

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

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.

If you could only get done one thing this year, what would it be?

Don't waste your time with anything else.

Just take your best person, which is either you, the CEO, whoever, and make them responsible for that problem and give them everything they need to do it.

Do you know where I am or no?

I have no idea where you are.

Oh, I'm in Portugal, dude.

I'm recording this on a microphone, like a Blue Yeti mic, and just my iPhone.

Oh, okay.

That's pretty good.

It's sick, right?

What are you doing in Portugal?

So Jack Smith, our friend Jack, he is looking at retreats out here in the rural area of Portugal, like the outside of the city, and he wants to buy a retreat and turn it into a meditation retreat, and he asked me to go with him and check it out with him.

He's like buying a retreat center.

Yeah.

Like a plot of land that has like five to 20 cabins on it.

He's looking at multiple places.

And why is he doing that?

Because silent retreats made a difference in his life, and he's like in the meditation and stuff, and he wants to do it.

And he likes Portugal.

I don't know why.

It's really cheap here, dude.

We went out to dinner with like six of us, and I felt like we went to a fancy dinner and ordered a ton of stuff, and it was 120 bucks.

That's amazing.

So he's also buying a farm.

Isn't that funny?

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

Your short-term rental thing is just like, it's not even short-term rental.

I wouldn't even say that.

Everything big-ass piece of land, at least to put your flag down.

Is this like the yellow taxi cab thing where we're talking about yellow taxis, therefore we see them everywhere, or have you noticed that this is popular?

I can't decide.

I don't know if it's popular or not, but ever since you posted your photos of yours, or you sent me yours, it went from like an idea that just sounded like a pain in the ass to something I'm like kind of itching and wishing I had myself.

So and I don't even like, like we discussed, not even like leaving the house.

So you know, I don't even know why I want this piece of land.

I'm never going to go.

I'm literally never going to go.

I don't think I'm going to go that much either.

I'm renting it out all the time.

Yeah, and I don't want to deal with all that.

I don't know.

Ben, do you want a piece of land now ever since you saw what Sam was doing?

Did he influence you?

100%.

Portugal sounds like, I actually like I was already into it, but Portugal is just like increasing my interest like exponentially.

That sounds incredible.

I think buying a place out here is not wise.

Whenever I go abroad, I just, I love going abroad and I love meeting new people and cultures, but it makes me realize how America, like we have our act together for, for most things.

I would be a little nervous to buy a place out here without speaking the language of being a foreigner and stuff.

What is Jack even buying?

What do you need for a silent retreat?

Like you need like a place to sit on the ground.

Well, you have like staff like feed breakfast, like give you breakfast every morning.

And there's like, they have like a pool and a restaurant.

I mean, it's like a proper like hotel, but the, the salary is pretty sick.

A silent hotel.

Okay.

I kind of like this idea now.

I don't know why.

I went from, well, why does he need anything to, I need this.

It's cool, right?

Man, this stuff is actually cool.

So I, it's people are talking about it.

It seems like in my world of time, but I can't just tell us just cause I noticed it now.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

I wish he was not making it like a retreat cause that's still going to be like only for those who've really want to like have this intense life experience.

I wish it really was more like a silent hotel.

It's like a place you can go for a night or two while you're in town.

It was like the place, I don't think he's, he's not turning it into a silent retreat.

I meant to say he has gone to many silent retreats and he loves them and he wants to create like a nature like area on a silent retreat.

No, I think it'd be really hard, but I would go on the nature-ish retreat, but it would be really hard.

But can I, let me show you something kind of intriguing.

So do you see that Instagram link?

Uh, yeah, I got the thing.

It says Sam one.

Have you seen this shit?

No, I haven't.

All right.

I open it up.

It's Instagram.com slash raw meat experiment.

So read this guy's description.

Just read it out loud and let me see your reaction.

Eating raw meat at Whole Foods every day until I die from bacteria.

What the fuck?

Seeing if I live for five days or 500 years.

Follow me for more recipes.

So click a video.

So all this guy does is he has a video and look who sponsored it.

Nick Gray, my friend Nick Gray sponsored it.

Okay.

Who is this person?

What is their name?

I have no idea who he is, but all he's sick.

He's just eating a fish carcass and like, you know, my friend, the second video, he's holding a giant fish, like a salmon, a piece of salmon that's raw and he's just eating it.

He's not even eating it like nibbling on it like a burrito, like from the top down.

He's just eating it sort of face on.

