

[Transcript] My First Million / Selling Deodorant for \$100M and How to Find Your Best Competitive Advantage with Moiz Ali

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.

So you came to a bunch of money.

What's in cash?

What's in real estate?

What's in stocks?

What are you doing percentage-wise, roughly for those?

Probably around 40 million or 50 million in cash, 25 million in real estate, probably another 10 million in startup investments, 10 million in the stock market.

All right.

So Moise is here.

You were episode number, I have no idea.

Maybe like eight or something like that, six or eight.

You told your full story then, so we're not going to rehash the full story.

Yeah.

I mean, your brother are like best friends, at least I call him my best friend.

It's one of those things where I don't want to ask him, but he's my best friend.

Fantastic.

That's awesome.

I don't have a brother.

He's the closest thing to a brother for me, but I do.

So I talk to him all the time.

I don't talk to you as much, but I think you're actually better on podcasts.

I think you are more opinionated, more, you know, sort of sharp-witted.

So I think this is going to be great because you, and you also pull no punches.

I think he tries to be nice and you're like, no, how do I carve my character out as the, like, you know, the Simon Cowell of the business world?

Yeah.

Unfortunately, that's not, that's not like a character for podcasts.

That's generally my character.

And I always tell people who know the both of us and I'm like, he has the, he got the charismatic genes and I got the down to earth genes.

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And so, you know, anytime my mother introduces us to people, she'll be like, who's older? Who do you think is older?

Everyone says it's me.

And they're like, he looks, Moise looks more serious than Salvin.

So, you know, I heard that many times.

Yeah, exactly.

And so I guess what people don't know.

So you started, you started a couple of businesses.

People mostly know you from native.

So you created the, which has the popular deodorant brand.

You sold it to Proctor & Gamble for reported \$100 million, which I think is one of the better DTC exits because you only raised like \$4 million, I want to say, less than that even.

So you raised \$500,000 actually.

Oh my God.

Okay.

So you raised \$500,000.

And by the way, I don't know if you know this.

I remember I was in a mastermind group with your brother and I was like, and he was like in between.

He had to, he already sold his company.

So he's kind of a floating in between things.

It's like, why do you show up to the mastermind if you don't really have a business that you're working on?

So I think he was kind of like fishing and he was like, you know, my brother's got this interesting business.

And I was like, I was like, oh, I didn't, you know, I didn't know him very well at the time.

I was like, didn't know you had a brother.

He had this like big tech idea.

And he's like, yeah, he's like selling like this natural deodorant, like, and he made it sound like you're like sitting at home packing the deodorant, like containers by hand.

And he's like, he kind of was under playing.

He's like, it's really cool.

You know, it's paraben free.

I didn't know what a paraben was.

And he's like, it's aluminum free or whatever.

And he's like, yeah, it's doing pretty well.

And then he started to say the numbers and I was like, whoa, that's actually like really good.

And I was like, so how much has he raised?

I don't know if he's like, he's raised like nothing.

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And so that's when you got on my radar and you've, I feel like you operated very quietly. You're kind of like me where when you're doing something that's working, you shut the hell up.

And when you're not, when you're just thinking about ideas, you're like super loud to bounce them around off people.

Is that your strategy?

That's exactly right.

In fact, we had done no PR for native until after we sold the business.

I remember all these news publications reaching out to us.

And I took one interview with, I think it was like retail dive or somebody.

And they were like, we want to talk about this deodorant company because we haven't heard of that.

And you know, they're like, who are you guys?

What are you doing?

And we sort of talked about the business and they wrote an article and after that I was like, I'm never talking about the business again.

When we went to go fund rate, like we talked to a few people.

We talked to Simon equity partners, which is basically the family office of like, you know, the Simon property group, which owns a bunch of malls across the United States.

And we opened up our books to them and we're like, here's our business.

And they're like, our job is to find businesses like you and you know, you're down the street from us.

You're based in San Francisco.

Your headquarters is three blocks away from ours.

We've never heard of this business and we should have heard it right now.

How come?

And we're like, you know, we're not talking about our business.

Like no one walked around with native t-shirts until after we made it until after we'd made an exit.

And then I was like, okay, now the brand can exist and we can be loud and public about it.

What is that? Is that paranoia? Is it just focus? Is it strategy? Why do it that way?

Yeah.

Yeah. I think it's two things. I think one is fear, which is like fear of embarrassment.

Okay.

My business failed and I was super public about it.

And now it crashed and everybody's going to think of me as a failure.

So I was like, we're not going to fail publicly.

If we fail, it'll be really quietly.

And then two was like, we failed the Indian way.

That's certainly a personal shame.

Yeah, that's right.

That's right.

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No one will be able to Google me and be like, okay, Moiz Ali is a failure.

And then the other one was things were working so well, we're like, okay, we don't know how this is working so well or why this is working so well, but we better not go around thumping our chest saying this is working really well.

Because one, I believe it'll jinx us and I believe in jinx.

And two, other people just start copying us and doing exactly what we're doing.

And like, you know, ISIL native in November, 2017, we had a competitor sell their business in December, 2017, a month after at us.

And you know, in 2018, 2019, 60 competitors in the natural deodorant space popped up.

Every brand that didn't have a natural deodorant was like, we should create a natural deodorant.

And then 60 brands were like, hey, we want to create natural deodorant as our flagship or our hero product.

And so by like not thumping our chest and not talking about our business, we were able to keep the category a little bit quieter before we came out and said, hey, this is a massive category and it's really working.

Right.

And I, I appreciate that about you guys.

I've actually learned a little bit in that regard in that I don't talk about my e-commerce business on here ever or I'll reference it, but I'll never say the name or the brand or whatever.

Yeah.

Someone takes you everyday.

Someone takes you everyday.

Yeah.

I also have a business partner.

Yeah.

I have a business partner and they don't want me to talk about it.

So I'm also like, okay, cool.

Yeah.

You know, I'll honor that wish.

But I kind of came up with this term because you and your brother are the same in that normally you guys are all the info flows one way.

And this podcast is like the rare exception where I get to ask you questions.

Normally I've never seen your brother or you in any social setting.

It's a technique I call Ollie boarding and it's like waterboarding, but just with questions where you just dump that someone's head into a vat of your nonstop flow of questions.

And by the end they're like, wait, so what's your name and what do you do?

And you're like, by then you're like, I have your P and L and like, I have your whole family's backstory.

And it's not like in an evil way.

It's like genuine curiosity, I think is what I've come to see, but it's also very effective.

A, is that true?

Do you believe that?

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Am I characterizing it right?

And then B, is that like conscious or did you ever like develop that?

That as a skill or was that a choice you made or is just natural?

Yeah, I think A is it's partially right.

It's more true with Solomon with my brother than it is with me.

And he does that to me as well, where like, I'll tell him about, you know, a meeting I had or a deal that I'm looking at.

And he'll be, he'll ask me ridiculous questions.

He'll be like, what, what did the lunch, what did the founder have for lunch on Saturday three months ago?

And I'm like, I didn't get into that level of detail.

You got to stop asking those types of questions.

But I do think we have genuine curiosity of like, what's making other businesses work and what isn't.

I remember we went to the Super Bowl, you know, four years ago or something like that in Atlanta, and we were at the Super Bowl party like the night before the game.

And there were these two old Dacey uncles that were there as well.

And they were there because they had, they owned Marriott hotels and Marriott had invited them to the game in like their private suite.

And you know, they were probably in their fifties.

And we asked them so many questions like, you know, how much do you have to pay Marriott?

And they also owned like Hilton hotels.

I was like, how much do you have to pay Hilton per year, Marriott per year?

Do you have debt on the building?

You do.

What's your debt?

Like, you know, how often do you have to renovate?

How much of those renovations cost?

How much like, you know, what does your average occupancy look like?

And they answered all these questions and they were like, didn't seem excited to answer them, but they didn't seem cautious.

Like they didn't seem like they were hesitant either.

And at the end of all of these questions where we literally did have their P&L, you know, we're like, okay.

Well, you know, they didn't ask a single question.

They were just like, okay, well, great meeting you guys.

And we're like, all right, I now understand the hotel business from two operators that have eight businesses around the Dallas, Fort Worth area, and they didn't want to know anything about us.

Like why were we at the Super Bowl party?

How did we get here?

How did we make our money?

They didn't ask a single question.

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So I think there was a genuine curiosity that we have that sometimes is lost on other people. That's exactly how it goes.

I've seen it.

And then also you had like a brunch.

I saw you tweet out like, oh, inviting some D to C friends over like, who wants to have a brunch of D to C people?

And I was like, oh, what a nice guy.

Just speak social or whatever.

I had a friend who went to your brunch and he's like, yeah, the brunch is basically boy sits at the table and he's like, all right, what's your cat?

What's your role?

And you were like asking a bunch of questions.

And I was like, that sounds about right.

And I learned this from your brother.

I was like, because I watched him one time and I was like, first one I talked to your brother now.

I'm like, it's like a duel.

Like he doesn't know this, but in my head, I'm like, I'm going to ask whatever N number of questions you ask N plus one will be asked back to you, like, you know, because I will not be out questioned because I know the technique, but I started, I started watching him when he talked to other people and I was like, how does he get them to divulge so much information? And again, not in a bad way, but just like, what gets people in the flow of talking?

I'm like, okay.

So first he's genuinely curious.

Like he's super engaged.

He's not looking around.

He's not looking at his phone.

He's actually looking at them in the eye and he's asking a bunch of questions.

I've noticed he does two things.

When they're saying something he likes or is like a smart thing, he gives them tons of like, you know, nodding, yep, that makes total sense.

Got it.

Love it.

And then when they say something really stupid or weird or the helmet makes no sense, I noticed that when somebody does that to me, I'm like, but that makes, I like kind of start judging them a little bit and they can tell that I'm judging them and that makes them clam up.

Whereas he'll just go, he'll just laugh and be like, amazing.

And then he says the word amazing and then moves on and amazing really means like, wow, that's amazing. You're so stupid or it's amazing. You think that or it's amazing that you don't even know that.

But like he never makes them feel bad.

He'll just be like, like, amazing.

And then he'll just go on to the next question and I realized that that is how he keeps the

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constant flow going.

So I'm studying this all the boarding technique and I think I'm going to be pretty good.

I'm going to be like, you know, a franchisee of your, of your question.

Yeah.

First, we have to charge you per question then.

But really he's like, I think the other thing that he does really good or do really well is that he's like, how do you think about something?

He never asked like, you know, what's your cat?

He'll be like, how do you think about growth when it comes to social ads and like, you know, can you spend more there?

And the question is really open-ended, but he's like aiming for some, it really wants a response and people like, you know, subconsciously get to it.

And I've started asking, how do you think about that all the time now?

Because it really gets people to open up and tell me about how they're, how they view their business and not just like a standard number.

And I really liked that question.

And I've also franchised that from him.

When I started my business, the Ecom one, he, I told him about it and he had like, you know, some good questions.

And then like, you know, the way y'all's brains work, it's just like, you know, nonstop.

So I think at like two in the morning, that same night, he just sent, or like, actually it was like five nights later, it was like completely unrelated.

It was like five nights later, two in the morning, I get this email, it's one line from him and he just says, he says like, with our business, I knew we just, it was, we just need to do this one thing and it would work.

Like, and he explained like the competitive, like the positioning, like what we were going to do different that was going to cause it to work.

It was going to be x, but with y difference.

What's that going to be for your business?

