

[Transcript] My First Million / The Business of Strip Clubs, Black Friday Boycott, and Three Twitter Scenarios

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 this guy named Eric, he's 21 years old and he starts dating this woman and she sees that her place of work is not exactly treating her respectfully.

So he's 21 years old.

Somehow he's accumulated all these really nice baseball cards over the past 10 years of collecting.

He takes them to a convention.

He sells his baseball cards and he now has \$44,000 in cash.

And he goes, I'm going to go and start my business.

And what is that business?

It's a strip club.

He was dating a stripper.

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.

Let's travel never look through.

All right.

We're live.

Sean, you look nice.

We're both updating our studios.

Looks like yours got done first.

Yeah.

Sorry to skill a show.

Yeah.

We switched it already.

So I don't know what I don't know what else to do.

The grand reveal would have been cooler if we'd voted it at the same time.

But whatever.

Well, that's all right.

It's yours.

Isn't entirely done.

Mine's going to get mine's getting worked on this weekend, dude.

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So basically for the listeners, we're making our studios look nice, whatever.

And it's like totally limiting my options for like my lifestyle.

Like I'm not thinking about this.

I'm like, oh, shit, I need a bigger house so I could have like, you know, a guest room as well as a podcasting room as well as like potential baby rooms.

It's like, what if you want to travel this freaking podcast?

It's not easy to be a podcaster.

No.

Like, like poor me.

I can't travel for two months at a time.

Or you can just do it in both houses.

Dude, I'm thinking about like my lifestyle and like where I want to live, which I've talked about a lot on here.

I don't know what to do.

I don't know where I'm going to end up.

I don't know what I'm going to do.

It's driving me mad.

Yeah.

By the way, we should do a episode that explains how we thought through when we do the full studio, when the whole thing's done.

Like mine's like, you know, 70% done, yours is 0% done so far.

When we're done, we should do an episode explaining, you know, how we thought about it, how we pulled it, how we did it without a big headache, all the shit we bought, how much it all cost.

We should do a full breakdown as a separate like video on YouTube.

All right.

I'm down.

Yeah.

We got to, and we'll pimp out the guy who did it, Kevin, but yeah, we can do that.

Okay.

Kevin, what topic should you get?

You want to go first?

All right.

I'll start off with something interesting.

I want to give an award that I'm calling the Chad Bro Chill Award to this guy named Eric Langen.

So listen to this guy's story.

I just randomly came across this because my friend Alex showed it to me, but it's kind of like a true ragged or riches American dream story.

So hear me out.

So this guy named Eric, he's 21 years old and he starts dating this woman and she sees that her place of work is not exactly treating her respectfully.

And he says, you know, where should this woman works?

I think this is an interesting business.

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And I think if I created a business that treated my employees a little bit better, I think I could retain them better and build a better business.

So he's 21 years old.

Somehow he's accumulated all this, these really nice baseball cards over the past 10 years of collecting.

He takes them to a convention.

He sells his baseball cards and he now has \$44,000 in cash.

And he goes, I'm going to go and start my business.

And what is that business?

It's a strip club.

He was dating a stripper.

Well done.

Well done with the story.

Enjoy that.

Yeah.

Yeah.

So he takes this company and he like buys, he has one strip club.

He starts another, eventually he takes it public.

Yes.

This is a publicly traded company that owns a bunch of strip clubs and that symbol is Rick.

It's just Rick.

And I think that's pretty funny.

But so now at this point, it's \$800 million market cap and it's basically a free cash flow, like a wonderful cash flowing, yeah, a wonderfully cash flowing company.

It's \$800 million in market cap.

Does something like 300 million in revenue and like 80 million in cash flow.

And it's kind of interesting because they basically buy mom and pop strip clubs, which is, I don't know if that's like an oxymoron, but just pop and pop.

Yeah.

Yeah.

Just like your standard, you know, local mom and pop strip club.

He buys them for one or two times revenue, puts a little operational process in there.

And he's also got a crazy clientele where guys like Drake and Pitbull and all these people like rap about his strip clubs, you know, and I want to be honest, I've only been a one strip club in my life.

I went to one strip club ever.

It was in Vegas like four years ago.

Have you ever been to a strip club?

Some story.

I have actually a funny story with this.

So we go for the first time to a strip club.

I think 21 years old, maybe.

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And you know, I didn't know what to expect.

I didn't know if this was the start of a new hobby or if this was, you know, the start of a bad day.

And you know, in Vegas, there's the guys on the street who are like, boys, look at handsome.

You guys want, you know, free limo and free drinks and you're like, yeah.

No questions.

Yeah.

Yeah.

Sounds like a good offer.

I have no further questions.

We get in this limo and we're like, Hey, do we get to choose where it goes?

It's like, no.

We're dumping you off at this place five miles away and you're going to go into our establishment.

And so we, we get dropped off at this place.

We're like, I guess we're at a strip club now.

Like, wow.

I guess we probably should have thought that one through.

We go in and it's, it's four friends and my buddy, I won't say their names, but so we go in and I'll just tell you the characters.

There's me.

I'm like the jester.

I'm just, I'm just there to make jokes.

And I'm like, Oh, this is, this is, I'm going to thrive here.

This is going to be so much, so much funny material, but I'm not the, I'm not the one who's sort of the most, I'm not the most prude.

I'm not the most kind of aggressive when it comes to, to, to women.

There's one guy who's like the ladies man, everybody, this guy always gets all the girls.

And when we go to the strip club, we're just sort of expecting him to take the lead.

It's like, yo, falls in your court here.

You, you tell us, you're the man, you tell us boys what to do.

And then we have one guy who's been in a relationship for like 95 years, just got out.

It looks like a dad.

And we were like, you know, okay, you just stay at the back.

You're not going to know what to do here.

You've been in a relationship for 95 years.

We walk in and within two minutes we're like, Hey, where'd dad, where'd the dad go?

Like where he's gone?

And we see him while we were nervously just like ordering drinks at the bar, like as if that's why we came to the strip club was like to go get a drink at the bar.

We're using the free coupons the guy gave us up from the street.

We're like trying to tear them and be like, does this come with any drink?

And we're like, what's a spirit technically?

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And they're like, it's not plus any spirits.
And then we're like, where'd he go?
And then we see him holding hands with a stripper, walk into the back.
And we're like, what the, we're like the back?
We can't even see him anymore.
We don't know what, like, how does he know what to do back there?
We were all just like, you know, befuddled, but now we're all like sort of like challenged.
It's like, okay, challenge accepted.
We don't see this guy for like 45 minutes.
So we let 15 minutes go by.
We assume he's going to come back.
This guy's nowhere to be found.
And we're like, what is going on?
What is he doing back there?
And then so we kind of get nervous.
We go back.
And so each of us picks a stripper and we each go to the back.
So ladies man goes with the, you know, so I'm super hot in the same room.
No, we don't know.
You just go behind this curtain.
Now we don't know.
I don't know where my friend is.
I don't know if I'll ever see him again.
So ladies man takes the hottest stripper, goes in the back, spoiler, he ends up falling in love with her.
He literally falls in love with the stripper.
He's like, dude, she's the best.
Like he's like, but he's like, no, that's not about her looks like her heart was so pure.
That's what happened to him that night.
I go back with one.
Now they've got three kids.
And I'm like, so how does this work here?
I got questions.
You know me, right?
I started a podcast.
So I start, I'm like, how does this work?
What does this do?
Do I sit here?
Can I sit anywhere?
Like, and I'm like, do I tell you or you tell me like who's in charge?
And I'm at so many questions.
He literally asked me if I'm a cop and I'm like, no, I'm just a curious guy.