It's very strange.

Look at some of the other ones.

He'll eat like a prime rib.

Is this the grossest thing you've ever seen?

Wow.

Almost a hundred days of eating uncooked animals and everything is fine.

We're learning a lot each day.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

Today I got a juicy New York strip.
I forgot a glass for the egg, so I had to suck a slonker out the old fashioned way.
I'm going to write up my thing, but okay, so he's not dead.
So that's good.
I guess kind of feel like he kind of kind of was rooting for him to die a little bit just for this idea.
But is he healthy?
Is he like doing well?
I don't know, man.
All I know is I see his videos of him just eating me and it's so gross, I've got to turn it off.
But the two things struck me.
One, this is just crazy and weird.
Do you believe that he's not eating anything else?
Yeah.
I think so.
And two, his copywriting in his bio is beautiful.
Like I saw that and I was like, this is the best.
And he's getting featured by everything.
He's just talked to Ladd Bible.
The interview is going, of course, because everybody wants to talk about this.
I'm going to talk about this.
You are currently talking about this.
This is crazy.
He's literally eating a brick of ground beef with a cup of four egg yolks just as his drink.
It's disgusting.
Isn't it?
Is this the craziest thing you've seen in a long time?
That's absolutely filthy.
Yeah.
This is crazy.
Wow.
Hmm.
Yeah.
I guess I guess it's better he does this than becomes a serial killer because he had two paths to choose from and he chose raw meat experiments.
I guess good and good on him for that.
That's crazy.
One thing I wanted to ask you, I think you're more in tune with this.
I was talking to a friend who runs like a 40 person startup that has engineers.
It's an app and they were telling me that the salaries that they're having to compete with, like they said, their people are getting poached to work at like a Netflix or something like that.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

And those big companies are paying engineers like \$500,000 a year cash.

Like that's the salary.

Right.

It's like an average engineer.

It's not even like the 30 year old guy.

It's not like you're a specialist who's going to bring something so unique to the table.

It's like, no, you're like a mid level solid engineer, maybe senior engineer, but yeah, it's crazy.

She told me that someone from Brex got recruited to Brex and like the offer was like three or 400 cash and then like another like equity grant that was pushed it to like six, 700,000.

Is that how on earth can a small startup keep up with this?

Is this crazy?

Yeah, but this has been going on for like, I don't know, almost a decade now where you have this crazy outsized compensation that's guaranteed.

It's like, hey, this job is easier and pays you more.

And then you're the startup being like, hey, you want to work twice as hard for half as much.

And it's like, shit, but people do take the trade for two reasons.

One is there's a lottery ticket element to startups, which is if a startup hits, you can like kind of like leapfrog up and you can make a lot more.

Probability wise, it's not a good trade, right?

Your expected value is not that high, but there is a chance.

The other component that helps is just people don't have a lot of fun working in big companies like that.

But I don't remember it being like five or \$600,000.

I think what's going on?

I do think that's a little bit high, like when we were at, I think I can just say this.

I don't think there's anything stopping me from saying this, but when I was at Twitch, we like, I got my team all offers and then I also hired people there.

And I would say that for like an average engineer, you might be like, let's call it a 30 year old engineer who's been working for, you know, seven, eight years, not a, not a manager or like kind of a senior manager who's managing multiple teams or anything like that.

They would be netting, I think something like 300 to 400,000.

And then once you get into, you manage engineers, you're an engineer who manages other engineers.

Now you're talking more like 500,000.

And then if you got to like a, what L eight or whatever, like these like principal engineers and that's what they call them.

Or like you're at AI.

If you're, if you're in the AI team, machine learning teams, then we're talking about you could be making 700 K a year all in, which is a combination of cash and stock, but the stock is just like cash.

It's like, you know, liquid, liquid public market stock, which are crazy numbers.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

It's crazy numbers.

And you were a PM.

Were you a PM?

Yeah, technically I was a PM.

Yeah.

What was your cash salary?

So mine, when I, when I joined was, so they have a, I'm trying, how should I split this out?

Okay.

So what the fund does is they, they always say the highest possible salary you can get is \$185,000 a year.

Even Jeff Bezos only can make that.

So no matter who you are, that's your set cash salary, but then they do a signing, they do a cash bonus.

So that's like, it's kind of the same thing.

I don't know why they split it out.

So those two combined, I think took it up to like 400, 500,000, something like that.

And then on top of that was your, your stock.