And then I was like, that sent me into like a three week spiral of being like, oh my god, I need to know this answer.

That is the important question as I'm starting this business.

I really do need to have like a very strong point of view on what's going to be the one thing that we're going to do that's going to make this business work better than all the others that are out there or better than, you know, how can we come up with that?

How can we compete?

Given that we're years late to the party and whatever else, but it was such an important question and I was like, man, um, and like, I ended up bringing them on as kind of like an advisor.

I was like, man, this is the value of an advisor is not the answer, but the question, the question that's going to make you like think about your business in a way or like reveal a shortcoming in your own thinking that you then get to go fill in that gap for yourself.

Yeah.

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I think there's a lot of truth to that.

The one thing I would say is that like, um, you know, I've started an e-commerce business and if someone asked me that about native, uh, when I launched the business, I'd say, I've got no idea we're aluminum-free.

There are a bunch of aluminum-free deodorants right now.

We're selling online.

Is that better?

Is that better than selling in store?

I've got no clue.

And so I think those questions are really helpful, but I think the fear that some of those questions can cause in terms of people being like, I need to figure out this answer before I can do X or Y, before I can launch my product, before I can start spending marketing dollars.

So you can figure out that answer, uh, well after your business is launched.

And I think for native, that really changed.

Like, you know, we were an aluminum-free deodorant selling it on the internet and I was like, that's going to be our competitive advantage.

And then it became a little bit of like sense, uh, you know, like fragrances.

We have a strategy of launching new fragrances frequently and those fragrances are different and people are going to, uh, pantry load and buy a bunch of deodorants.

So it's not just buying one until you run out, but I've got seven because this is going to be your fragrance rather than your perfume, perfume or cologne.

Uh, and then it was like different marketing ideas and bundling products and launching new categories.

Like there are very few brands that it can expand from deodorant to body wash to, uh, toothpaste.

Like, you know, old spice could never make a toothpaste.

We're like, we're going to create a brand that can do all of those and it stands for better for you ingredients rather than one single thing.

And I think that question, the answer to that question evolved and changed.

And I think that question is great and people should think about that in the back of their minds, but it shouldn't prevent them from actually taking the first step to watching their business.

Totally.

Totally agree.

Also about the like progressive like iteration of that question of the, of the answer.

But also, um, I also learned what a good answer to that is a good answer is not we're doing this magical thing that nobody's doing because usually that just doesn't exist.

Like realistically, like that's probably a signal that it's a bad idea, not that it's a great idea.

Um, and also not that like we are going to jump through these 14 really hard to jump through hoops.

Like I'm going to crack.

I'm going to be viral all the time.

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It's like, Oh God, like that seems like a bad strategy to back.
Instead, it was like, actually, there's a category that people want and what we're going to do is like people don't, don't like this one thing about the main competitor.
We're going to do that one thing.
Like it's just common sense, but we're going to do that one thing differently.
And like, I'm just going to obsess over Facebook ads in a way that they're not like, or just in a way that will work.
Like Facebook ads are just working for businesses like these.
So I'm going to do Facebook ads.
It's like almost the stupider.
The answer, the better, but like the clearer the answer, the better too.
Like, do you even know what you're betting on?
That's like, what do you think is going to work here?
And like, can you back that up as to why you think that's going to work, but you don't want it to be a genius magical, like magical silver bullet solution that like nobody has ever thought of and nobody has ever pulled off because that's usually just a sign of like weakness actually in the plan.
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 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](https://www.hubspot.com).
Especially if you talk about like partnerships or collaborations where people are like, I'm betting my future on the ability to get other people to do X, Y and Z like that's never going to work.
I couldn't agree more.
Look, we're going to create a digital first brand that looks better.
We're going to have a better user interface and we're going to have more better colors and it's going to look better on your countertop like native deodorant or your bathroom shelf like native deodorant.
And that was it.
That's an entire plan.
And that's perfectly fine.
And the one thing I realized here, yeah, go ahead.
So the idea is an example of doing that.

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So most people who've listened to this are probably not brown or daisies.

They don't know this brand.

But like, if you've ever been to like an Indian grocer, which there's, you know, all around the country, there's a bunch of things like, you know, you go buy sort of like the ethnic foods, there's this brand called Haldiram, which is basically they make like, just like this like super addictive, salty little snack.

It's like fried, it's like equivalent of chips.

It's like fried, salty, kind of spicy, and you just buy this thing.

It's like a, it's like a trail mix, basically that's, that's salty.

And so it's been around forever.

They do like 500 million a year in sales.

They're like a, like a juggernaut of a, of a consumer packaged good brand.

They're like super profitable.

Don't do any like advertising.

And like, they're just like, they're massive.

And so like, I think one idea is like Haldiram, but with like packaging that's just different, like different packaging slightly better for you.

Like maybe it's baked and not fried.

And like, that's the whole business plan.

Like I don't need to know more to start than just that.

And I think that that's a plan somebody could take today and go start like, okay, so then what are you going to do for this?

Like, I don't know, or the same as everybody else.

Like you can do, I don't know, or the same as everybody else for all other questions.

As long as you just had that one thing, which is like, these guys do like 500 million in sales and they sell mostly through these like any grocers.

I'm going to do that, but with better packaging, because their packaging looks like my mom's packaging, I'm just going to make it look like my packaging, like, you know, the stuff I'm used to buying.

Yeah, and I can cater to Caucasians as a result of that.

Like, you know, packaging, the entire world is going to understand it's not available only as ethnic grocers, there is.

That's our business model is copying their product in a better bag.

Or like two thirds of Indians have diabetes, and I'm just going to make mine like better for people with diabetes.

And I'm just going to be like, it's baked, not fried, and like it's better for you because of that.

Yeah, you know, the guys who started Nature, Nature Box is a company based in San Francisco that sold you snacks, like trail mix basically, and shipping either to your home or your office.

Their original business model was we're going to go buy this at Whole Foods, put it in different size packaging, and just ship it to your house.

Like, you know, what's the difference between this and Whole Foods trail mix?

Literally no packaging difference, no ingredient difference, they literally go and buy it and

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you know, ship it to your house.

And that was it.

And Instacart like started and they're like, what are we going to do?

You have a grocery list.

You just email it to us and we're going to go shopping for it.

Like really simple ideas that were not like, you know, groundbreaking by any stretch of imagination that built huge businesses.

And you invested in Manscaped pretty early on, I think, right?

Yeah, yeah, I invested in Manscaped probably three or four years ago now.

And so you invested in Manscaped and it's been one of your, I think you tweeted out one of your best performing investments.

What did they do?

Like what's their version of this?

Like the stupid simple plan that like just makes sense and it doesn't have to be rocket science, but like a simple plan executed well.

What was their version of that?

Yeah, I think two things.

I think one was they're like, look, we've created a product specifically for your balls.

Even though the razor that works on your face works on your like, you know, if you've got an electric trimmer for your face, works on your balls as well.

It's not like it's different hair, possibly more coarse, but like that trimmer is going to work there.

And so they're like, look, we've created an electric trimmer specifically for your balls.

And like, you know, that might appeal to people who don't have electric trimmers for their face.

Like I imagine you do.

It's hard to keep these beards trimmed well, but like, you know, if you've got it for your face, you can probably use the same thing for your balls if you're comfortable with that.

They're like, hey, you're using a Gillette razor blade because you're clean shaven.

We've got something specific for your balls.

So I think that was really smart.

They're like, hey, use this product for a category that you probably aren't using it for.

And then two was like branding and name.

They're like, you know, they got the name right.

They got the trademark right.

I think those were probably really hard for them to get, although I'm not like involved enough to know that.

I'm like, you know, they've done a good job with like unique and differentiated branding.

Like they had, they had a barge sale up and down South Beach in Miami and they had a big billboard on it and it said, got Bush, use manscaped like they've done really unique things in order to get their name out there in a way that I think a lot of other direct

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consumer businesses have failed where we're like, you know, native would run billboards and we're like, here's an aluminum free deodorant.

Please come buy it.

It really didn't get your attention.

These guys have done a good job of that.

And like, you know, today they posted on a billboard in New York City right now instead of the heart emoji, it's an upside down heart emoji.

So it looks like a, you know, a testicle stack basically that's really clever branding and like really clever thinking.

And so they're fantastic at that.

And I think what's really difficult is that stuff doesn't scale.

It's not like if the guy who's like, you know, if there's two guys thinking about this kind of stuff and they retire, you're not going to be able to hire or teach that skill to somebody else.

You've got to find two rock stars that are able to pull that off otherwise.

And I think that's going to be difficult for them.

But so far they're just knocking it out of the park.

And you see a ton of brands, a ton of DDC brands, you're probably like, you know, one of, when somebody has a DDC company, you're probably one of the most, I don't know, desired like investor, advisor type dudes, like that's your authority, right?

People want to do what you've done.

And then you've also invested in so many that now you have that portfolio and experience as well.

But you also see a bunch of DDC brands do stupid shit.

So what are some of the kind of like, give me your rant on the things you see DDC brands doing wrong?

What are some of the common mistakes you see that drive you nuts?

Cause I know that like both you and your brother, it's like operational like, you know, operational excellence is what turns you on and operational like, you know, ignorance or whatever, you know, is what like, you know, drives you nuts.

And so give me some of the things you see DDC brands doing wrong or stupidly.

Yeah.

Over hiring and like spending money on dumb things like, you know, native was doing probably we were at a 50 million run rate or close to a 50 million dollar run rate when we sold the business and we had eight people at the time.

And when I left, you know, it was certainly do a north of a hundred million a year and you know, we probably had 30 or 30 or so people on the team.

Like there were not that many people for a brand that was doing a lot of revenue.

You know, I've walked into offices where people have 20 people, you know, there'll be 20 people doing \$2 million or \$4 million in revenue and I'm like, what are all of these human beings doing?

Like this many people here send them to the subway handing out free like coupon cards to people who are getting off the subway.

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This is too many people inside your office to be working on a \$4 million a year brand. And so I think that's a, that's a real, like you're burning way too much money if you have that many people, you know, Goldman Sachs had the standard of like, we want to do one million in revenue per employee that we have.

That should be something that's rather easy to do for, for direct consumer businesses.

I sit on the board of a company called Brewmate, which makes like, like, you know, drinkware think like, you know, like hydration kits or can coolers for slim cans, they had one employee and they were doing \$30 million a year.

Like only the founder, Dylan, was at the company and he was doing \$30 million a year.

Now he had some outsourced agencies that he was working with to help him run, to help him run Facebook ads and to help him do customer service stuff, but like he had one guy and one guy in the payroll.

So you get easily flexed up and down with those agencies, depending on how the business was going.

So I think hiring, over hiring is a real problem.

The other thing I think is like, another way to spend money poorly is like a beautiful office.

I remember walking into some direct to consumer founders businesses when I was running native and I was like, wow, this brand is super successful.

Look at how nice this office is.

They have a big, they have a logo on their, you know, on the wall right when you walk in.

After we sold our business, the first time PNG came to our office, because, you know, we had been doing it offsite so as not to tell everyone, you know, if 13 people from Procter & Gamble walk into our office with eight people, people are going to be like, hey, what's going on here?

So we were kept meeting offsite and finally when they walked in, you know, there was a sticker on the door that said native, like it was a sheet of paper.

I had written out native by, with a Sharpie marker and taped it on the door and that was our office.

It was like, you know, done with one penny and they were like, is this seriously your office?

I was like, yeah, of course this is our office.