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So that's my experience back there.
I just use it as an interview and unrecorded podcast basically.
And then our buddy, the dad finally comes out.
We're all done.
We all just like 15 minutes, \$75 later, we're like, I don't know what the hell just happened.
I spent all my money and he comes out and we're like, dude, what happened back there?
And he told us two things.
So we go, we asked him two questions.
We said, where did you go for so long?
And how did you have the confidence to do that?
And the second was, why'd you pick her because she was like, not, she was like, you know, she was not the best looking, you know, in the bunch.
And so he goes, oh, I just asked her for a tour.
And so she gave me a tour of the whole building and he's like, well, we didn't do a lap dance.
No, no way.
And I was like, oh, you, we thought you were doing something cool.
And then we all got peer pressured.
And it turns out we were wrong.
Second, we were like, why'd you pick her?
He goes, I don't know.
You get to choose.
He goes, I thought it's like the one chooses the wizard.
That was like the epic line.
And so forever we've just only said that the one chooses the wizard whenever you end up making a bad decision.
That's hilarious.
I actually lied.
I didn't remember the first time I went to a shrimp club.
It was Neville Madora.
My buddy in Texas was taking me to my Thursday, 6pm flight and he goes, let's actually go it too.
I want to, let's go out to eat.
He goes, all right, cool.
He goes, I got, I got the perfect place in mind.
And so he takes me to a ship club next to the Austin, Texas airport called the landing strip at three o'clock on a Thursday and we get there and I'm like, what do we do?
And I remember and he's like, well, let's just get lunch or something.
And so I ordered like chicken fritters and fries and the lady comes up to me as I'm sitting down like puts my like her hand on my shoulder is like, Hey, you need anything.
And I was like, yeah, like some ketchup would be nice.
And she's like, it's like all like defeated and brings the ketchup and I remember texting my girlfriend at the time now wife and I was like, Hey, Sarah, I'm at a shrimp club.
We're just getting lunch.

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Do I like tip them extra cause I didn't, all I did was ate lunch and it was only \$6.

Like what do we do?

It was the same thing, incredibly awkward situation, very uncomfortable.

But I can't, I read, I read about this company and I thought how interesting and this guy, his name's Eric.

It's called Rick's, that's their, that's their ticker.

It's called RCI hospitality holdings.

The CEO is pretty present on social media is his Twitter handle.

I think is Rick's CEO.

And so, you know, he's, he's pretty active.

And I think the other thing that's interesting is we were going to do this for the milk road because strippers know a recession is coming before anybody.

And so we were going to spend our writer to talk about like, Hey, what's going on in the markets?

I was like, Oh, just go to a strip club and just ask the strippers.

They'll tell you.

I was one week ahead of the news and he's like, what?

I was like, yeah, they know, like the tips, they, they understand like what's going on.

They know the psychology and the state, the psyche of all men and then they, they know where they're at financially as well.

Dude, well he does his earnings call on Twitter.

One time he did it and the host was liquidity, that Twitter guy and he does his, I don't know, but Elon Musk was like, was sat through one of the earnings calls and it's incredibly interesting.

He's also trying to, they're also coming out with a, like a new like only fans thing called admire me, which is like an only fans, but for their dancers, he calls them entertainers. And so like, if you're an entertainer at the strip club, you know, you can create a small side hustle with your clients.

And I just thought this was like, I was like, well, this, this is like a pretty fascinating business.

I never heard of, I never in a million years thought a strip club conglomerate would be publicly traded and pretty fascinating, pretty fascinating company.

All right, well, I don't have much to add, the sort of one chooses the wizard was my, the ending of my knowledge, my trip, but at that point I retired from the game.

By the way, are you doing something for Black Friday?

Like for your,

Like with my family?

No.

Are you like selling discounts and stuff?

As an e-commerce owner, what's your opinion on Black Friday?

So I, I don't think I'm doing it wrong because everybody else is like Black Friday, Black Friday, biggest time of the year, people are sending memes in the group chat.

That's like, you know, the 300, the Spartans when they're charging and they're like, we're

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ready, we're ready for Black Friday.

And for two years in a row, Black Friday has been a big disappointment.

And the reason why I think people think about Black Friday, it should be, what it should be is like, basically November should be double your other sales months.

So you should kind of get a two X with that two X, you're going to have a lot of profit.

So like, that's, I think that's why they call it Black Friday, because you end up in the black.

I don't know if that's sure or not, but like, yeah, that's, somebody told me that one.

Did you just pick that up?

You generate a lot of your profit for the year during this kind of like this, this last push of the year.

That's how you go from the red to the black.

And I think it requires, you know, a large like, you know, repeat customer base.

So Black Friday is basically an excuse.

It's a sort of a trick in the mind of a consumer that like, it's a license to spend when you didn't even need to spend.

And so you get a lot of returning customers coming back.

So without having to do more marketing necessarily, you're going to get them back, but you're also steeply discounting.

Then if you're marketing at all, like you have your marketing spend, you have your discount spend.

So I'm like, where, where is all this profit that other people speak of hasn't worked for us.

We've had way bigger months outside of November, both years, this, this year's doing good.

But like, I don't know, I don't, I don't get all the fusses about.

I like it more as a consumer than I do as an e-com store owner, but then again, I might just be a crappy operator and there might just be like a better way to do it.

But I'm doing all the things that are like the best practice thing, you know, I'm sending an email every like 42 minutes.

It's like, you know, that's what you got to do is just keep spamming the hell out of everybody, discount the things like crazy and, you know, hope and pray people show up.

Do you buy stuff as a consumer for Black Friday?

Yeah.

I, I shop that brand 32 heat, 32 cool.

They're like Costco, Costco performance wear brand.

No, but that's awesome.

You must know these guys.

And basically there's like a, I think it's, I don't know if they're made by Costco or they're sold in Costco, but it's called 32 degrees is the name of the brand.

And so they make like, you know, like a under armor Lululemon style thing, but like the cheap version, but on Black Friday, these guys have had the most ridiculous sale.

Like you'll just get a shirt for \$4 or \$6.

That's normally like, you know, \$30.

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It's like 80% off.

They just move, they just try to move all their inventory during this part of the year.

And so for the last couple of years, I have dropped like \$500 and bought like an ungot, like huge boxes arrive at my house, like it's furniture and inside is just 32 degrees stuff that I just give out to my whole family and I wear, you know, throughout the year.

But that's the only thing I did on Black Friday and then sometimes I'll go scroll Amazon and see what they got.

Dude, I think we need a boycott Black Friday.

Black Friday is the worst.

I think it's just weird people buy, you know, George Carlin said this funny thing.

He's got this whole like skit.

It's a famous comedian on, on stuff and he's like, a house is just basically a pile of stuff with a cover on it and you buy a second house is really just so you can store more crap.

You can store more stuff.

I, I am so anti stuff at this point in my life.

I don't want to buy more stuff and we need to get like all MFM listeners to just boycott Black Friday.

I hate these, this idea of buying stuff that you don't really need that just, then you got to go and pay more money.

You know what's the worst, the biggest kick in the ass is when you got to pay money to have someone come and throw away the boxes of all the stuff that you bought off Amazon.

That is the worst feeling.

I cannot stand that and I refuse to do it.

Now I have a trash can.

That's a metal trash can that I just burn it all.

I hate buying more stuff.

I cannot stand all this stuff that we buy on Black Friday and I refuse to do it.

And I think we got to get everyone to not do it.

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 had 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.

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Do you actually burn your trash?

Yeah.

Yeah.

I have videos of me doing it because Sarah has this funny meme that she shares with our family.

It's like, you know, no matter what happens, we're never going to change them.

But dude, I'm not paying money to throw away Amazon boxes.

I refuse to do that.

That's crap.

Yeah.

I paid like \$600 to have a 100 junk, like come haul away a bunch of boxes for crap that I bought.

It's the worst.

I'm not going to do it.

I don't feel like, but like this isn't Vietnam.

You can't just like go burn your trash.

This is not India.

You can't do that.

I think legally you can.