Yeah.

So I think 400, it was 400,000 was the cash component and then stock would then be bigger and then we got acquired, so we had not only your job, normal stock package, but then the acquisition stock package on top of that.

Yeah.

And that's what I have now.

I think, what is my salary?

I think with the bonus, it's like 300, but the stock is a much, much larger.

Yeah.

Anyway.

I didn't say numbers, but you know, I would say like, you know, this is, this wasn't the case for non-engineers.

So, you know, if I look at kind of like, you know, people in the marketing team or community team, you know, theirs would be, you know, like a program manager for something like that.

You know, that's more in the like, what people are used to is like a good job.

It's like, you know, you make like \$150,000 a year and you work at this company to get benefits and all that good stuff, or they could get to 180 or 200 or something like that max.

It was really only the engineers, engineering managers that were crazy high.

And then mine, I wasn't just like a random PM, it's like, I ran a whole division of the company.

There was only, I think, seven people at my level in the company.

So it's like, so, you know, how many, how many peers do you have?

So if you could manage a team of 50 to 100 people, then you could have that kind of comp.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

How many people do you think who worked at Amazon, because I don't think Twitch would apply here.

How many people do you think that would work at one of these big companies that probably had a liquid net worth north of \$50 million from their comp?

I don't know if you said Twitch, but yeah, not at Twitch.

I met Amazon.

I don't know, man, I've kind of put this out there once.

I think I asked, I was like, how many people at this company would make more than X?

And I kind of got like a fuzzy answer.

So I don't know.

I don't have a great answer for that, unfortunately.

Yeah.

I was thinking about that with HubSpot.

I'm like, how many, how many people do you think have made more than \$20 million from their stock?

Well, like, for example, even when Twitch got acquired by Amazon, the stock had gone up, I think four or five X since then.

So you know, even if you came in and you got a million dollars in the acquisition, actually you had four or five million dollars if you just held onto your Amazon stock.

And so there was, you know, like the appreciation of stocks is crazy.

Like if you just go look at a 10-year chart at Google, you know, you might have had a \$30K salary, but that was effectively, you know, a \$3 million salary when you look at it over the over the 10-year period.

So it's pretty crazy.

Companies have just accumulated so much wealth.

The funny thing is, is these numbers sound crazy, like, wow, people are sort of like almost overpaid in a way, but it's like actually like the company's getting the best deal on average because the company's creating way more value per person than they're giving out in comp.

Which is hard to understand.

It's a really tough exercise to understand.

I still struggle with it.

I'm like, how do you have 3,000 people at this company who you have to pay this much money for?

And it's like, well, because it makes billions of dollars.

Well, yeah, just think about it.

Like between Google, Facebook, Amazon, Apple, these are four of the greatest wealth generating machines, cash machines ever created, right?

Like these are trillion dollar companies.

Multiple, Apple's like a two trillion dollar company or even more.

So it's like, these are the greatest businesses created in the history of earth.

So yeah, like the compensation is kind of outsized and it's pretty crazy and it's hard to get in.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

And even when you get in, it's hard to move up, but once you're there, it is really kind of a golden ticket, which is why it's funny, like I quit and a bunch of people quit and go do other stuff because at the end of the day, it's just like it's not going to move the needle that far for you, right?

Like if you can have an opportunity to feel like you're making a bigger impact or just have more fun on a day-to-day basis, it's very tempting to go take that path.

And I see, you know, you see a lot of people do it.

There's, by the way, there's a great blog post that I read.

Have you read this blog post?

It's called Desperation Induced Focus.

No, but that's a really, really good headline.

Amazing headline, right?

So it's this guy, Ravi Gupta.

So he, he was, he was the COO of Instacart.

And now he's like at Sequoia, he's like a partner there, but he wrote this blog post and I literally, I was like, damn, this is one of the best blogs I've read and maybe a year or two.

It's called Desperation Induced Focus and he goes, he goes, people ask me about process all the time.

Planning processes, performance review processes, OKRs.

And they think it's because I'm the COO, you know, I was a COO and my friends were COOs and everybody wants to like improve their process.

And he goes, you know, people sort of imagine me as like being in a room with Gantt charts all around me.

And then he goes, I have nothing against process, but I think most startups are doing this way too early, way too often.

And when I asked them, I go, why do you think you need this process?

The answer is usually some version of, well, this smart person at this bigger company told, told me that they use this process.

And so we figured we should use it too.