Like this is the cheapest office I could possibly have imagined and I was like, hey, we care about dollars.

And so, you know, I used to be afraid of being frugal and I'd be like, wow, I'm so embarrassed.

Now I'm like, it's a real badge of honor.

We're running a fiscally, like, you know, we're fiscally conservative when it comes to this business and we care about dollars and they're my dollars.

I don't want to spend them well.

So I think that's the second thing.

And I think the third thing is really poor marketing.

A lot of founder, like if I ask a founder, hey, what is your cat class month and you don't know, that is a terrible sign.

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If you're doing under \$40 million a year in revenue and you don't know what your cat was last month, that's crazy.

If you don't know what your cat was yesterday, that's okay, but like you should know what a problem you probably should know.

And like, you know, you know, if I ask you at 10 a.m. and you don't know, that's okay.

If I ask you at 2 p.m. and you still don't know what your cat was yesterday, that's a real problem.

You're just not involved in the numbers enough.

Like this is how you grow these businesses.

It's paid ads or some sort of advertising spend versus a return on that investment.

And if you're not familiar with those numbers, you're, you know, being grossly negligent with your business.

And you used to do a bunch of like, kind of like hands-on unscalable stuff like this.

So I think, you know, I don't know to this day, but like, I showed you what we do as far as this morning we were talking, and I showed you what we do as far as like, every day in Excel, we handwrite, here's how much we've spent, here's the, here's the new customers we got, here's the blended rows, here's the cat, here's how much from email, and we write that every single day into this like spreadsheet.

And I'm sure there's like more automated ways to do it, but it's not perfect.

And like the practice of doing it by hand makes you think about each of these numbers because you're like, why is this number always 52?

And like, I need to get this number to not be 52, I'm tired of writing 52 on this spreadsheet.

Like I just, if this business, if this number was 42, we would be making so much more money. Okay.

That becomes my daily focus.

What are some, and I've seen you tweet out about like people going and like, like, they go to Target, they like, watch the aisles themselves to see how people are buying their brand or what they're not, you know, what, what they're doing when they choose the brands. What are some of those unscalable things you've done yourself or what are your favorite kind of like, give me some scrappy stories of like, stuff that, that like you did as an operator or your favorite operators have done?

Sure.

Um, you know, I used to email every single customer at native.

And I was like, Hey, what, um, you know, you bought our deodorant, uh, do you like it or do you not like it?

If you like it, leave a review, and if you don't like it, email me back and tell me why you don't like this.

And you know, we were doing 300,000, \$250,000 in revenue before we heard our first customer service rep, like I was looking at every single one of those emails being like, what's working here and what is it?

And that's how we got our product better.

We'd listened to consumer feedback and you know, we sent out, you know, we were doing

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500, 600 orders a day, probably more than that.

So we're getting a lot of customer service responses to that type of inquiry, but literally every single customer who ever purchased from us, I would wait like, you know, five days until it was too late for you to return the product.

Cause if you emailed us and you're like, I hate this thing, can I return it?

I want to be like, no, you're past the return deadline.

You can't do that any longer.

So I literally had it scheduled for like, you know, at native, you can return product for 30 days.

I had it scheduled to go day 40 because I was like, you know, it's going to take five days and shipping.

And so day 40, we would email you and be like, tell us what you like and what you don't like.

And you know, we're going to go and try and fix these things.

We once had, we invited a bunch of consumers to a location and then started grilling them with questions.

Hey, you know, there were consumers that had purchased from us a bunch.

They lived in San Francisco and were like, why do you like native deodorant?

Why do you think it works better than other deodorants in the market?

Because you know, people would be like, it has probiotics.

That's why it works better than other deodorants.

And I was like, what makes it like, it does have probiotics, but you have no idea whether that's effective or not.

And I was like, no matter what we do with our formula, we have to keep some level of probiotic in there because people think probiotic means efficacy, whether it does or not.

And so those are the types of things that were really interesting and fun and, you know, non-skillable.

You know, I also, you were talking about, Solomon was talking about my business and how I packed boxes.

I did pack boxes.

I packed boxes until we were probably doing that \$80,000 in revenue a month, like, you know, Monday, Wednesday and Friday, I would go home after working, put on Star Trek and start packing boxes.

And you know, I was like, okay, I knew how much a box weighed.

I knew how much filler paper to put in there.

I knew how much a box weighed when like, you know, with deodorant and without deodorant, I knew how to optimize this price.

I knew when we were creating custom boxes, I was like, I want our box to weigh one ounce and not 1.3 ounces because at 1.3 ounces, it tips us over this level and at one ounce, it doesn't.

I'd go to our contract manufacturer all the time and be like, hey, we're seeing these types of fuck ups.

What's going on here?

And so I was like, intimately familiar with the formula.

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I knew the steps to how to pour the formula, what temperature we poured it out at and like, native was being handpoured.

We were making 20,000 units of native at deodorant a day and we were handpouring each single bar.

So there were about 100 people working in Austin, Texas handpouring deodorants.

And you know, the best person could handpour about 1,000 deodorants a day and a new person could handpour about 75 deodorants a day.

We had to train these people to go from 75 to a couple hundred or 500 and that was really interesting as well.

And so there was a, I mean, that's not scalable, certainly handpouring deodorants isn't scalable, but we went from 500 units of deodorant a week to 21,000 a day, still handpour it.

So it was more scalable than I thought it was going to be.

And how much of that is you being a maniac versus like good strategy, right?

So like if somebody in my company was doing that, I'd be like, why are you doing this?

You need to hire somebody so you could do something higher leverage, but clearly it kind of worked for you to be like a maniac and doing all the things yourself.

So like, you know, what's the line?

What's the right way to think about that?

Yeah, that's a great question.

I think if you're in completely divorced from customer feedback, you're setting yourself up for disaster unless you've created a, you know, a flywheel that you know exactly how it works.

Like, you know, when native was doing a hundred million dollars of sales a year, I probably wasn't in customer service any longer, but when it was doing 50 million in sales a year, I was in cut.

You know, it's probably the number one.

It's not the number two customer service agents.

And so like, you know, you need that feedback to understand what's working and what's not where their problems in my business and where they're not.

And so, uh, like, I don't know what the right line is, but divorcing yourself from customer feedback at under \$25 million a year is bananas to me.

You're not going to know what people love about your product and what they don't love.

And you're not going to know, like, you know, we'd have operational issues that I wasn't aware of.

We'd be like shipping is taking an extra three days when it's going to California.

What's going on here?

Like, is there a problem in California?

Is there a problem with our shipping company?

Sometimes we'd run out of things and no one would know until a customer emailed us being like, Hey, I'm waiting four days and we're like, we're out of this, we're out of coconut and vanilla.

I don't believe it.

And then we check our inventory and we're like, how did we run out?

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Like we did such a, not only did we do a poor job at inventory forecasting, we weren't even aware of that we ran out when we ran out.

And so, uh, those were a couple of the ridiculous things that would happen.

Uh, but like, you know, because you're intimately involved, you're able to like, you know, understand the business at a deeper level.

And I think like really being engaged at, you know, what does my shipping look like?

You know, how can I make shipping faster so I can reduce costs?

Is the weight of the box or the weight of the filler or the size different?

There was a company that I knew that, uh, as friends of the CEO in San Francisco, his body, he was shipping through Amazon and his box that he was shipping in was about a half inch too large and it went from being extra light.

It went from being like an L large box to a custom large box.

And so his shipping rate went up like \$70 a box because of this half inch he had.

And like, you know, when people discovered her, when he discovered it, he's like, I can't believe we've been shipping like this for so long.

You know, if you're intimately involved, you're probably going to catch those things a little bit earlier.

Right.

And so you, let's zoom out.

So you, um, you've seen DTC change.

You, uh, you also have seen, you know, you also invest in the stock market.

And so you've seen Shopify, Amazon, Facebook, give me, on each of those three stocks, give me your lay of the land on like what you think has happened and where you think that those are going.

Are they trending?

Are they rightly priced?

Are they underpriced?

Are they overpriced?

You know, give me, give me, let's do Shopify first and then, uh, we'll do Facebook and then Amazon.

Sure.

Okay.

And for context, I've lost millions of dollars in Shopify stock in the last six months.

Uh, and you know, I wrote this Twitter thread about it as well.

And I was like, uh, Shopify keeps, uh, their, their, uh, their motto is to arm the rebels.

And I said, they keep giving us muskets in a war that's being fought with like nuclear weapons.

And you, when you put out tweets like this and you, you basically say, Hey, here's what I think you should do with your strategy.

Or if I was CEO, here's what I'd be doing or like, as somebody who's lost millions of dollars on your stock, here's some things that I think could help.

Do you ever hear back?

Is it crickets?

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Do you get other interesting inbound?

What happens after you put that out there?

Cause I've done that a few times and I've gotten very interesting, uh, situations occur from my, my, my tweets like that.

What's happened for you?

Definitely interesting situations.

Uh, Toby, who's the CEO of Shopify respond and he's like, these are great points.

So did Harvey, who's the president and definitely had some more interesting calls.

And I'm not sure if that, that Twitter thread, which was a couple of months ago now, you know, inform them and help them create this lookalike audience system that they're creating in Shopify.

That's wonderful.

I don't want any credit.

Just go do it so that we can go get cheaper, you know, cost customers so that we can acquire customers at a cheaper rate and build better businesses.

Like, you know, go build out these products and make the platform fantastic.

You know, a bunch of people pay Clavio more than they pay Shopify.

A bunch of people pay recharge more than they pay Shopify.

Like these are Shopify apps that provide you with a small segment of like, or a small thing compared to what Shopify enables you to do, you know, provide some of these services at a cheaper cost or build in some of these services to make the platform better.

Like, you know, triple will is doing a fantastic job at analytics.

Why doesn't Shopify build their own subscription platform instead of outsourcing it to recharge which everybody hates and which charges a fortune like what's going on there?

It's been, you've been publicly traded for years.

This is arming us.

This is arming the rebels.

And so let's, let's shift away from DTC.

Let's do other types of investing because you do real estate.

You've tried to buy pieces of sports teams.

You've tried a bunch of different things.

So let's just start with the big picture.

So give me a pie chart percentage wise of what do you do with your money?

So you, you came to a bunch of money, you, what's in cash, what's in real estate, what's in stocks?

What do you do in percentage wise, roughly for those?

Great question.

Great question.

And I think the answer is I should know the answer.

I know my cat from yesterday.

I don't know your cat.

And this is me not knowing my cat, which is embarrassing, like probably around 10 million in private equity, probably around 40 million or 50 million in cash, which is a lot.

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And not like cash cash where I'm like literally holding in cash, but like really short term bonds waiting for bond prices to go up.

And so now I'm starting to leg into positions where I feel like interest rates are getting more exciting.

And so I'll put my money there.

So I've been investing in really short term bonds that aren't really subject to much interest rate risk because they've got six month majorities and not five year bonds that are more subject to interest rate risk.

And since interest rates have gone up over the last four months, I've started to deploy more capital in that respect, but a lot of cash, probably 25 million in real estate, 30 million in real estate that I'm like, you know, that I are, you know, my family owns and we're operating ourselves.

And then probably another 10 million in real estate as LP somewhere here or there.

I don't know how much money that is.

But then there's like, you know, I don't know, then there's like random and probably another 10 million in startup investments.

So maybe more than 10 million in start investments.

Maybe around 10 million in the stock market, maybe a little bit less now that Shopify and Facebook have gotten cremated.