I think you can.

You're not going to have little, you're not going to have fires in your yard.

Oh man.

Wow.

Incredible.

I want to talk to you about Twitter.

So shockers.

This Twitter thing that's playing out with Elon running Twitter is wildly entertaining.

And I guess, I guess like there's two things I want to say.

The first is, you know, before when I heard about Elon Musk and how he did things, I admired him, but there was a part of me that felt bad.

It's like, man, I'm just a lame duck compared to this guy.

Like this guy's achieving the incredible.

This guy is, you know, must be just this execution machine.

You must be this like strategic genius.

And now I see him running Twitter.

I don't feel so bad after all, I don't feel the edge has been taken off a little bit.

Are you up from like, if we, if there's a scale and all the way to the left is AOC and all the way to the right is just total fan boy, where do you rank?

I'm more towards AOC, but it's not like so black and white.

Like obviously the guy is super smart.

Obviously he's super successful.

Obviously he's done some amazing things and he built some really amazing products that those are, I mean, inarguable.

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I find him corny and I find him to be a virtue signaler.
And as sometimes he gets them like crossed, he gets the signals crossed.
He'll be like, you know, like yesterday he tweeted something out like, are he like reinstated Trump?
And they were like, yo, why don't you reinstate Alex Jones?
Jones.
Yeah, I saw that.
And he was like, he's like, then he like wrote a poem and then the guy was like, what?
And then he wrote a poem about like, you know, the suffering of children, blah, blah, and then they go, no, but really like by the same logic of why you would reinstate one person, why would you not reinstate, you know, Alex Jones?
You know, I don't agree with him, but I'm just curious about that policy decision.
And he goes, my first child died in my arms.
I felt her last heartbeat and I will never, you know, so I can't, I will never allow somebody who used the suffering of children for profit or fame or gain in some way.
Right.
Fair sentiment.
Okay, great.
Very emotional sentiment.
That's fine.
But at the same time, constantly be talking about free speech and, and like how, you know, it shouldn't be one person deciding, you know, whatever.
It's like, well, that's you now deciding, you know, where you're drawing the line off of your random personal experience that traumatic and sad, you know, is a little bit strange.
Right.
So like, you know, whether you disagree or agree with Alex Jones is sort of irrelevant.
So it's sort of like his virtue signaling about like his like sad experience got crossed on the crossfire with his virtue signaling about how hardcore he is about free speech.
He said this himself.
I'm hardcore about free speech.
I'm hardcore that as long as you're not doing something, as long as you're not like, you know, breaking the law with what you're saying, then you should be allowed to do this.
And so I believe there's, you know, some things there.
Anyways, point is, I think he's obviously really talented.
He probably going to have a, have success with Twitter, but definitely has like, you know, I consider myself to be somewhat impulsive.
This guy is like impulsive to the max.
And on one hand, I think there's like a, a kind of a brilliant method to his madness of what he's doing.
Like he basically came in and just did a hardcore culture reset.
He's like, let's just get rid of everybody who's in charge.
So day one fired the CEO, CFO, CMO, all of them walked him out the door.
All right.

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That's day one.

The leaders shot the leaders.

You know, they're out.

Next he like basically cut like half the employees, then he cut another half after that, trying to be like, yo, this is going to be hardcore work environment and like none of that soft shit anymore.

And like, I think ripping the bandit off the way he did while harsh and like, you know, not that graceful, just like doing it via an email saying like, you know, reply hardcore by three PM or you're out, you know, probably could have been a better, better way to do it.

But like nonetheless, it very effective and ballsy.

So I like that.

I like that too.

Along with that comes cutting a bunch of the burn down.

So trimming a bunch of the fat, making it a more financially healthy thing.

But now I'm like, okay, what are the scenarios?

Like how can this, how can this play out?

Like what, what are the different ways that this can go and like, what's the bet?

And so I kind of wrote some of these out and I'll give you my three scenarios.

Okay.

So I'll do them from and I'll rank, if I agree with, with each of the three, I'll rank most likely.

So you want me to go from worst to best or best to worst, least funny to most funny.

Okay.

At least funny is the, the mid case, the base case, the expected case.

So he makes Twitter more financially viable, right?

He's cut down costs.

He adds this, you know, \$8 a month subscription that, you know, let's say he can make it more and more valuable.

So people opt in, it makes it a little less dependent on ad revenue.

The initial reaction where advertisers pulled out, gets like subdued a little bit.

People come back to the platform.

They realize, okay, he's not, you know, evil or going to like, you know, there's not going to be other people impersonating their brand.

So they come back.

So he, he resets the culture, resets the cost structure, makes it more viable, makes it a little more moderate.

If he gets rid of a little, the like, the, the hardcore left lane, he cleans up some of the bot problem.

He gets some like solid wins like, oh, you can edit your tweet.

You can post long form videos.

You can like, you know, just make search better.

He just improves the product in ways that the power users will appreciate.

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And the end state is, you know, he gets a kind of a one to two X from where it is today.

Like he put in \$44 billion.

I don't think this is a likely scenario.

This is a very, this is far too reasonable.

This is the reasonable scenario.

So I, and, and personally, you know, he gets a kind of a, a win, you know, a moral victory, you know, it's net positive for the company, Twitter's net positive, you know, moved in a positive direction and financially it wasn't disaster.

No, this is like, this is like asking Picasso not to paint or John London not to make music.

Like it just, that's just an unreasonable request, regardless if it's, if it is in fact reasonable for most, it is incredibly unreasonable for this human being.

Well, I'll say this, he came in and did the hard part where he gutted the fish and he changed the culture and he's going to recruit good talent, but he's getting, but in order to do this, he would need to replace himself as CEO within the next six months, basically. And then that person stewards it from there.

He did the deep cuts.

He did the hardcore like shock therapy.

And then somebody's going to take it from there if this is going to happen, because I don't think he's going to do that over a three year span, you know, running a steady ship.

Okay.

So what is it, the generous scenario, the best case scenario, what he says he wants to do.

Okay.

So what he says he wants to do, if you heard his like stated plan, like what his like goal is with it.

I heard where he said he wants to make it like the, like the town square.

He wants to make it like an everything app and he wants to add video and a bunch of other things like that.

Yeah.

I think the everything app is the, the, the strategically what he's trying to do.

So what he basically looks at WeChat.

And for those who don't know WeChat is basically WhatsApp plus YouTube plus bill pay plus Amazon plus like everything rolled into one plus Venmo.

Yeah.

It's hard to, it's hard to fathom if you, if you don't use it, it's basically like it's the WeChat is just a connector between people.

And then all the things that people do, let's say I want to send you money.

I could do that.

Let's say I want to message a business.

I could do that.

Let's say I want to pay my utility bills for the month.

I could do that on WeChat.

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Let's say I want to post a video or watch a video or something like that.

I could do that.

And so WeChat is like this super app.

And there's been a lot of people that have been waiting for, when is this going to happen in the West?

And it never happened.

Like all these things were siloed into different apps.

And there's people who sort of are like, oh, that sucks to have eight different apps.

This should just be one app that just does all the things.

Everyone nods like, yeah, all in one makes sense.

But then the reality is like, go build the all in one app.

People aren't just going to ditch, you're not going to be as good at those things that those other apps specialize in plus people aren't just going to change their habits and just ditch eight apps for one because you want them to.

So his idea is to create the super app, DA use, you know, daily active users would need to go from like 200 million to a billion.

So it becomes like a Facebook, a WhatsApp, a YouTube, a big Twitter jumps to that, like the big boy table.

Because basically right now Twitter is of like the eight or 10 social networks, which include Facebook, Snapchat, Instagram, WhatsApp, Reddit and a few others.

It's the least popular in terms of users.

Correct.

And so, you know, I would say the best case scenario, he goes for the super app.

Maybe some things go his way.

