tim still.
And he tells me Kev Kev, but yeah,
we just shot one here in person maybe two weeks ago,
which was fun.
It was good to see Tim again.
I had seen him in, in a minute,
but he made it out to LA.
There's so many little things you, like,
I remember you talked about Wim Hof back then
and I was like, oh, you know, next day I'm on my floor,
like breathing, you know, hyperventilating.
On purpose.
I even remember your wife, Dr. Dara.
Is that her name?

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Daria, yeah.

Daria, like it's funny.

It's like that stuff was so, I mean, it still is, but it was like, particularly when I was in 22 and just getting into Silicon Valley.

Like I really looked up to you guys as like, just show me how to Silicon Valley.

You know what I mean?

It was really cool.

Yeah, that was, that was a fun,

I was, I miss not living in the same city as Tim cause we always have getting into some trouble when we're together.

So.

Well, thanks for doing this.

Thanks for having me.

I feel like I can rule the world.

I know I could be what I want to.

I put my all in it like no days off on a road.

Let's travel, never looking back.