So maybe less than that now, but I'm not exactly sure what the amount is there.

And why such a big cash business?

Is that to be conservative?

Is that just I'm so busy, I haven't figured out how I'm going to deploy all this?

Or is it like intentional?

Like, no, I want to have, let's say 50%, 45% cash and kind of bonds.

It's more reactive than it is proactive.

Like I'd love to be more invested.

And part of it was actually like, you know, proactive in terms of waiting for interest rates to go up again, because you know, if you invested two years ago or three years ago, you've barely gotten any return on your dollars.

So I was like, we can sit on cash and not be subject to so much interest rate risk.

Now I'm getting more excited about that.

But a lot of it is, you know, when you get to a certain scale of wealth, you hire professionals who are like private wealth managers to help you deploy your capital in a way that's really intelligent in a way that's unique.

And you know, supposedly gives you a competitive edge because you have more capital to deploy.

So you're able to hire smarter people to deploy that and, you know, earn a greater return.

That's the shtick that they sell you.

I'm not sure that shtick is real at all.

Like private wealth managers have been really disappointing.

Like no one is doing anything unique in this industry.

You know, if you asked two private wealth managers, what's the difference between you and this other person?

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They'll just shit on the other person and you'll be like, what are you going to get me like, what are you going to invest me in that this person isn't like, what's your competitive advantage?

Do you have access to deals that this person doesn't have access to?

They're like, no, we're both managing the same amount of money.

We've been around the same amount of time and they're like, you know, have you heard of Elliot?

I'm like, yeah, I've heard of Elliot to the Wall Street Journal every fucking day.

I'm pretty sure everyone could get me into like, you know, their fund is \$20 billion.

I'm sure anyone could get me in there and they're like, yeah, anyone could get you in there.

But we know them really well.

I'm like, okay, I don't know what that means.

And so like, I guess where I've been disappointed and where I've been lost in this world is how do I deploy my capital in a really effective way?

And you know, every like, you know, if I tweet something about this, I tweeted like, hey, if you've got \$300,000, if you're earning \$300,000 a year, it's really hard to know what to do with your money.

You're not rich enough for the private wealth manager and you're too rich for the Bank of America person who sits at the retail branch.

And you know, I got a bunch of people who are like, I do this for 300,000 people who earn about \$300,000 a year, I didn't bet any of them, but like, they were aggressive and like, you know, these private wealth managers, if you sell a business, they just reach out to you and they're like, help us let us manage your money and you're like, what are you going to put me in?

And literally, none of them say anything unique, none of them add their own things or just like, we're going to invest you in this other guys fund and every private wealth manager can get you in there.

For instance, with public equities, they all tell you, go invest with parametric, they do tax loss harvesting, so you will get an extra 0.25% to 0.5% return over the S&P 500 if you invest with parametric, as opposed to doing this, as opposed to just investing in a Vanguard ETF, but they all tell you to do that.

Why would like, you know, why use Goldman Sachs instead of First Republic instead of a smaller boutique fund?

If you're all just going to invest with this dollars with parametric, you're all the same at that point.

It's like, you know, it's like buying an airline ticket from Kayak or Expedia, but riding on American Airlines and getting the exact same seat, ultimately, you're getting the same product.

And so I haven't been smart enough and spent enough time figuring this stuff out.

Got you.

And then what about crypto?

You don't do anything crypto and is there like a strong opinion like, oh, it's all,

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you know, for Gazy or you just haven't had time?

Very little with crypto.

I'm like an investor in a couple of fund of funds that have made a fortune in crypto.

So these funds have returned a significant amount and it wasn't in their sort of like fund charter to go and invest in crypto, but they did it anyway.

And they're like, look, we're up, you know, 10,000% so you can't complain.

You know, they're like, look, we turned your dollars into \$10,000.

You can't be a, you can't be an asshole LP and you're like, what the fuck, you can't do this.

They're like, here's \$10,000.

Shut the fuck up.

So, you know, they can do it.

Generally, I just don't understand the value yet.

So I've been hesitant to get in there.

I'm not opposed to it.

You know, everyone says invest 5% of your net wealth in it.

I wouldn't invest 5% of my net wealth in it.

You know, it's hard because the same parts of the world are like, boys, you're not investing in crypto.

What the fuck are you doing?

And the warm buffets of the world are like, if you offer me all the crypto in the world for \$20, I would not buy it.

And so I guess I've just been sitting on the sidelines.

I don't know if it's good or bad, but if someone has a strong opinion and can convince me, please do so.

Okay, I'm going to resist the urge to do that now because people have had my rant too many times on it.

All right.

So, let's do a little bit like, let's do a little touch on a real estate, then we'll do the personal stuff.

So real estate, you've been deploying, but now it feels like the landscape has changed.

I think you kind of have an opinion on what's changed.

Give me your current take on like, what do you see and what are you doing?

Yeah.

I left a native in February, 2020, and right when COVID was going to hit, like I was like, I'm going to go to Europe and I'm going to go to France and I'm going to try and drink all of the wine they produced in 2019 in February, 2020 in France.

And then COVID hit and instead I was stuck with my parents like, you know, all day.

And it was a very different experience and I suspected it was going to be.

And so I started buying real estate.

And so from like January or from February, 2020 to probably the end of 2021, I bought about 50 or so units, generally single family homes, some duplexes, some fourplexes, two units in, you know, all, and then aside from those 50 units, two units in like California

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where they're like old apartment buildings that are really small and were renovating. And then as an LP in a bunch of different funds, you know, everyone who bought in 2019 you look like a fucking genius.

Like people like, wow, you're such a savvy real estate investor.

I was like, I started buying because I had nothing else to do.

You know, if they were going to return money, they're going to return 5%.

They're returning 12, 14% now, and that's fantastic, but I'm not sure I was very savvy about it.

I haven't used leverage, which is really stupid of me and, you know, it's really stupid today because if I'd borrowed, you know, a year ago, I would have gotten 2.5% interest.

I could have just invested in a 10 year bond and made money.

I just haven't used leverage in part because I'm too lazy to try and get it and in part because I'm like, you know, I've got enough capital to deploy already.

And the returns have been fantastic.

You know, I bought homes and I was underwriting for 6% returns that are 12, 14% returns. They're crazy.

I bought a four plex for \$600,000.

I thought each unit would rent out for like \$800 or each renting out for about \$1400 now.

So I'm making a fortune.

People are struggling with rents and so state governments are often stepping in and providing rents to landlords.

Like, you know, we get a call being like, hey, John can't pay his rent.

We're going to cover the rent for the next 18 months.

And you know, they'll cut you a check for 18 months of rent and late fees, which is bananas.

And so it's been a fantastic investment, but yeah, I am slowing down now.

And do you think, you know, where do you think this goes?

Are you going to, you're slowing down, but is you are slowing down because you sort of are like, okay, I'm allocated how much I want to be allocated or you're slowing down because like, wait, this no longer, these prices no longer makes sense.

It's not even the prices don't make any sense any longer because I've, this, this is the one asset class where I'm like, I have a really long-term view, you know, stocks, I've, like I've been in shop if I never sold a share, Facebook, I've been in, I've never sold a share, have had them both for five years without longer, Microsoft, I've been in for more than a decade.

I remember buying it while I was in my admin law class in law school and I've still held every one of those shares.

So like, you know, generally, like I'm a pretty good long-term investor, real estate, I think of myself as like, you know, I will never sell any unit in real estate, like my children will inherit this or, you know, natural disasters will take these things into the ocean.

I'm okay with either of those, but I will not sell one under any circumstance.

So I'm not really worried about prices, you know, in terms of cap rates long-term, but I do think there'll be a small market correction.

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So I guess I've slowed down my purchasing, I'm still under contract to buy two or three units in the next couple of months, but I'm not like, before I was trying to buy, you know, a unit a week or two units a month, and now I'm sort of like, let me buy a unit a month or less just to see what happens to the market as interest rates go up.

I think these prices will come down a little bit, but I like, you know, a lot of my cash is in real estate, you know, \$25, \$30 million.

I'm not scared that like, you know, if the market crashes, nobody will be more excited than me.

I will deploy all the cash I'm sitting on for this.

I have no problem with that \$30 million goes down to five.

I will not get like, this is the one asset class where I will not get scared.

I will double, triple, or quadruple down as opposed to being like, oh my God, I got to sell what I've got.

And that's just because you're like, this is a concrete asset, there's limited supply, there's always going to be demand.

It's such a daisy mentality, you know, it's like my parents mentality of like, the cash flows, it's immune to Facebook ad prices, it's immune to the stock market.

It's like generally, like it's real diversification for my e-commerce and startup investments. Like these things will exist.

They're generally, they're primarily in the South with the exception of a few in California and a few in Colorado, they're places where people are moving to and not moving from.

And so I'm excited about them.

And yeah, so I would never, I have no desire to sell them, get emails and calls all the time, no excitement whatsoever to sell, love holding this stuff and generates a ton of cash.

And you know, the other way I think about it is, and this is also pretty daisy mentality is like, okay, I've got all these expenses per year and no job.

I need something to make up for that, like these expenses, like, I don't want to dip into capital.

I don't believe it.

Like, you know, like a balance never goes down in a balance.

That's right.

I'm terrified of the balance going down.

And so I'm like, I need something to afford my lifestyle and this real estate helps me afford my lifestyle.

I don't know if I'm just too dumb or too lazy, but it's one of the two where I'm like, I basically picked two lanes to think about.

And I was like, I don't really have the like mind share to be able to think about like, if I go into real estate today, I'm the dumbest guy in the room.

Okay, well, it doesn't take a genius to do real estate.

So that's okay.

I think if I put my mind to it, I could do that, but that's now my mental cycles that are not going towards my business or the stuff I'm more interested in where I think I can

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have a bigger edge where I think I can be more like the top 1% rather than like the 60, you know, 60 percentile or whatever.

And so that's the first part is like, do I want to try to learn this game from scratch?

If I'm going to do anything direct, or even if I'm going to invest in funds, I got to have some ability to vet these funds a pick, but okay, they're all pretty safe.

If you can get your five, six percent, it seems like, you know, without the, it's not totally variable like that.

The other thing is like, in direct, I'm just like, who is going to have the time to manage all this?

Like I did one transaction buying my house that I was going to buy, I was going to live in in San Francisco and just the process of the dealing with the bank to get the loan and then the closing, the escrow and then the inspections and it was like, I couldn't do anything else.

I was like paralyzed from like actually doing stuff I liked because I was constantly having to nurse this project.

And I was like, I can't imagine buying 50 units in a year or, you know, 20 units in a year and like the amount of just transactional like logistics that I would have to go through. It's such a turnoff from like, for what is the return?

Basically the same average as the stock market in the long term.

Okay.

Like I don't have to, diversification is not that important to me to like do both of those things.

Like the mental cycles plus the physical energy it would take to do the transactions and manage them and then like, you know, my, my tenant calls, you know, my property manager calls me about the tenant that's calling me about whatever.

I don't actually even know what goes into it, but I know it's not nothing.

And right now my tolerance is nothing for like, for like headache.

Yeah.

And this isn't like, you know, someone calls you on a Monday being like, my AC is broken and it's in San Antonio, Texas.

You can't be like, okay, I'm going to get back to you Thursday.

Like, you know, it's 110 degrees outside.

You need to get that fixed in the next 12 hours.

So you're right.

There is a lot of pain there.