Like maybe TikTok gets banned in the US and Twitter quickly grabs short form video.

Although Facebook and YouTube would probably have something to say about that.

But like, you know, maybe they go for that.

You know, he cleans up the bot problem.

He improves the ad platform like both being you have tried to run Twitter ads.

It's God awful compared to Facebook.

And I think it's, it's good, I think the system sucks, like the actual system does suck.

I just bought Twitter ads yesterday and like I kept getting errors when I was trying to set it up.

So like the tech is bad, but a lot of people are saying that right now because 50 of the top 100 advertisers have pulled back and usage is all time high that their cat is five or 10 times better than it used to be six months ago.

Oh, wow.

Okay.

That's interesting.

That's good.

That's not a sustainable thing or a, that's not a win for Twitter.

That is a loss for Twitter.

That is, well, no one's using it there for advertisers.

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Yeah.

Yeah.

Yeah.

That's not actually like a win for them.

Yeah, exactly.

But let's say he like gets it to be a Facebook level of ad system grows it.

You know, he has to figure out something with short form video or something that's more appealing.

Like, but let's say he does it and the end state is it's now like culturally up there with all the other social, like the big social networks, the sort of Facebook's, YouTube's TikToks of the world, it, you know, he turns the profits around because he's got this lean leaner team that's doing that.

And it's like a 10 extra turn and he's the goat.

Everybody's like, God, this guy did this too.

This is like, you know, the next level thing.

Now he owns one of the big social platforms.

He single-handedly turned that shit around and he did what nobody could do.

He did what Jack couldn't do.

He did what Ev couldn't do.

He did what Dick Costello couldn't do.

He did it and he did it like as his third job side hustle.

This guy is the goat.

Fairly unreasonable as well.

I actually think it's more unreasonable than the first scenario that you gave, right?

It should be because it's like this, like amazing outcome.

So now what is the bad case, the worst case scenarios?

I think it's basically like there's this super cycle, like going downwards, like a downward cycle.

So a lot of what's happening in crypto right now, one thing in crypto blew up and then people who had taken loans to invest in that thing, now they're loans, they're defaulted on their loans.

So the people who lent them money, they're out of money.

They blow up.

Then the people who had stored their money with that bank or exchange, now they lose their deposits.

It's just like daisy chain of bad news, all stemming from a lot of leverage in the system and some, a few people being reckless or fraudulent.

And so let's say in this case, what it would be is like Tesla stock, I think is down 50% from last year or more.

He's personally lost a hundred billion dollars of personal net worth.

Tesla stock is not, the more attention he puts on Twitter, people feel like he's taking his eye off the ball.

So basically overall economy is going down.

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We had inter recession, people slow down buying these like really expensive Teslas. Stock is crashing.

He still has this interest payment he owes.

He owes a billion dollars a year and just debt service on Twitter.

And I think Twitter's net profit was less than that.

So he can't even, currently the profits from Twitter can't even just pay the debt, let alone any profits above debt.

And so let's say advertisers keep pulling out on the Twitter side, the initial spike from Elon's, watching Elon's chaos goes away.

Maybe he even makes some mistakes.

Maybe they fired too many of the infrastructure people.

There's the fail whale.

Maybe it gets hacked because the security system is now more vulnerable as they make all these quick impulsive code changes and they fired a bunch of long time engineers.

And so you get maybe hacks, maybe leaks, DMs get leaked, maybe the site's just going down.

Meanwhile, Tesla stock's going down.

Meanwhile, he owes all this debt.

If all of this starts to happen, basically like a financial sort of like cave-in occurs.

And you know, Elon and he's getting sued by ex-employees, he's getting sued by advertisers who said, hey, our brand got damaged because you verified some fake account for eight dollars that then said, you know, we don't like Jewish people or whatever, right?

Like, you know, that's, so he's getting sued on all ends and Elon ends up, you know, fat and broke, right?

So that's the worst case scenario on that side.

React to that one.

So, you know, you and I both watch UFC and boxing and stuff like that.

And there's this like famous sentiment that says like basically all, nearly all champions, they leave the career on their back, meaning if you don't get out on top, which only a few people have, Khabib, Mayweather, George St. Pierre, only a few people have these guys.

If you don't follow that, these, those are like the best people and they all quit when they were winning.

If you don't leave at the top, which very few people do, you get knocked out and with a injury that devastates your life and you end up like Muhammad Ali and you can't talk.

And I think that that is the same.

What's true in boxing and UFC is also true for business.

And if we look at history, that tends to be the case of people who keep pushing and pushing and pushing.

Inevitably, you're going to lose at one point, but the bigger you get, if you keep taking these really big like bet the farm type of risks, you're just going to, you're going to lose more and more and more.

And I think that there's some examples of like a Jeff Bezos saying like, all right, this is this, this fucking worked, you know, I got to pass on the torch.

I don't think a guy like Elon has the ego control in order to do it.

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And I think that what you are saying for this final scenario is more likely to happen than the other two.

I don't think he's going to be able to hand over the reins.

And I think that potentially this will be a, I don't, the phrase isn't career ending, but like a, maybe like a power ending move or, or something like that.

Right.

A fall from grace.

Yeah.

A fall from grace.

I think that could definitely could happen.

I think that even, you know, you think about a guy who's worth a hundred billion or whatever he was worth.

And you think like, well, there's no way a person like that can blow that.

And I actually think that regardless of the fortune size, you can blow it.

And buying a \$50 billion asset that isn't quite working wonderfully is a really good way to blow it.

And I think that, I think that that, that, that could be the case here, but I don't think he'll admit because he's just like, he's, he's, he's crazy.

I don't think he can admit, admit a lot of like weakness or fault.

Yeah.

His core assets, Tesla and SpaceX are like high risk like assets.

They're not like these, you know, it's not whatever the railroad company that's just like steadily a steady utility company that's just going to print cash and growth 2% a year.

These are themselves pretty volatile assets that the market has really pumped up.

And as the market has turned, like those are going downwards for sure.

Now how fast and how hardcore and, you know, if he keeps selling Tesla stock in order to keep Twitter alive, it's going to be like Elon's distracted, his priority is Twitter.

He's selling the stock.

And what else is he supposed to do?

What else are you supposed to get money in order to like fund a money burning business like Twitter?

Do I think, you know, there are some downside scenarios.

Do I, do I think he ends up broke?

No, I think the guy will never be broke.

Do I think that he goes from where he was richest man in the world and probably considered the greatest entrepreneur in the world to two years from now, Twitter ends up as a disaster, maybe bankrupt or sold, takes a, you know, \$20 billion loss there plus Tesla stock in the meantime has lost him maybe another \$100 billion or more.

And he's no longer the richest man in the world.

He's no longer seen as this, you know, Iron Man invincible type of dude.

He's been hit with lawsuits and me twos and, you know, news leaks constantly is what I predict is going to happen in the next two years.

It's going to be, he went from golden boy to now he's going to be guy who can't do anything

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right.

It's just going to be constant leaks and hit pieces, I think for the next two years for him.

I think the Elon case study is not necessarily how smart a human being is.

You know, I think of Elon before and I was like, this guy's a genius.

He's amazing.

I actually think it's more a case study.

It is.

He is intelligent.

I think that there are, there's definitely other people as smart as him.

I think what this is more so a case study of the capacity to suffer.

And what I am continually shocked by is his ability to suffer for longer periods of time and to add more suffering, just, you know, just like they're just people are just dumping suffering into his, it is in his truck and they're just tossing it on there and it's like, when is this truck going to break?

And I'm shocked it hasn't so far, but I believe in like there are, everyone has a limit and I'm just shocked we haven't hit it yet.

Maybe this is it, but it's pretty amazing.

Like if you talk to people about him, I do, and he'll even see at one point he said, death would be a relief to me.

Someone was like, are you afraid of dying?

He goes, no, it'll be a relief.