You know, we're just doing everything janky and like those big companies probably have it all figured out.

And he goes, the lesson is, as always, big companies suck.

He goes, don't get me wrong.

This is why I liked it.

He goes, don't get me wrong.

They didn't always suck.

At some point, they were just like you, a startup that was fighting for product market fit.

They was, you know, trying to, trying to expand and trying to grow.

They were focused and everything.

They were trying to hire like trajectory changing people.

And they were giving them more of the responsibility than they even know what to do with it.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

And they were working their ass off to create something out of nothing.

They had desperation induced focus.

And now things are different for that company.

Most big companies are no longer creating things out of nothing.

Somebody else somewhere made the money making machine and everybody else just sort of assumes

it'll just keep working.

And now that the money making machine part is taken care of, they get the luxury of carrying about, you know, a small number of other things like planning processes, performance reviews, creating an ever increasing number of checks and boxes or something that matters even less than those.

The lack of focus is a luxury and a disease.

I love that.

And then he goes, he goes, my advice to people who are thinking about putting in a process was said, instead of the process, go to this whiteboard.

If you could only get done one thing this year, what would it be?

If the answer is put in a new process, all right, fine, go for it.

But more likely the answer is something like increased market share, launch a product that doubles our revenue or what blah, blah, blah, that don't waste your time with anything else.

Just take your best person, which is either you, the CEO, whoever, and make them responsible for that problem and give them everything they need to do it.

In reality, process is not your problem.

Lack of focus is your problem.

Peace time thinking, complacency.

And then he talks about his time at Instacart and he gives kind of an example of when this happened.

He goes, and he gave one other thing that was, he's like, at Instacart, we had a whiteboard with two words, unit economics.

And he goes, at that point, once that became the singular, desperate focus for us, then we started combing through the P and L and different countries and finding ways to save sense per order.

It was awesome.

And finally, we turned the unit economics around.

I love this blog post.

What do you think of this?

It's beautiful.

And I think that it's true beyond just process.

I've always said, I think I said on this podcast, I think what I like to do is I like to burn bridges.

So, you know, a lot of people say, like, if you're going to start a company, maybe, like, work on it on the side.

And I'm always like, no, fuck that.

Like, I know it's not for everyone, but, like, go all in and, like, it must work or you're

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

going out or you're going homeless, like that type of, like, I love that desperation.

I love back against the wall type of moves.

I think this is beautiful.

And his writing, because I've been working on my copywriting, his writing is really, really good.

Even his footnotes are pretty funny.

Like, at the first footnote, like, it's beautiful writing.

This guy's really good.

Yeah, exactly.

And then he has another one.

He goes, he ended the thing, he goes, the next time someone tries to tell you to do something because a big company says, big company does it, be suspicious.

Don't let them infect your company with a thing that's slowly killing theirs.

This is beautiful.

Yeah.

Good.

I'm going to meet up with this.

I emailed him.

So, I emailed this guy right afterwards and I go, I just sent him an email, like, I read this at two or three in the morning and I'm going to read, like, what I sent him.

I just go, I go, wow, the desperation-induced blog post is one of the best fucking posts I've read this year.

I could give you a dozen examples.

You know, my startup got bought by Twitch a couple years ago that proved this, but you don't need to hear them because you know, only somebody who knows could write this blog post.

I'd love to meet you sometime.

I'm Sean.

I live in the Bay Area, blah, blah.

Here's what I do.

Okay.

I'm going to go read some other blog posts on your site right now.

The bar's high.

Don't disappoint me.

What did he say?

He was like, wow, thank you.

I appreciate that.

We'd love to meet.

Let's hang out.

You're going to hang out?

Yeah.

Anybody who writes this, I'm going to get along with you.

I'm going to get along with you.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

We're going to be thick as thieves.

It's just a matter of how much time we hang out.

What do you do at Sequoia?

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 workday is the same length as always, but before you know it, we spent three hours just fixing something that was supposed to be automated.

Thankfully, HubSpot's all-in-one CRM platform can serve as a single source of truth for managing your customer relationships across marketing, sales, service operations with multiple hubs and over a thousand integrations and an easy-to-use interface.

HubSpot lets you spend less time managing your software and more time connecting with your customers.

Learn how HubSpot can help you grow your business at [HubSpot.com](https://www.hubspot.com).

He's a part of it or something like that.

He has another one.

He's a big deal.

Yeah.

He's a big deal there.

He has another one about where he goes into more detail about what they actually did it.