I called my manager, I rent the current place that I live in and I called him and was like, Hey, there's like a weird smell.

He's like, okay.

So like, where's it come from?

I was like, I don't know.

It's a smell.

I can't see it.

He's like, okay.

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Like what kind of smells?

Like, I don't know.

It's just like bad.

It's like smells really bad.

He's just like, okay, you got to give me something.

And I was like, and it's Sunday and like, you need to send someone here because I can't have a house with a bad smell.

Like, and I'm just like, I got kids, you know, that that's the card.

And I'm like, you got to send somebody now to figure out this mystery thing.

And then the, the guy comes over, he's like, where's the crawl space?

I'm like, I don't know.

It's not my house.

I don't know.

Go ask this guy in Arizona who owns this house who's 90 years old.

Go ask him where the crawl space is of this property because it's his problem to like fix this for me.

And I'm just going to be a baby about it.

And then I think about what it's like to be on the other side of that.

And I'm like, is that worth the like \$500 net that he's making per month on my, on my rent?

It's like, probably not for me.

Yeah.

Yeah.

You're absolutely right about that.

And what was in the crawl space?

Was it like a deck?

I don't know.

We never found it.

Yeah.

The guy didn't get back to me and now I'm pissed.

We have no idea where it is.

The guy like sealed up one hole.

So he's like, maybe this will help the smell go away.

That was it.

I was like, okay.

Well, we still don't know what's causing the smell.

You just bottled it up.

Like whatever's in the wall that's dead or whatever's going on here is like, you know, he's like, he, the guy came over and now on Google transit, he tapped out, he's like, if the smell's still here tomorrow, I'll come undo the whole wall thing I just did and I'll go find what's in there.

I was like, bro, can't you just do that now?

Can we not go into the wall now?

What do we got to do with that on Google translate?

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That's hilarious.

Yeah.

A bunch of a bunch of the real estate I bought is like an auction.

And so when you walk, like they're very, there's no inspection, there's no financing ability.

Like, you know, you bid on an auction, you, you write, you know, you wire the money the next day and then you open the house and you're like, what did I just get into?

And so sometimes you'll walk it like there was one house I had purchased and the guy passed away, not in the house, but like everything was still inside of his house.

Forks and knives, spoons, his cars were in the garage, get a safe in there, went to empty of the entire house out before we could rent it out.

And you know, you have no like, I'm like, that was a mediocre situation because like, you know, everything was still in okay shape.

He used to live there.

There was another house I got that was in perfect shape.

Like you couldn't like, you know, you go into the house and you like try and look through the blinds to find out what the condition is going to be inside.

This one you couldn't see at all is the only house I've been to where I was like, I couldn't see it all.

And I opened up the lock when after I bought it and it's in perfect condition, there have been houses that I bought, I walk in and I'm like, fuck, I just, you know, I'm gonna have to spend \$40,000 that I didn't underwrite for replacing the roof or changing the tile or putting in a new kitchen.

And so it is a lot of like rolling the dice, at least in the way that I purchased and sort of using, you know, the law of large numbers to be like, this is going to make sense at some point.

And sometimes it does and sometimes you get screwed and, you know, you just eat the ones that got screwed.

Like there have been two that I've purchased in two years ago that are still not rented because I haven't done the work to go and fix the houses to make them habitable.

And that's, you know, that's a lot of capital being that was deployed and nothing's happening with it right now.

Yeah.

You need to just like get some YouTuber who does like, he's trying to make content about like renovating homes, like, hey, you can use my home and like you get, you know, X% and you get to use all the content.

This is your home, sir.

Go ahead and flip this thing, you know, you and your brother both do this, which is I think you treat business like a, like a, like business is your fun, like your adventure.

I feel the same way.

And I asked him because he gave me money and he, he was like, I'm gonna advise your company and I was like, cool, but like, just so you know, like, why are you doing this?

Like I want you to do this, but like as your friend, I'm like, why are you doing this?

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This is a waste of your time.

Like this is never going to make enough money to move the needle.

Like your share of this is never going to make enough money to justify the time and energy and like, it's not going to move the needle for you.

So like really this makes no sense.

Why are you doing this?

And he goes, he says something, he goes, um, he goes like, I am not happy unless I am like, um, entrapped in, you know, in a business and he's like, but as long as I get to create the, I want to live in a prison of my own making and like, I'm good, but like, I'm also not like, I can't be content and fulfilled unless I'm like, unless I'm locked into like a raging battle with like, you know, some like business thing.

And I was like, wow, that's crazy, but it also makes sense to me.

And you're the same way when you're like, how do I do real estate on hard mode?

Like you could just LP a bunch of funds and you're like, no, I'm going to go buy stuff. I'm not just going to buy good stuff.

I'm going to buy stuff at auctions that I'm going to go have to take like a, you know, two by four and break off a lock and then like walk in and see what I got.

And then like figure out how to turn this into like \$1,400 a month of rent.

And you're like, yes, sign me up.

Whereas I'm like, that's like, that's what you do to get to your, your spot.

You got there and then went back to the beginning and like, I'm now going to call you.

I don't even know this analogy, but like, I always heard my engineers talk about servers that run on bare metal.

I don't know enough about servers to know what the fuck that means, but it was always like, what's the most like hardcore way this server can run?

It's like optimized for performance.

And like just the, just the term bare metal, like just told me everything I needed to know, but what the hell they were talking about.

It's like this kind of waste of time hard mode way of doing something that does yield like the best return and like satisfaction of like optimizing this phase.

Yeah.

Like using the juice out of the fruit and like, to me, it's like Moise, you're like, you like to operate on bare metal.

It's like, you're choosing to play this game on like, you're like, how do I hand write my UTM parameters on my ads and then like, how do I, you know, stock my deodorant sticks myself and answer every customer service question.

And then how do I like buy real estate at a foreclosed auction with no financing and no diligence and then like, figure out how to make that work.

You're bare metal.

You know, there is like, first of all, I learned how to break into houses.

Like I learned how to pick locks because of real estate.

Like I can walk into a house now and like open it up pretty much because I carry tools with me when I'm traveling to these houses to be able to like open up homes so that I

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can go inside, which is a little bit crazy.

In fact, I saw my parents, my parents are, you know, too old, like an older Indian couple obviously that are like in firm and walk, you know, my mom will be like, my knee hurts and she walks with a limp.

And then when she's trying to break into a house with me, she'll turn into like Yoda where she can do spins.

She's like, what if I climb up to the top of the ceiling and like, go, you know, jimmy down the chimney.

I think I can get us in there.

And I'm like, I thought you need her, but now you're perfectly fine.

You can like climb this wall and like, you know, go up the, go up into the chimney and she's like, yeah, I got it for this.

But I think that really, I think there's a lot of, um, in my family, there's just a lot of interest in business.

And so being an LP is a ton of fun and I'm an LP in a bunch of these real estate funds and I'm like, looking at the numbers and some are making good money and some aren't. But like, you know, there's no, um, sexiness to it.

It's a paper money.

Like, you know, bring me to sexy problems like, oh, your toilet is broken.

What the fuck are you doing here?

Why is your toilet break every day?

Uh, oh, the government is going to write me a check for 18 months.

This is crazy.

The government is going to pay me late fees.

The government is going to call me and be like, hey, boys, you've got a house here.

This guy can't pay his rent.

We're going to pay you 18 months of future rent and the last two months and late fees for the last two months.

Tell me why you're doing this.

How did you get to this?

Uh, who thought this was a good idea?

Uh, you know, does Greg Abbott think this is a good idea?

Cause that's a lot of money you're going to give me.

And so, um, you know, business is great and making money is great, but it's a lot more fun to be an active participant rather than a sidelines participant, like I don't want to, I don't want to read what's in the wall street journal and be like, okay, that's great.

I want to be like a part of that system that's going on.

There's a great like analogy where this guy who's a partner in a big law firm, his name was Joe Flom.

He worked at Skadden Arps.

Uh, this was back in like the eighties and nineties where there were all these mergers happening.

Um, he's, he was like 80 years old and he slipped and fell in his bathroom and his head was

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bleeding.

And, uh, he walked into this board meeting because he was part of this board that needed to send off a hospital acquirer and he had paper towels on his head cause he was bleeding and he was 80 years old and people are like, what the fuck is going on?

You're bleeding profusely and you're 80s.

Like I slipped and fell in the like, go to the hospital and he's like, no, I want to be here.

And they're like, what's going on?

He's like, I don't care if I'm, you know, acquiring a company or fighting off an acquirer.

I just want to be in the game and nothing is going to stop me.

And this guy was 80 and bleeding and had paper towels on his head, but he wanted to be in the game.

And I really respect that.

Like I want to be in the game.

That's where there's a lot of fun in life.

You, um, you watch basketball, right?

Yeah.

Do you, which like athlete or in any sport, it doesn't matter which athlete are you like I admire their, like the way they do their thing is how I do my thing or how I want to do my.

Yeah.

Tom Brady, Tom Brady for like, I remember he won a Super Bowl and there was a 16 minutes like, uh, interview with him at 27, who's, this was not as like, you know, seven Super Bowl.

This is like a second.

And they're like, so what do you, you know, you're a Super Bowl champion, uh, NFL MVP.

What do you think?

And he's like, is this all there is to life?

Like that's what he said at the end.

He's like, is this all there is?

And you know, then he retired after two weeks, he's like, I got to get back in the game.

I had two weeks off.

This is boring.

I need to be back in the game.

And he's just like an ultimate competitor.

And I really admire that about him, but I'm sorry, that was the answer to the question.

That was great.

Uh, I don't know.

Do you have five, five more minutes?

I want to do a couple on the personal stuff.

All right.

So what were you going to ask about the athlete stuff though?

I didn't mean to interrupt you.

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No, that's what I was asking.

I just wanted to know who you admire.

Um, you've, you, we had a little doc, I said, put down some bullet points.

I say, you don't have to explain what they mean, but give me some nuggets that we could go off of on it.

You had a section of personal stuff and you go, you have two that are really interesting to me.

You go, I don't know how to spend money.

What does that mean?

Yeah.

Um, you know, I'm living in the Airbnb's that are like five grand a month.

Uh, I don't have a car.

I don't have a house.

Uh, I live out of a suitcase.

Um, and like, you know, when expensive things are like nice, I'm like, can I afford, like I still do the math of being like, this seems too expensive for the value I'm getting, even though that, like, you know, at this point a thousand dollars probably has no value to me.

Not like no value, but like it's not going to materially change my life.

I'm still so cautious when I'm spending \$20.

I don't know what the, I don't know how to get this out of my system.

Do you know how to get it out of your system?

Um, I don't know how to get it out of my system.

I have no problem spending money.

Um, so too much money, but like I've seen this and I think, you know, the one of the main things is I see my dad and my dad has done really well for like, he's got the same immigrant story that like everybody has, which as you come to the country, he had, I think \$91.

That was starting point, right?

So that's the before and then like, you know, he's made good money in his lifetime.

Um, nothing like, you know, crazy to write home about, but like, especially from a \$91 starting point, like they have, my parents have enough money to do whatever they want.

They really don't need to penny pinch.

But like, you know, if we go to Starbucks and it's like, you know, would you like the, he's like, can I have the small, they're like, okay, it's called tall is like, no, but what's a smaller than tall?

Because I feel like the tall is going to be overpriced.

He's like, you know, this is \$3.

Like I, I can make this.

It's mostly water.

Like he'll be talking to the people about it.