And I think that he just has done a decent job of being funny and laughing in spite of suffering, but I think that he's lonely and I think that his life sucks.

I think he, I had, I think he lived a generally unpleasant, unhappy suffering life and that's what he's chosen to do.

And there's going to be a limit to it.

And I think that this could be that limit.

I think that is true of all the greats there are most of the greats, right?

They're sort of towards the souls.

And I think that's, that's true for a lot of people.

One other signal that I think is kind of in his favor or kind of bullish.

Do you know this guy, George Hoates or Hots?

Love him.

We got to get this guy in the pod.

This guy is one of those freaks that I love.

He is a total freaking weirdo and, and, and just he's a punk rocker is what he is.

Tell people his background and then I'm, and then I don't know if you've been following what he's doing with Twitter, but I'm going to tell you that years ago when John and I both lived in San Francisco, I think he started out of like a hacker house, didn't he?

Or like it was like just a hacker house with a bunch of like computer guys and he starts building a self-driving, not a self-driving car, but technology that you can add to most cars and it's called comma.ai, I believe.

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And he starts a self-driving car and he makes these crazy predictions and like there's one story of like a journalist coming to see his self-driving car technology and he's driving throughout San Francisco and they're like, this is amazing.

When did you get this to work?

He's like, oh, just this morning.

Like he just like a cow, he's like a cowboy that builds the stuff that is incredibly illegal, unregulated and he just plows through and he does it anyway, raises all this money.

It ends up flaring out and not working out and he quits and leaves, but he's very outspoken, very opinionated, clearly a smart guy and kind of a punk rocker in terms of like self-driving cars.

He makes fun of all his competitors, including like GE and Ford and all this stuff.

And so he's kind of a loose cannon, but kind of in a good way in my opinion.

So two things, one, I don't think Kama has flamed out, like I think it's still going.

I don't think it has become the winner, but he did resign as CEO president or whatever.

The company's still alive.

But before that, you know, his backstory, I think he was the first guy to jailbreak an iPhone.

So jail broke like a Tesla too, I think he jailbroken iPhone.

Then he hacked the PlayStation.

So he hacked Sony, which was pretty huge.

And then he was doing something with the Tesla and I remember at the time, there was some story.

Sorry, I don't have this in front of me, but there was some story where Elon basically offered him a job or something like that.

So Elon offered him, it is what he claims, Elon offered him \$12 million minus.

So basically he's a, I'll give you 12 million or let me explain it differently.

He did a demo that showed he had the self-driving car technology and it wasn't using at the time, what was the kind of the core technology for the vision system, which I think was Mobile Eye.

Mobile Eye was the hot company.

It's what Tesla was using.

George Hote's made a version of that without using Mobile Eye and Mobile Eye was kind of limiting and kind of sucked and kind of expensive.

So Tesla wanted to get off it.

So he says that Elon made him an offer, which was, I'll give you \$12 million for this technology minus one million for every month that it takes you to do the task.

So like if you give it to me today, it's 12 million if it takes you nine months.

There's a pissing match between two people ready to take that, play that game.

Exactly.

Exactly.

And he's like, if you can create a driving system that replaces Mobile Eye that Tesla is using at the time, and then they kind of walked that back and whatever and say, and they'd basically discussed, you know, do you want to come work or whatever?

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No.

So then he creates Comma.ai, which was the idea was like, you know, you don't need to buy a Tesla that has like self-driving, like what about all these other millions and millions of cars that exist?

What are they going to do?

Just be left in the dust?

It's like, no, I'm going to build a retrofit system so you could put this on a Honda Civic and install this thing on the top and this thing in the dash, and then it will be able to be self-driving.

Right?

Like we'll install the cameras and the technology so that your car can be retrofitted to be self-driving.

That was the dream of that system.

So he's this hacker guy, brilliant, brilliant programmer, also very, very entertaining guy.

Like he's sort of like, we've talked about Martin Shkreli's live streams where he like looks at stocks and finance and things like that, and then this guy, George, does the same thing.

He'll live stream himself, figure things out.

So the other day, he goes...

This is the real deal, I think.

I mean, I think that example is like that.

You're the real...

I don't think he's full of it.

I think he's a loose cannon, but I think he's the real deal.

Yeah, I agree.

So the other day, he goes live on Twitter live streaming video and he's like, let's see how Twitter works.

All right, I'm just going to like...

I've never looked at the Twitter source code, but like I don't work there, so I don't have access, but like just right click, inspect.

And let's see what they're doing.

Okay.

So what is this?

Okay.

This is the login prompt.

What if I remove this and he starts messing with it and he's like, so how does this work?

And he's like trying to play with it.

He's just talking live while he's doing it.

What platform is this on?

So he was doing it on Twitter.

He streamed it live on Twitter as the video.

Then he does Twitch a lot and things like that.

So then he tweets out to Elon.

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He tweets out about the hardcore...

He tweets out Elon's hardcore email and he's like, this is great.

This is like exactly what it takes to win and like, people should be jumping on this.

And immediately he starts getting backlash.

People are like, oh, yeah.

So this guy's asking you to work twice as hard for less money and without giving you extra pay, like, oh yeah, we should all just be slaves to this billionaire.

And people are like ragging on him in the comments and he goes, dude, can you imagine the excitement of getting to work on this right now?

Like this is amazing.

Screw it.

I don't have any money where my mouth is.

Hey, Elon, I'll do a 12 week internship.

I'll work for free and I want to come help you fix Twitter.

And he took it.

And Elon goes, sure, let's talk.

And then George goes back, you know, here comes the pissing match.

He goes, my number hasn't changed, which is just a hilarious thing to be like, you know, you call me and let it be known.

You have my number.

That's what he said.

That's what his reply was.

He goes, great.

My number hasn't changed.

Oh my God.

And then so he'd agreed to.

So he's there now.

So he joined Twitter.

Elon gave him the problem.

He goes, you're going to fix Twitter search.

You have 12 weeks to do it.

And so he's publicly trying to fix Twitter search right now.

And he's tweeting out every day the shit he's doing.

And he agreed to work on this for just the cost of living stipend.

He said, I think he said he's going to make two grand a week, I think is what he said.

The cost of living San Francisco, so eight grand a month.

And this is a guy that like is a multimillionaire, basically cannot be hired for a job.

He's like, you know, an entrepreneur that could snap his fingers and get funding again.

Well, and he's tweeting as he goes.

I just saw him tweet something.

And the first line was, I don't know if I have the authority to do this, but and then he like said what he wanted to do.

And I was like, I'm in.

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You got me.

That's a beautiful first sentence.

I'm following your journey.

And one of the things he did, he goes, all right, I'm trying to fix a search thing, but I need somebody to just he wanted somebody to do like just a front end design task, which like most programmers, most real programmers aren't good at that stuff.

And so he's like, I want it to just autocomplete.

Like, you know, when I open search, he goes, for some reason, it shows me like just this random follower of my name.

He's like, no, it should prompt me on the ways that I can search like search people search for hashtags, search for my search within my likes, like show me what the things I can do.

He goes, don't send me a resume.

Don't tell me it can't be done.

Just send me a code snippet that I can plug in and it works.

If you do that, you're hired.

That's the interview.

And so it's wildly entertaining to watch this guy do it.

And I think this is part of the bull case of, well, if Elon can get like real hackers and real people who are like ready, it's kind of like a movie when it's like, oh, the old gunslinger, they go to his house, he's retired, but he agrees to dust off the old boots and get back out there.

Like, it's like, hey, John, we have a final mission for you.

Yeah, exactly.

Like, if he can, I told you, I'm tired, you're like, yo, this is oceans 11.

We're going to go do this shit.

It's like a three month gig.

Just get off your ass and come do this.

It's also the bear, the bear case though, because that sounds great and all when you're just getting something going, it doesn't sound good when I have all types of private stuff in my DMs that I would not want to be public.