And I'm just like, Oh my God, like not at least it's embarrassing, but like it's embarrassing in the moment.

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Cause he'll just be like, let me clarify.

You're saying the thing that's mostly water is \$3 and 80 cents.

Like, Oh, hold on, hold on, stop the line.

What's going on here?

Or like, you know, you know, he'll pack seven people into a hotel room cause like, you know, we can make it work.

It's like, yeah, do we have to, um, like we're on vacation here, why does it have to be a struggle?

And so, you know, I just saw he could never get it out of his system.

Like those, those the scarcity mindset was just so like ingrained in him because, and that's like, all right, I get it.

Like he had no safety net, he had \$91, like every dollar counted and like, it wasn't about spending.

It was about like saving to get, to build a safety net cause you're in this new, you're in a foreign country, your parents can't help you.

Nobody can help you.

Like, and so I get that, but I saw that like, Oh wow.

You know, actually the money come in, it wasn't logical.

Like once the money was there, that didn't change.

The mindset didn't change.

So it's like, I had to separate out, there's a mindset around money and then there's like the logical like situation about the money and like there's actually like, they're unrelated. You would think once the logical situation changed, the mindset will change and it's like, no, it doesn't.

So it's like an active thing.

And so then I just started to like, one of the reasons I asked you who you admire and you're like, I admire this guy who's got like a bloody head going into the board meeting cause he wants to do business that bad.

I would view that as a failure and you view that as a success and like, because I have this belief, which is you become what you admire, like fundamentally you admire something, you're going to strive to it.

So it, it makes a lot of sense to really pick and choose what you admire.

Like I'll give you an example, a lot of people admire Elon Musk.

And I think Elon Musk is obviously super incredible in a couple of ways.

Like he's one of the greatest inventor and businessman of our time and like, you know, the greatest in Steve Jobs, I would say, but like, you know, I think he's like an Edison of our time.

Great.

Sure.

But he's also had, I think like, you know, I don't know, four failed marriages and like, that's not something I want for myself.

So like, I got to be careful to admire the like, the all encompassing person because I don't want the all, the full result of that.

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Like the, you know, and so you kind of got to like, so I got, I got really specific about what I admired.

And once I admired certain things and I started to live life like those people, it's like, well, this guy's really, really happy.

And like, wow, he's like pretty generous and he's not generous based off of having this like huge amount of wealth.

He's generous because like, he doesn't feel super scarce about money.

He doesn't feel this lack of money.

And so he's like willing to give and like, he's willing to give freely and he doesn't think twice about it.

And then he doesn't pat himself on the back about it either like, oh, wow, I really admire that about him.

Like I want to be more like that.

And so to me, the only thing that got me to change my mindset was knowing that it's not going to change based on how much money's in the bank and be like, I have to change who I admire.

If I'm going to like change who I become, right?

Because like, I will naturally start to follow those blueprints and observe people doing those things and be like, oh, downloaded that.

Like I will, I will make that happen.

I will make that happen.

Like I'll give you a little small win for me on this front.

Like I was just on vacation.

I was in Hawaii last week and like my parent, my dad is, like I said, like a horrible tipper.

And like, so my whole life, I basically saw my mom being like tip him and my dad being like, you don't have to.

And like, you don't have to.

Or like I did.

And I'm like, he handed him like a one, like one, one was his tip and like the absolute minimum.

And I just saw the look in the valet guy's face or whatever.

Like it wasn't even valet.

Like he wouldn't do valet.

It's like the face of the guy who you, you're mandatory.

He's standing there.

You got to give him something, the bell hop, right?

And it's like, so this time we get to the place.

The bell hop takes up our bags, you know, to the hotel room or whatever.

And I felt all those same urges of like my upbringing, which was like, we can just take the bags ourselves.

It's like, yeah, but like that's this guy's job and like, it's not about being lazy.

It's like, that's how this economy works.

That's how this ecosystem works.

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If I don't like, you got to feed the whole food chain, otherwise somebody's not going to eat.
Right.
So it's like, yeah.
Okay.
I'm going to let him do that.
Then we got to the room.
It's like, we have no cash.
I don't carry any cash, a dollar bills.
Like I only have cards.
I don't have any cash.
I don't have any cash.
I don't have any cash.
We just got here.
I didn't bring cash or I would like, you know, let the guy leave it at the door and then I'd be like, you know, not there to like tip the guy.
And at this time I was like, I was like, Hey, man, like, I'm so sorry.
I don't have any cash on me.
What's your name?
And then like, I made sure I went and got him later and it was like, again, whatever, 10 bucks.
But those 10 bucks meant a lot to me and like, yeah, okay, that's a step in the direction of the guy who's not like has this lack mindset or scarce mindset about money and is looking to like hold on tightly to everything or like avoid paying things.
It's like, no, no, no, like, you know, make it happen.
I actually had like a pretty comical series of events were on even on this trip where I like, my kid is two and a half, but I don't know if you know, kids fly free under two.
And so I bought first class tickets because I'm trying to be a baller shot caller.
But then I do the laptop, I lie about her age to make sure she's under two.
And like, I knew in the moment, I was like, this feels wrong, but it was also like the logic was like, well, it's like a couple of thousand bucks to buy this two year old kid of seat.
Like, I'm like, I'm really going to do that.
And then everybody told me they don't check because I'm like, I'm going to get away with it.
And I got penalized so bad for this cheapness that like, it was just karma teaching me this wonderful lesson because we get to the plane and they're like, Oh, you guys can't sit like sorry, you can't board the plane.
I'm like, what do you mean?
Not only can I not board the plane, I'm first class, but I get to board first.
And they were like, no, actually you have like two lap infants, you got two little babies.
There's only like X number of masks in the top thing.
So like, there's three masks and there's four of you.

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We can't let you board this plane.

We're going to have to ask to see if somebody wants to switch seats with you for you to get on this plane.

And I was like, what?

And I was like, nobody's going to want to switch seats with the people with the baby.

And like, have us sit next to them.

Like, yeah.

So sure enough, they go on.

Nobody wants to switch.

I'm like, all right, we'll, we'll take, uh, like, we'll buy another seat.

Like it's too late, sir.

They're sitting flights.

Oh my God.

We'll, we'll go to coach.

We'll, we'll, we'll move back.

They're like, coach is full.

And I was like, all right, what's the next flight deck?

It's tomorrow.

I'm like, oh, fuck.

I knew this little cheap move on my part of lying about the four months of my kid's age would come back to bite me and it did.

And so then like we, my wife and we had this horrible flight over where like what my wife was on the last row of the plane with a baby in the middle row between two people.

And like, cause some guy was like, I'll give up my middle seat in the back.

Like to, and now I'm sitting next to this dude.

And so instead of having this awesome family experience, we're having this terrible one because I cheaped out.

And so I just started to pay attention to all the ways that saving money was costing me money and costing me like joy, uh, rather than like how much it's saving me and like what I, what I keep.

And so then who do you admire then?

Is it, is it somebody who's made that mind?

Like who is that?

Yeah.

Like my trainer.

So like I talk about him a lot.

It's probably like I roll at this point, but like, uh, the happiest person I know and not happy in like a cheesy way.

Like, but in a, damn, I've never seen this dude not in a good mood.

And like, I've seen him stuck in traffic for three hours.

I've been late, super fucking late and inconsiderate and like, you know, like, but he greets me like he's, he's just been having a party.

He's like, dude, where you been?

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Because his life is a traveling party.

And so I saw that and I was like, man, on every conventional metric that like I was raised, like you, you came from Brownfam, it's like, he's, uh, I think he's like 41, 42 years old.

He's not married.

That's, that's a like household disaster.

If you're like a brown person, it's like, you know, we're having interventions, you know, if that happens, um, you know, he does well for himself as a personal trainer, but he's not like the most successful guy.

I know.

Like I'm surrounded by people with more quote unquote success than him, um, in terms of financial success, um, you know, so like, you know, just in terms of like the kind of conventional metrics of things I thought were most important, you know, his scoreboard, it wasn't like, wow, this guy, I admire him because he's successful.

It's like, he's successful at the game of life because this dude's never in a bad mood.

And like, because of that, everybody wants to be around him.

He's the most loved guy I know because of that.

He has these like magical experiences, like you go to a coffee shop with this guy and like you're going to have like something, if you just hang out with him for three hours, like something awesome is going to happen because his mood, he's going to make a joke and then that person's going to say this thing and then they're going to take us to the back room and hook us up because they just got liked our vibe and like, I tell the story, like he goes to the DMV and like, you know, he goes to the DMV and like DMV is like the classic like worst place on earth to be.

And like he went in being like, nah, dude, he looked up the DMV on Yelp and had two stars.

And he's like, I'm going to have a five star experience because I'm going to be a five star DMV participant, uh, you know, and just watch what happens.

So he like walked in with a little pep in his step, he's smiling and he makes a joke to somebody and he realized and somebody's like, oh, you could, I'll just help you out over here.

And everybody else is grumbling in line, like, why is this guy getting to go up front?

She's like, don't mind them.

And then she flirts with them and like she, she hooked and he's supposed to take the test and she's like, you know what, like it's fine.

You've been driving for a long time and she just gives him the thing and he's like walks out.

He's like, damn, if I could do it at the DMV, I could do it anywhere.

Right.

Like that's awesome.

He's like, I wasn't always this way.

Dude, I was depressed for a while.

My dad died and I used to be bitter about him for XYZ and he's like, he's like, you know, I used to be the guy, like I didn't want to come out from the covers because I

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just wasn't looking forward to my day.

Like, you know, if you looked at me, you'd just see like a blanket and two eyeballs because I just didn't want to get out of bed.

And he's not saying this as a motivational talk because he doesn't, he's not a motivational speaker.

It's just like, he's my personal trainer.

I just happened to hear these stories.

So when I heard this, I was like, okay, this dude is winning.

The reason I want this money, this family, this all these things, because I want to feel good.

This dude just feels good on auto, like he feels good no matter what situation you put him in.

So that's like an invincibility, right?

Like he is unconditionally feeling good.

So that's the guy I started to admire.

And then I started to pattern myself after things that he was, any time I noticed he did something different than me or my friends or the people around me, I like took special note of that and like would lean into trying that out as a new experience to see, you know, is that part of what makes him, him?

That's really interesting and a great story and you know, for a long, I feel like everyone I've admired, I've just been, it's almost like sex where I'm just automatically attracted to that person.

It's not even conscious.

Like I just get an erection when, you know, I hear about Tom Brady because I'm like, wow, that guy is awesome and really good at what he does.

And he's this ultimate competitor and wants to win.

And I never really, I never even thought that you could choose who you admire.

I just assumed it was like, you know, your sexuality where you're like, are you attracted to this person?

It's like, comes from here and not here.

Yeah, actually, maybe that is true.

I think there's some truth to what you said.

But like in the same way that like we don't all go try to marry porn stars, like if there's a certain point where you're like, what really matters to, what do I actually want?

And it's like, well, there's this initial thing, this physical attracts, which is important.

But then like, actually, I now know it feels really good if somebody is caring and thoughtful and like, whatever, like I can trust.

And the things that are like slightly below the surface that like you're like, oh, I actually, now that I know about it, now that I felt it, I'm like, those are super important.

I just, you know, it's just less primal than like the physical attraction, I guess.

Yeah.

Yeah, that's a great point.

I've not done a good job of admiring people that I know really well.

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I've only known like, you know, I admire people that I just hear about their competitiveness and their instinct to win.