You know, I share like intimate things, like, you know, like, I'll complain about other people or I'll like say, like, Hey, how are you solving this problem?

I can't figure it out.

I don't like the fact that people are doing things this way when there's already 300 million users and there's a lot of like payment information and like intimate information on this platform.

So I would say it's also a bear case.

Yeah.

By the way, on that he, so Elonage goes, all the messaging should be encrypted.

I should, if a gun was to my head, I should not be able to reveal what's in somebody's DMs.

So we need to go into an encryption and he told the employees that then he goes, and then I have the same thing.

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I reached out to the original founder of signal.

He's willing to help us, you know, like think through how to do this, you know, like help us implement this end-to-end encryption quickly.

Same thing.

He's like, you know, basically like, Oh, that guy, that the guy from who started signal, he sold, he was the guy from WhatsApp, right?

Sold it to Facebook, then regretted it and was like, F this, these guys are like basically screwing with my baby, they're reducing the encryption, they're adding an ad, they're mining the data, whatever, quits out of principle and starts signal a like completely encrypted messaging tool because he like really believes in this.

I forget if he's the one who founded it or he was the funder, he was maybe the main, main funding source.

Yeah, whatever he was involved.

He was involved.

He put like 50 million in.

But yeah, that's the, that's another example of people, you know, getting, getting kind of like world-class people involved.

But somebody's got to go do the work every day for like the next five years.

Who's that, who's that person going to be?

The last eight weeks or so have been kind of a gift, gift from God in terms of just like drama and I'm just chopping at the bit every morning to go and look at my Twitter app or like to go and look at the news.

I'm loving this man.

This is a soap opera and I'm on board.

I said I was off board originally when Elon was doing Twitter and now like with FTX and all this other drama, I'm back.

They got me back.

Like this has just been awesome.

It's been a dopamine hit like every single day, you know, and I'm, and I'm fiending.

I'm waiting for that next hit every morning.

I check it.

And so this has been just a gift.

There's it, dude.

I'm going the other way.

I can't resist sometimes.

What's that?

Is it the R. Kelly thing where he's like, my mind's telling me no.

He's like, my body, my body is saying yes.

That's how it feels.

Like my mind is like, this is all a distraction unrelated to you.

Go read a book.

Go outside.

Go build something.

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This is the opposite of what you stand for.

Go read a book.

Have you ever read a book in your life?

The other day you told me about a book you were reading and I was like, oh, that's great.

You're like, yeah, I'm only five pages in though.

You literally were telling me about a book that you were reading and how impactful it's been.

And then the next sentence was you said that you were five pages in.

Do you remember that?

It was like about like yoga or some bullshit.

It's like, the better.

And now you're telling me to get off Twitter and read a book.

I didn't know you read books.

I tell other women, when was the last time you read a book from beginning to end?

Okay.

That is, that is a bit of a challenge.

I read probably one book a year from beginning to end and I read probably 10 books from beginning to 35 pages in a year.

That's so funny.

By the way, I think that's the optimal way to read books.

Most books, you can get the general principle and if it doesn't compel you to finish it, you should have no problem putting it down saying I took what I, I took what I needed from that and I'm ready for the next, you know, interesting little nugget or principle because these books are a lot of filler.

Tell me about this, this jet thing that you've had on here twice now.

By the way, our M, so we have this document.

It's called MDB master.

It stands for million dollar brainstorm.

I don't know if you saw this.

It's across 200 pages.

So we've shown I have this document that every day in the morning we like write our topics.

It's 50,000 words now and 200 pages with deleting.

We've deleted, I've deleted a bunch of topics off this.

Like once we're done with that, I just delete them.

It's pretty wild how long this document is, but you've had this thing in here about jets.

What about it?

Okay.

So I forgot who was saying this.

Maybe Andrew Wilkinson, somebody else Andrew, he was saying this about empty legs.

So basically private jets are obviously really expensive, really awesome.

Have you ever flown private on your own dime?

No.

I haven't flown private on anyone else's dime either.

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I flew private a couple of times.

One time Andrew paid for it.

How was it?

It was sick.

Like, yeah, like, you know, like there's things that like maybe like fancy socks and like that's basically it.

That's like things that like it doesn't matter just by the cheap ones.

They're just as good as the fancy ones.

And then there's things where you spend money and it actually makes a difference.

And unfortunately for all the plebs out there, flying private is one of them.

I'm a pleb too, by the way.

I don't fly private.

It costs too much.

So flying private, it is game changing.

Yeah.

When I did it, I was like, okay, this is awesome.

I kind of imagined it should be similar to the strip club experience where I would constantly feel like I need to be doing something to like maximize the opportunity.

Like I can just imagine myself standing up and just stretching repeatedly.

Like, I don't know, am I, is there caviar?

I don't even like this.

Dude, I read, I read a newspaper when I flew, when he flew me, I read the Wall Street Journal. I've never read the newspaper in my life, but I picked up the newspaper and I opened it up.

I opened it up and just had it and I, and I like flopped it and like smacked it to like get the crease out of there.

That's what I did when I flew private and it was an amazing experience.

Yeah.

I feel like I would need to like pick up some new hobbies and like wear leather if I was going to be flying private.

So he tweeted this thing about empty legs.

So basically private jets, I think some really high percentage, maybe 25% or 30% of all private jet flights are completely empty.

It's just a jet relocating from one place to another in order to be ready for the next flight.

And so there's this arbitrage then of empty, empty legs with basically like, Hey, this was going to fly anyways, it's just going to cost, you know, 40 grand to do this flight and it's getting, it's near, there's no value.

It's just a burn.

Could you basically give people the opportunity to hop into these empty legs?

And so I found there's a website, there's several, but like there are websites that will let you fly private.

You don't need to own the plane.

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You don't need to sign up for some membership.

It's literally just like, Hey, if this is going from here to there, if you want to go 20 grand and it's like, it's, this is yours, you know, you and six people can go on this thing.

Have you seen, have you heard about this?

No, but one time, I have a little bit heard of it and one time I was like, you know what I'm going to do?

I'm just going to call the airport.

So there was one time that I needed a flight from Nashville to New York and I just called it.

You just Google like your city, the city you're in plus executive airport.

And I remember I called them.

Hey, can you put me in touch with like a, like a broker, like a flight broker?

And they did.

And I talked to the guy, go, Hey, I need to go to New York in like a few hours tonight.

Is there any pilots that need work and can fly me from Nashville to New York?

And there was a guy willing to do it for \$6,500.

He's like, that's, you know, that's the cheapest we could do for \$6,500.

And it was like a, like a crazy hack that I didn't think actually worked.

And it did.

Right.

So like right now in four days from, I'm on jetli.com right now, but there's a place in Texas going to Fort Wayne international in Indiana.

It's going there anyways.

And it's just as negotiable.

Right.

You can just like, you can go do this.

Or right now, let's see, when is this one?

This is in two days.

So in two days, if you're in Poland and you want to go to Italy, you know, \$15,000.

And you can have this private jet flight.

If you happen to be going there and you get the whole plane.

Yeah.

I think you get the whole plane because it's empty.

How many does it see?

Oh, let's see.

So you can click.

Is it like, if it's a small one, you can see, you know, seven people.

All right.

So this is, okay, this one is going from Turtterborough.

Where is that?

Turtterborough to West Palm Beach.

New York.

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New York to Miami.

Basically.

Okay.

So New York to Miami.

Tita borough.

Tita borough.

Okay.

Let's see.

This one seats eight.

Eight and how much?

So the one to Miami seats six, it's \$15,000.

So you know, basically that's a price of a first class ticket, right?

Like for a lot of things.

Yeah.

And it'd be a fun experience with a bunch of friends.

So everyone ponies up to grand.

I mean, that'd be, that's a pretty cool experience.

Yeah.

Yeah.