I'm going to think about that and try to do a better job of that.

Your brother's like this.

Your brother's another person I chose to like admire because I was like, he's also, your brother's also like in a good mood pretty much all the time.

I've never seen him like, I've never seen him either like in low energy, like I've never seen him just kind of like on autopilot, the switches off.

And I've also like, even when he's like, like I've never seen him defeated either.

So, you know, those are, so, so, you know, when I've seen him, I'm like, he walks into like, when your brother walks into the room, like he's unconsciously goes, all right.

And it's like, he's expecting like the parade to start.

And I'm like, bro, this is just a bakery, but he's like, all right, what are you doing?

What are you eating?

Oh, is that good?

All right.

And like, it's not that he's, he's not like Mr. Smooth socially, but his like will to have a good time or like to have the experience like in its fullest actually like imposes its will on everybody else.

Everybody has to participate at that point because they're like, uh, yeah, it's croissant.

You want to try it?

Oh, you know what?

You should actually do this.

And it's like, he forces the good time out of the average because he just literally walks in.

He's like, all right, what are we doing?

Or he'll be like, let's win.

And I'm like, let's win.

What?

We're not even like playing anything.

Like, okay, I have to like rise to your level or I have to stop being friends with you.

Because, uh, that's just the way you're approaching things.

And like either that's just I'm out or I got to figure out how to be in and being in kind of means like being on and not just being like ho-hum about that life, you know?

Yeah.

Yeah.

I've chosen to stop being friends with him as a result of that.

No, in reality, I actually am better than him as well.

And, uh, I know we're, you know, we were at, uh, we were in Texas, uh, for like Mother's Day and it was my father's birthday two weeks ago and, um, someone had gone to cost, I think my sister had gone to Costco and bought like, you know, some cases of water and like watermelon.

And I got home and she's like, Hey, boys, can you get this stuff out of the car?

It's like heavy and like, you know, uh, I don't want to do it.

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And I was like, why do you have Solomon?

He's been at home all day and she's like, he never does anything.

Like he will not lift a finger for this kind of stuff.

And I was like, this is why this guy's always in a good mood.

No one asks him anything that like, you know, is, uh, not enjoyable because they know he's already said no to it so often that it's not in like, you know, it's not something that it's asked or expected of any longer.

That's why he's always in a good mood, uh, but it is a lot of fun to hang out with him.

Like I, you know, I've hung out with him often enough to see both sides of that when he's like excited and like the energy comes and, you know, it certainly lifts me up and times where he's like more analytical and he's like, let's look into this and does this make sense or more like, you know, um, I remember one time when tiny co is struggling, I was in San Francisco and he's like, we have a new strategy, the whole business where instead of creating our own iPhone games, we're going to license the intellectual property of others.

What do you think of this?

This is like a bet the company move.

And you know, I had no idea I was a lawyer and 22 and didn't know anything.

Um, but I was like, I could, I could get the real sense of like, it's not just pure optimism.

There is a sense of reality there and that also like helped me understand him a lot more too.

Yeah.

He said something about you that I thought was a baller line that I've, I've reused many times, which was, uh, I don't even know if this is the real thing, but this is now the, the legend of it, which was when you went to the deodorant business, somebody was like, Hey, Moise, like, do you even know anything about the deodorant business or like about deodorant?

And you were like, no, I know nothing about deodorant, but in six months, I'm going to know everything there is to know about deodorant and like that's, that's enough for me to go.

Like, I can start this.

I don't need to like think of myself as some expert.

I've used that so many times.

Is that it?

Yeah.

Yeah.

That's true.

Yeah.

That was definitely true.

I remember who it was too, actually.

It was a husband of one of my close friends who's like, you don't know anything.

I was like, I use it and I'll be an expert in six months.

Give me six months.

That's an amazing attitude to have about anything.

It's like, yeah, of course I don't know anything.

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And like, give me six months.

I could be pretty like, I can be pretty much an expert at anything if you give me six months of obsession.

I think it's true with everyone.

Sorry.

Go ahead.

Your brother had some that were like this because I started writing down these traits.

I was like, there's a, what I call is like, you know, sometimes you have a speaker system, you turn it up to level 10 and you're like, oh, that's pretty loud.

It's bumping.

And then you like get in someone's car and it's almost like they got, there's goes to 14.

You're like, God, I can't hear anything.

I'm deaf out of tune.

I got in my right ear because like, why is your shit so loud?

But you're like, okay, at least I know what loud is now.

I have experienced loud.

Even if I don't ever want my speaker to be this intense, like, I now know the level of intensity that exists because I just thought 10 was the max before.

And like, that's what your brother did.

Like we invested in a company together and they were kind of fucking up.

And I was like, dude, can you, I've been trying to help these guys.

Can you help me help them?

Like, he's like, yeah, great.

Let's like, all right, let's win.

And he gets on the call.

He does this clap and he's like, and they're, you know, they're kind of defeated.

And he's like, okay, so well, let's raise all this money.

You're trying to raise money.

Let's raise the money.

Like, let's look at the deck and they like put out the deck and it was like awful.

And he's like, okay, so this is bad.

But let's fix it.

Like, okay.

So he, he, he ratted off.

Like three and he was like super detailed, right?

It's not just like general raw rise, like sorry, three, that chart.

It makes me think this, you need to flip the numbers to be like visualized this way.

Like this example here on Google images and he did that for like this super detailed thing right away.

And I was like, whoa.

And then he was like, all right, they're like, wow, thank you so much.

This feedback has been so helpful.

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He's like, great.

How long do you think it'll take you to, to do this, like to make these changes?

And they're like, I don't know, hope I'm going to work on today.

Like, you know, I know it's super important.

So I'm going to work on it today.

He's like, great.

It's too new now.

Let's talk at five.

And then he just, he's like, send me a standing calendar invite for 5pm every day for the next seven days until this deck is amazing.

And he's like, let's just keep doing this, right?

Like you said it was super helpful, right?

So let's just keep doing this.

And I was like, dude, I wouldn't have had the balls to tell any company I invested in like, let's meet again in three hours.

And it wasn't like forced.

Like I can't, even now when I'm saying it, it's not coming out the same way where it was like, great, let's do this.

And like, let's just shorten the time span, right?

Like let's just cut all the fluff, okay?

So you'll make these changes in like a couple hours.

Let's meet again.

And I was like, I've never done two meetings with the same person in one day.

So then I was like, oh shit, I just found out my knob wasn't even at 10, it was at seven.

And like, this is what 12 feels like.

And we did it every day for five days straight until the deck was amazing.

We would meet twice a day with these people.

By the end of it, they hated us.

But like the deck was so much like the whole pitch was like, the whole business was different basically by the end.

Like usually when a pitch is bad, it's like, actually the business is kind of bad.

And so once I saw that, I was like, whoa, the Ollie brothers, they function at like a different, like they have a different level 12 that like, I like to see and I'm sharing this on the pod because there's people out there who, all the people around them, they've never seen like what 12 looks like.

And I think you guys do this and that's like my favorite thing about you guys.

That's awesome.

I'm glad that worked out.

Yeah, he has this insane ability to get the most out of people and like without them feeling like it's an X, like without, without him forcing it upon you, like you would do this when I was running native and he'd be like, how can you make this deodorant better than dub and secret?

And I'm like, this guy's an eight billion dollar R and D budget.

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I've got 80 bucks.

I can't do this.

And he's like, here are five things that you can do that like, you know, and he'll just, even though the like three of those things will be outrageous, he'll be like, go and find a new ingredient that'll work.

And I'm like, what am I supposed to, you know, dig and find a new element in the periodic table of elements?

But like two of those things will open up my mind in a way to be like, you know what, I'm not trying, I'm not focusing on the right problem here.

And I got to stop thinking about retention and customer service and all this other stuff that matters, but will matter later on more.

Right now, this is my problem and forget everything else.

And it's really humbling to be around that.

Like whenever I'm around him, I'm always more jazzed about business and my business.

And like, you know, I think we've seen enough where we understand what the problems are right away.

Like I'm in some of these board meetings and I'm like, why are we talking about, like, you know, I was in a board meeting a couple of weeks ago, all we did was talk about fundraising and I'm like, this is a waste of my time and your time, either you're going to get this check or you're not going to get this check from this one guy, stop begging him, like move on.

Why don't we talk about the business and see, Hey, what's working and what's not make a better business and the dollars will follow and stop wasting time here.

And that's what like, it's so much of this is experience and I had no idea that it would be experience.

And I think about this all the time.

I remember when I was at Nate, when I was at PNG, my boss who ran deodorants quit and I was like, Oh, he's quitting.

I hope he does better.

And I didn't realize all of the things that would happen to me that, you know, now we're super clear.

Like he had made all these promises about keeping native independent and amazing and you know, not, not like forcing his will upon the company and he had protected me from PNG. The next guy never made any of those promises and so he didn't really feel like he had to do any of those things.

And I completely respect that, but I didn't even understand what was going to happen when the guy told me he was quitting.

And now I'm like, okay, when, you know, headcount changes, this is what's going to happen. A new sheriff is going to come in into town.

He's going to bring in his own minions to work in the places that he likes and either fall into line or fall out like, you know, leave the group.

And I didn't understand that.

So much of this is experience.

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And once you go through those, go through these things, it's super helpful.
And you know, he's had thought, he's had so much more experience than I have and he's been, he's a little bit older than me.
And so he's had it earlier than I have and so he's been this great sounding board for this kind of stuff.
You, you tweeted something out that was great.
You were like, here's my, my project status, like, here's like my, my, my sell sheet I use for all my real estate deals.
And it was just like status of it.
It's like, you know, I don't remember what it was exactly, but it was like sent.
Um, reply received, waiting for paperwork, um, follow up needed.
And then there was one that was just like, I'm unsure.
I don't know what the hell's going on.
Like, I don't know what's going on.
I don't know where it's at.
Like, I don't know why it's not moving.
And I was like, that's the status that I've needed in every project I've ever done.
Cause my, my, I always have, you know, a tracker for anything I'm doing.
I'm like, all right, it's either like, I sent it, waiting for reply.
I got the reply.
Now I need to like reply to them.
I need to analyze it.
I need to sign.
I need to send the money.
I need to do whatever.
But like so often after like 24 hours, every whatever status it wasn't, it's now slipping towards the black hole of, I don't know what's holding its back from just finishing now.
And I think that's what you guys do really well, which is actually any initiative in any project.
It's like, all right, we're trying to, you know, like get more profitable.
It's like, well, we have this big plan and we're doing it.
And then like surely, but slowly, but surely like a month in it's like, what happened to that whole profitability thing?
Are we doing it?
Or are we not?
Like, and it's like, yeah, everything has slipped into.
So I'm unsure what the fuck's going on.
And I need this like piercing clarity back.
And so, hey, I think that was an amazing little tidbit in there of like, I need that, I need that status because most things are actually in that, that bucket.
And I need to get them the hell out of that bucket, but I had to name it that to like acknowledge what the heck was going on.
Yeah.

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The second is another example of the relentlessness thing, level 12, level 14 on the volume scale. Like I showed your brother this deal that I was in fact, I wanted to invest in and he was like, oh, this is like, looks great.

Let's like, let's do it.

And I was like, okay, cool.

And he's like, then every day he would text me like, what's going on with that deal?

And I was like, oh yeah, like, no change.

Like I emailed the guy, he said he's just, he said he's finalizing stuff.

He'll get back to me by Friday.