So I thought this was kind of cool and another like kind of, this is what Airbnb did was like, they took something that was excess capacity and found a way to turn it into like to fill more of that excess demand, right?

So.

Do you know Dennis?

Dennis Hexett?

So he's my good buddy here in Austin and he once a week, he goes, Hey, I just got a notification Austin to, I know to say like somewhere new tall, like it's a, it's a golf stream.

Like, you know, it's normally a hundred thousand dollars.

They have it for 20 grand and they could see 10 of us, you and a bunch of friends want to go and do this thing.

He does that all the time and he actually like, actually like pounces on him.

Okay.

So what else we got?

You got a couple of others life after selling.

You want to do that?

All right.

Let's, let's, this is just an interesting thing.

So I always read this subreddit called fat fire and it's interesting because you don't know if anything, fat fire means people who financially independent retired early.

So people who want to do that, but fats, meaning they want to retire with a lot of money and not work again.

And that's an interesting sentiment.

Like most everyone wants to do that.

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They go, Oh, I would love to retire and be rich and not have to work at the age of 30.

That sounds cool, right?

There's this common theme of people doing that and they get depressed and that sounds like, Oh, boo, who like, why, you know, fuck those guys, who cares?

But it's interesting nonetheless, and there's this really interesting thread that I found.

So click where it says follow up.

Yep.

But the reason why this is interesting is like you are seeing such a, such a clear journey that someone is experiencing.

And so this person wrote a post where basically about a year ago, they wrote a post saying, Hey, I sold my company.

I made \$20 million until that day I hadn't sold a single share.

I wasn't living paycheck to paycheck, but I was living a normal life after the sale.

I basically had nothing to do with the company.

My wife kept working and she would just basically tell her friends that I was working from home.

But in reality, I was just playing video games all day while our kids were at school.

And six months later doing this, I am so depressed.

I hate my life.

I have nothing going on.

I'm sad.

I need to go see a therapist.

Yada, yada, yada.

He writes another post 10 months later and it goes, Hey, this is just a short follow up to the post that I previously wrote.

But the crux of it is for this, this moment in my life is so good.

I love waking up.

I love doing what I'm doing all day.

And it just, I feel like I've got camaraderie.

And basically what this guy did was he sold this company, made enough money, was depressed for a little while and did the exact same thing again where he went and started another company and he has 10 employees as cashflow positive.

It's not huge yet, but it's enough to pay for the 10 employees.

And I think it could be big.

But what I realized was I love the hunt doing it.

And another person said, my number, the amount of money that I made, it wasn't anywhere near yours, but I pulled the trigger and I sold the company.

I made a little bit of money and I basically retired and I float around in my pool all day.

I played video games.

I read and after about three to four months, I was miserable.

I was so sad.

And now since then I started a small business.

It's never going to be that big, but I basically took one of my hobbies and I turned it into

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a small business and it has a lot of challenging problems and I've never been happier. And I thought this topic and this, this, this thread, who knows if it's real, everyone could be exaggerating, but it's incredibly interesting because you get to be a voyeur and see other people's lives where they anonymously say their true feelings. And I thought that this was a really interesting insight that is rarely not uncovered or discussed in such a clear, straightforward way where you see like a very like post one, I'm sad post two, I'm not sad. And I thought it was like a really interesting insight and I went through this not as much with my company. I was happy. I got some chill time, but I went to the same thing. I'm like, what do you do? What am I supposed to do all the time? And it's actually quite depressing and it's not a topic discussed because, you know, who the fuck wants to talk about a guy who sold this company doesn't have to work and now he's sad, but interesting nonetheless, and interesting because a lot of people want to do this and it's cool to see that it's maybe not all that fulfilling and basically particularly type A's who have the ability to do this, you have to have like a way to contribute. You know, like I've talked to I have a few stay at home moms in my life who like after their kids went to school, they're like, my life is pointless. You know, like I don't contribute to anything previously. I was contributing to my children's lives. Now they're in school. They don't need me. What the hell am I supposed to do? I'm so sad. And now this is like a really good example of that, but in the business world. So I don't know. What do you think about this? So I literally had a conversation like this yesterday with the guys who help and set up the studio. They go, I heard they were saying, I heard this and they said, Alex Hermosi said this to like you. He's never been as sad as after he sold his company. He was depressed, kind of like basically the same, same gist of it sold his company. And then that was supposed to feel the best, right? But I actually felt the worst. They go, what do you think about that? Do you feel that? And I go, no, I feel excited, like I feel super excited. I'm like, oh, are you joking like the anything is possible now, right? Like, sure, I have, you know, a bunch of free time.

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And if it was always going to be doing nothing, that would be, that would feel a little bit bad.

That would feel bad for sure.

But for me, I'm very, very excited about this period of, oh, I get to figure out what's next.

And everything is possible and everything seems interesting.

And I'm open.

And the background is, is you had a project that you recently sold, we'll do a whole pod on it at another point.

Now you've got some free time.

Yeah.

And I've had that before when we sold, you know, the first time and the same thing.

Like, you know, I've never felt that, but I have heard this now from a bunch of different people.

I remember Michael Birch, who's been on the pod and was, was kind of a mentor and investor in my company.

He basically said the same thing, you know, when he sold Bebo for \$850 million, you know, next six months were not, not very fun.

Like, you know, it was like a huge come down.

And he's like, you can't even really talk about it because Poohoo, you know, Poohoo poor billionaire, like, nobody wants to hear it.

And I think people take the wrong takeaway from this.

I think what people take away is, it's not all that it's cracked up to be to sell.

You know, maybe, maybe that's not a good thing.

I don't think that's the right takeaway because I agree with you.

I was happy that I did it and I don't regret it at all.

And it was everything plus more that it was cracked up to be.

Exactly.

I think the real takeaway is that humans need, you know, a purpose and a direction where they're going to direct their talents and their energy and their focus.

Without that, you will be sad.

And so the question is, and, and sometimes in between things, you won't know exactly what that purpose needs to be.

And that figure it out period can feel uncomfortable.

Some people get sad in that, that period because they, they are so used to having that purpose.

But that isn't like, there's not just sad equals bad.

Sometimes it's feeling bad equals discomfort equals being out of your comfort zone equals growth.

And so I think the, the better signal or the better takeaway is, yeah, when you, when you do realize that, hey, man, I've been filling my time and focus and energy with one thing for so long.

I take that away and now I'm going to fill it with something else, something new, something exciting, something that can be exciting.

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But the period where I don't know what that is, that's a little, that's a little uncomfortable.

And I'm going to have to go through that until I could find that thing again.

And that's okay.

That's part of the process to figure out the right thing rather than just filling it.

Right.

So when you break up with, let's say you're in a bad relationship or even an okay relationship, but you break up because you know, it's not the one you want.

You break up.

Yeah.

It kind of sucks to be alone and single.

There is a period of time where that does suck, but that suck is required for you to work on yourself, figure out what you want, make space for the next person.

And then when you meet that next person, you, it's even better than it was before, but it was, you couldn't skip that single step.

If you just never did that, you would never have the better relationship in the second time.

That's probably the way I think about it at least.

So I, I'll try to be really tactical here.

So I've got a handful of friends who made enough money that, you know, they're, they're pretty much set and they built these like great companies and they came from nothing and then they sell and then then they want to start something again.

And after six months, they're like, oh, this can't ever be big or it's not growing fast enough or it's just too hard.

And I'm like, man, like had you thought that about the thing that got you to where you are, you never would have gotten to where you are.

Like you're kind of being a little punk and you're being soft and you need to like get past that.

And I think that that is like a really big challenge that people go through.

And the way that I combated that challenge, or I think I've done a good job of overcoming that challenges.

First of all, dude, getting that first sale regardless of what you have, I think is awesome.

Like it's addicting and it gives you that dope, the dopamine high.