It's like Tuesday.

So Wednesday, he's like, yo, what's up with the deal?

And I'm like, I think it's still the Friday thing.

I haven't emailed him again.

You think I should?

He's like, yeah, let's email him again and tell him we love this and we want to be involved.

And I was like, oh, is that like a thing people do?

Like that's just, let's kind of fluff him up a bit.

He's like, yeah, let's just keep it hot and I was like, okay, cool, then Wednesday, Thursday, he's like, I just feel like we need to do something.

He's like, eventually he got to the point where he's like, what's the guy's bank?

Let's just wire him a million dollars.

And I was like, we haven't signed anything.

He's like, well, once we wire him the money, he's not going to wire it back.

So like, we're going to secure our allocation in this deal.

Just like, let's just send him a million dollars and then he'll kind of be forced to like finalize things with us rather than keep us in this like limbo stage.

And maybe in the end he'll say, hey, I can't do the full amount.

You can only do a quarter of the amount because I got all this other investor interest because we know that's what's going on here.

And again, I was like, whoa, didn't know that's an option of like, you can just wire the guy the money.

I guess that kind of makes sense.

And like, these are very, very valuable little tidbits of like, to add like another example somebody gave us, they were like, it was like, what's your open rate on your push notifications for your app?

I was like, oh, it's like 30%.

I think that's pretty good.

I was like, 20%.

I think that's really good.

Industry average is like eight.

We're at 20.

We're at myself in the back.

I was feeling happy.

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And he's like, what do you think the theoretical max is?

I was like, what?

And he's like, what do you think like, okay, he's like, it's not literally a hundred.

You're not going to get a hundred percent of people because some people have uninstalled your app and they have notifications off.

Like, what do you think is like, and I was like, I don't know what you mean.

He's like, I think I could get 50% of people to open a push notification.

Let me just like see.

So he sent a push for his app and his app was like, it was like a social app like you post photos.

And he just sent a push notification that said, your Uber is arriving outside.

Like, please like open this to meet it at the door, like whatever.

And he like sent a thing that was like, your Uber is arriving with your package.

Swipe to like open it up.

And he saw like 55% of people open that thing.

He's like, okay, that's like the juiciest.

I have to know what's in this push notification.

He's like, that's now the max is like anything you want to, he's like, now we know.

So actually our 20% is not on a hundred.

It's on like 55%.

And so everything we do is from here.

And I remember thinking, wow, some people in Silicon Valley are like maniacs.

Like they will push the boundaries in ways that I just really haven't thought of.

And every time I saw someone break like an invisible wall that I had just had up, I'm

like, oh, fuck, the game is so much more interesting than I realized.

And like these people play without these walls.

Oh, this is awesome.

Like what else can I do?

It's so refreshing to see that kind of stuff when you're like, I don't know why I thought this wall existed.

And now that it doesn't, it makes so much sense that it doesn't exist.

Like just break through, it required some genius to break through it.

And now that he's done it, it seems so obvious.

Whenever Salman and I look at like deals, if our investments are like, you know, raising a new round, we're always like, we want to either buy the business, I want to buy the whole business, run the business or sell my shares, all of my shares, I want some action.

So I can't look, these are the three options.

I'll buy the whole thing.

I'll run the business.

I'll quit or take all my shares and get out of here, but I don't want nothing.

I can't do nothing here.

And it's a lot of fun to like, it's a lot of fun to be involved and have that action.

But you know, it makes it so that you admire a certain group of people, certainly.

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Yeah, exactly.

For better or worse.

And by the way, this is a good example.

I admire that Uber push notification.

Some people like how unethical and weird.

And like, you know, why would you do that?

And like, you know, if I told that, and I have done this many times, like I've told my designer, hey, let's try this.

And he looks at me like I'm Bernie Madoff saying, let's take all their money and run away.

Like, you know, they think I'm evil when I'm actually just running an experiment.

To me, this is like an awesome experiment.

And it's because I admire people who did some of these different growth hacky things that are like, just unusual thought experiments that I'm like, oh, you, the way you think is how I want to think.

But not everybody, not everybody wants that or even thinks it's good.

Like they think it's bad, which is like, but knowing that is also where you figure out your lane.

You're like, oh, that's my lane.

These things I think are easy and fun and good.

Other people think are hard, boring or like, are like evil.

And I'm like, oh, okay, cool.

I now know what differentiates me from anybody else.

There was this one great story that when I was a native, we had these end caps for target. But basically like shelving that was going to sit at the end of an aisle and they come in filled with all the deodorant.

Like, you know, we ship them and all they have to do is take the box off and it's filled.

And so we sent them to target and nobody could find them.

Like, you know, there were a bunch of targets that were like, we don't have this.

And so we're like, okay, what should we do?

And so some PNG person was like, okay, what we have to do is we need to call up the PNG target team in Minneapolis.

They're going to call up target targets and call their distribution facility.

And then we're going to go all the way back around and we'll find out where they are because we've already shipped them.

And so someone on our team was like, this doesn't make any sense.

This is 15 phone calls.

This is what you guys will nearly do.

And they're like, this is the only way to do it.

So we Googled target distribution facility in like New England, found their phone number randomly cold called them and we're like, hey, we work in native.

I think you've got a bunch of these end caps, a bunch of stores don't have it.

We shipped them to you.

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Do you know where they are?

And they're like, give us 20 minutes to look in the facility.

They call this back and they're like, yeah, we got them.

We're going to ship them out in the next truck.

And that's how we solve the problem.

And like, you know, to the PNGers that it never occurred to directly call the facility and to Google for that number, they're like, we have to make 15 phone calls and play secretary on the way back.

And like, you know, their mind was blown.

And for us, we're like, this is the most obvious thing to do.

Call the person where the problem lies.

And it's crazy to see where those walls are.

And it's so amazing to break through them and be like, this is the way things should be done.

Moving forward.

I'm going to give you one of those as well.

When I was, when we got here, it's like Twitch, Twitch is an Amazon owned company.

So it had like the Twitch bureaucracy plus the Amazon bureaucracy.

Like there's layers, you know, and it wasn't all bad, but there was certain things you'd run into.

It's like this pocket.

It's like, oh no, I'm stuck in molasses.

What is that?

Where did I step that like got me stuck?

And one of them was for a period of time, I believe there was something with the performance marketing where it's like, so how much should we spending on like, you know, getting like installs and they're like, you know, this amount, like cool, like what's the cost?

Well, we don't really have the tracking, I'm like, we don't tracking.

That's like, you know, the basic, they're like, well, we don't want to install the Facebook pixel because Amazon doesn't really necessarily want, like we have to get approval before Facebook, because when Facebook pixels in your app, they have your data, they're kind of a competitor to Twitch and to the Amazon.

So like, you know, there's some sensitivity, you have to get that done.

Like, so we just spent, we don't know any, we don't know the, we don't have the pixel installed.

Like, you can, I don't even know you can run an ad without the pixel and they're like, yeah.

And I was like, how long is it like, yeah, it's been on legal's desk for like a year.

And I was like, oh my God.

And so I was like, oh, wow.

So it's like, we can, and so my job was at that time, I was like, oh dude, we're getting our ass kicked in Brazil and like nobody in the company is even paying attention.

Like we need to, we need to like win in Brazil and like what happened?

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We used to be number one and we're slipping because like mobile gaming took off and we don't do mobile gaming.

So I was like, we need to win.

And, and so we built a scraper first to like see how fast the competitors were growing because nobody in the company would do anything unless you had a case for how like how big the market was.

So I was like, well, look at the competitors are like, yeah, but like we don't know.

And I'm like, all right, well, we'll build a scraper, which is like startups do this all the time, but in a big company, it wasn't like super, super kosher to do that.

But I was like, whatever, we'll do it till they tell us to stop.

And the second thing was, I was like, oh, we don't have this pixel till we can't like run these ads.

So I was talking, I just went on a phone call with this guy who was the number one streamer in Brazil that we had just like paid a bunch of money to like come onto our platform.

And I was like, how would you get a bunch of people to download our app?

If I can't do Facebook, I can't do marketing like paid ads.

And he was like, um, he's like, oh, easy boss.

And he's saying this, the translator's like, he's saying, ah, it's easy boss.

You know, here's what you need to do.

He's like, give me 10 iPhones.

I was like, what?

And he's like, buy me 10 iPhones.

I was like, what for?

I, you know, like, I don't know how to do that.

He's like, I'm going to give away iPhones.

iPhones like gold bars in Brazil.

If I just say I'm giving away iPhones on my Twitch stream, everybody download Twitch.

And you know, sure enough, I get the, I just like kind of like bootleg away to get the guy gift card so he could buy iPhones and, um, he buys 10 iPhones.

He does a stream where he's like, I'm giving away iPhones.

He's like, I'm not giving away the first one until we have a, like we have 10,000 people watching my stream.

Go share this, text your cousin, text your mom, tell them to get on this.

I'm not giving it away until then.

And then, uh, and he drum up, he had, he brought, he like, he was the number one streamer on Twitch that day.

He brought in himself like hundreds of thousands of downloads, like the biggest download spike that we had had just by giving away, like, you know, we ended up giving away like five iPhones as like, so for five grand, basically, we did like more installs in a proven way because they were all coming directly off his link to his channel.

And I was like, and people, and that's when I knew like Twitch might not be the place because like I told this story and I'm like, I feel like I slayed the dragon and I'm dragging this carcass into the boardroom, like in the ninth floor, the top floor, the mega boardroom

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or all the exit.

I feel like I'm dragging this carcass in being like, you know, are you not entertained?

You know, and, uh, people were like, Oh, like, you know, that's interesting.

Uh, and they just sort of moved on and I was like, wait, we just discovered this like incredible growth hack to like get a bunch of downloads.

We did this thing out of the ordinary, like, you know, can we get a little love here?

And when I got no love, I was like, okay, um, this is not the place for me because if this was my company and somebody did this, I'd be like, look, I don't know if this was good strategy, longterm or a bad one.

It's really irrelevant.

The fact that you did this, we need to tell every team in the company that like something like this is possible in your department.

Like don't get stuck in the molasses, like find something and try something that works.

And like these guys have tried nine things that failed.

Tell them, tell them about all nine and then tell them the one that worked.

And like, I would have gone on a roadshow for that.

And that's how I knew like, okay, what type of company do I need to be at is one that like celebrates that type of thing.

That's a pretty amazing story and like really amazing that this guy who's in Brazil is like, I know how to get downloads from this street, like give away iPhones and get people to download it.

That's brilliant of him and brilliant that you found him and like harness it and we're like, fuck all this red tape.

I'm going to figure it out.

That's awesome.

One incredible story.

That's what, finally, I'm getting, finally, I'm getting the love I needed.

Yeah.

I've been waiting two years to just get the daddy, I'm proud of you.

Son, I'm proud of you moment, but I got it now.

All right, man.

Sorry I took you so far over the time limit.

No worries.

Thank you for coming on.

Yeah, appreciate it.

Like a champ.

Yeah.

Where should people find you?

Twitter is probably the best spot.

Right?

Yeah.

Twitter.

I'm at Moizale.

[Transcript] My First Million / Selling Deodorant for \$100M and How to Find Your Best Competitive Advantage with Moiz Ali

At Moizale.

All right.

Perfect.

Thanks, man.

Perfect.

Thanks, John.

Talk to you soon.

I feel like I can rule the world.

I know I could be what I want to put my all in it like no days off on a road less travel never looking back.