But second, what I did is I took my lump sum and I invested it just like boring 80, 20 you know, stocks and bonds.

And then I will not entirely 80, 20 because I do have like some just in like a, you know, just cash sitting there.

But that account I haven't logged into in like a year and a half.

Like I just don't log into it.

And I keep a certain amount of money in my checking account, tens of thousands of dollars.

And then I have my credit card.

And I just assume that my net worth is tens of thousands of dollars.

And so if I want something, I've got to go earn or I'm like, y'all, you know, I would love to go and buy X, Y and Z.

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I better make my company work a little bit better.

Or you know, I think about it like that.

And that has been a nice little hack that has helped me kind of like look like that little silly though, right?

Cause it's like, then the money is serving you no purpose, no utility.

Well, why'd you want the money so bad if it wasn't going to benefit you?

Well, because first the cash flow that I make on a monthly basis covers my life and more.

So I know that you don't even look at that account.

No.

So the way I have it set it up is a certain amount of my cash flow goes to my checking account and that's my spending money.

That's the account with tens of thousands of dollars.

And then once, but once it hits a threshold, it automatically goes to my other account, which is my investment account that I don't log into.

Right.

But the thing is the investment account then is serving you no purpose is not improving the quality of your life at all.

Right.

Well, yes and no.

Yes, in the fact that like when I got my deal done, I wanted a car and I wanted a house.

I bought those things and I didn't really, and then I wanted to buy some clothes.

I think I bought like two or \$3,000 or maybe more worth of clothing.

And I was like, all right, like that's, that's like pretty much all, I don't really want much else.

And oh, and I took a trip.

It was a \$10,000 trip to Hawaii.

And so collectively that sum, my car was \$110,000.

It wasn't like crazy expensive, but it was kind of expensive.

Really like I spent that amount of money like buying the initial things that I wanted.

And then after that, I was like, you know, I don't really want more stuff.

I don't want more things.

And so it served me, but now I don't want more stuff.

And if I, if I do want something extra in the back of my head, I know, look, I could go and get the money to spend it, but I'd rather just go and earn that because that keeps me hungry and it's kind of more exciting and more fun and I appreciate it more.

So in my brain on one, on one hand, I think I only have, I'm only worth \$60,000 or \$70,000 because that's what's in my checking account.

But in reality, I'm like, yeah, when emergencies happen with my family, it's all covered.

But I try to just look at that \$60,000 or \$70,000 and that's all I have.

Okay.

I like that.

That makes sense.

But you don't like that.

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No, I like it.

I think it's good.

I like using, I do this a lot.

I use my own psychology for me rather than against me.

It's much easier to just understand how your brain works and then use it to your benefit than try to fight the way your brain works and say, no brain, think differently and react differently to situations.

You know what I mean?

It's like the same way that if I publicly go on here and say, I'm going to do something, then I know that my brain is going to not want to fail at that because the social pressure is going to make me want to do it.

So I just use that to my advantage.

I'll go and I'll say, I'm going to do the X and I call my shot because now I know I'm going to use that feeling of social pressure to help me do the thing I want rather than try to talk myself out of caring what other people think.

No, I think that's a good way to live.

We're going to do, this is the second time we said it, so we actually have to do it, but we're going to have to do a total pod about what you're going to do next.

But I think that the best thing that people like you and me and people who sell stuff, the best part of the situation is, okay, I have a little while to breathe and think.

You know, very rarely do people get that.

Sometimes they'll get it if they get fired and they get severance.

But most people, the average American doesn't get it until they retire if they can retire.

And even then, it's like, dude, I'm now I'm old and like, I don't have a lot of income coming in.

So it's like, what's the point?

So I think the best part of selling is you have time to reflect and think the worst part is if you do that for too long, you get stale and you're going to, I think you have a highly likelihood of being depressed and sad.

Yeah, we've used that phrase before, work like a lion.

I think I think Naval was the one who came up with this, but like, you know, a lot, it's worth repeating because I think that this is, this is what you're describing.

A lion will find what it wants, right?

It finds its prey, it sprints, it catches it, then it feasts and it toasts and it celebrates, you know, that feast, then it relaxes, it sits and it waits, you know, there's a rest period and then there's a observing period where it lurks and it waits for the next prey.

And so business is the same, right?

You had a period and I had a period where we were sprinting to catch the, the, the wind.

We both caught the wind, then we feasted, we'd celebrated, we did the, you know, got that out of our system.

It's important to enjoy.

It's important to learn how to enjoy the thing.

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Then you rest and you reassess and you go and you're looking for the next prey.
And then for you, you just found your next one and you started sprinting and I'm still in the, I'm in the, the rest and, and reassess period where I'm thinking.
And that's what I told you was enjoy that rest though.

Yeah.

You have to, you do have to enjoy it.

And I think you truly do need like a period to rest and like embrace it, which I know is very hard for you and most people.

No, that's easy for me.

That's what I'm saying.

I get when other people say that's difficult for them, but like, it sounds to me like a snowflakey thing to be sad about, like not to like minimize your feelings, like I kind of get it, but at the same time.

It's like, it's like, what's your, it's like, what's your perspective?

It's like, my perspective is like, dude, I can't like, I'm so happy with how that turned out.

That was awesome.

The next thing is going to be awesome.

And then this period is a new, it's a different type of season in the same way that, oh, it's nice in the winter because you kind of bundle up and you, you wear your, your fuzzy socks and you, you sip on your hot cocoa or whatever.

It's a different season and that's to be enjoyed for its own purposes.

And like, you know, I don't feel bad for myself and then, and therefore I don't want anybody else to feel bad.

In the same way, like, I think people too easily are willing to feel bad about themselves or feel bad for themselves or to themselves or whatever.

Like it's like a form of victim hood, right?

Like I understand how it would be easy to think that way, but I do not think that way.

No, I guess what I mean is you have a pattern sometimes of jumping into projects and going all in and I'm like, you know, like maybe just like, if you have an idea, just wait like three weeks and then, and then do it.

You know, like, yeah, like, you know, like I, you started the milk road over a weekend.

You like, oh, you're, you are all in on one or two other things.

And then over the weekend, we're like, I'm doing this and you went all in on it and thankfully it worked.

But you could see how that could be both an advantage and a disadvantage, but that's kind of my point.

That I think is, is very, very sage advice for me because it's super easy to start something.

You can start something in an hour, but once you start something, and if it's going to do anything, it's going to take weeks or months to make it work, to get it started.

And then once it's working, now it's years to like, you know, pay it off.

Particularly a daily email that requires you to do something every single day.

Daily emails are hard, aren't they?

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I mean, they're not that hard, but they're, they're challenging.

They're unlike other businesses.

But even if it wasn't the daily email, I guess either way, starting is so much easier than finishing that like, you got to be careful that like, just because it would be easy to get it to try.

It's like, the test is if I'm going to do something, it's a, it's a, it's a multi-year arc for, if this is going to be a good, in a good scenario.

So choose wisely, you know, that those are very, very valuable years of prime.

And the same thing with people taking jobs or anything else.

It's like, are you sure?

You sure you're going to give up like 20% of your prime to that?

Or like people who want to wait, I'm going to wait a year before I go do the thing I want.

Are you sure?

A year?

Right.

Are you like this year in your 20s, you know what that's worth?

Like that's not just like, that's not, that's not nothing, right?

Like a year in your 20s is, I kind of think like you're sort of like 20, 20 to kind of like your 50s.

Basically that 30 year window is, you know, worth like 80% of the time of the, of the total time in your life.

And so like, you know, each of those years is very, very valuable.

Do not, do not, do not throw it away doing something you don't want to do.

I'm, I'm eager to hear if people like this type of content, but I think they will.

Right?

What do you think?

Yeah.

If we, if we like it, they'll like it.

Who are our customers?

The people that love what we do.

All right.

I'll be right back.