I think it was Instacart to improve their stuff, but I thought this was awesome.

I also think that the writing is awesome.

The lesson is awesome, which is most of the time you think your process was broken.

It's that you don't have desperation-induced focus on the main thing.

You forgot that the main thing needs to be the main thing, and you're better off just writing down what is the main thing on the whiteboard and saying, cool, who's the most capable person in our company?

You don't do anything else besides this, and then letting them solve that problem and giving them everything that they need to do it, and every day just talking to them about that one thing and don't talk to them about other shit.

Don't drag their focus in 10 different directions, which is exactly what happens at big companies is your focus gets split in 10 different directions.

You're doing 360 peer reviews one week, and then you're doing your team offsite, and then you're doing diversity and inclusion the next week, and then you're doing hiring, and then you work a little bit on your project, but then you have to write your plan and your budget for next year, and then you come back to your project for a couple hours, and then you get pinged by this other person to do this other thing, and sure enough, six weeks have gone by, and you haven't moved the ball forward on your main thing, and the company doesn't penalize it because they don't care, they don't know, they don't care.

This guy, I'm clicking around, is a very good writer, so his blog is rkg.blog.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

His writing is very, very, very good.

This guy's a clear thinker.

I can read his writing, and I understand how he thinks, just from reading his writing.

Ben, you got the Georgetown Law shirt on, what do you think of this?

I think it sounds genius.

By the way, my wife went here, not me, so I don't know how much credibility this gives me.

I'm just a wife guy here wearing the sweatshirt.

Dude, we already taught you how to rock the Harvard Shirts at the Georgetown Law Shirts.

Actually, I had this happen to me yesterday.

I was walking in the neighborhood, walking my dog, and a lady in a Tesla swerves over, pulls over.

She goes, did you go to Harvard, too?

She goes, Harvard, did you go there?

Yeah, part two or one.

I go, yeah, I was there in 2006, loved the campus, and she goes, I went there in 2006.

I go, I was there in 2006, God, I missed the campus.

She goes, oh, me too.

And then she starts talking.

Were you by yourself?

She goes, I'm class of 94, and I go, oh, no, no, I just bought the shirt, and then she started cracking up, and then she told me a story of the same thing.

She goes, I go, sorry to fake you out.

And she goes, that's so funny.

You did that.

She goes, my husband has this shirt that says like, it says like some, it's like some army insignia.

It's like some shield and like whatever.

It's like some, some army shirt, because his brother or dad or something like that was in the army or something like that has the shirt.

I think like his brother had given him the shirt, and they were in the park and someone came right up to him and like stood and did like a salute and it was like, you know, colonel devil.

And he's like, oh, shit.

He didn't know what to say because like the guy was really like paying him like serious respect.

So he just kind of rolled with it for a second and then like the guy walked away and he felt super guilty afterwards.

He's like, fuck, I should have said something.

I don't know.

I don't know what I was doing.

Why did I just like play into that, dude, were you by yourself when you did this?

Yeah, I was by myself.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

It's hilarious.

I would know I typically am not in the mood learned by myself to pull a joke like that.

That's a good one.

That's a winner.

Dude, it's the best because my shirt also has like a hole in it.

So it looks like worn like this is like it doesn't look like memorabilia.

It looks like, you know, my old college sweatshirt.

Can I show you a business really quick?

So check out.

All right.

Look at what I wrote under specialty license plate.

My friend Dennis was showing me this.

So there's this website called my plate.

Is it my plates, my plates dot com can.

Oh, sorry.

Thank you.

All right.

So basically you can do one of two things on this website.

The first thing is you can buy someone has purchased the website like zero, zero, one or like some funny phrase or something.

And you can do an auction to purchase the vanity plate.

But what this website does is they made a deal with the Texas government and they guaranteed the Texas government a certain amount of revenue.

So in order to get a vanity plate, you've got to spend \$50 to \$100.

And my plate dot com makes it really easy to register and get that done.

And they go to the government said, hey, we promised you over the next three years, we're going to pay you \$25 million in fees, five years, five years, \$25 million, it says.

Sorry, five years, \$25 million.

And the government goes, all right, fine deal.

You do that.

Then we'll keep making you the exclusive vendor of vanity license plates.

And this company did it and they're crushing it.

They've sold over half a million of these plates.

I read a recent article, they sold over half a million.

And if you assume on their page, it said that prices range from \$100 to \$200.

That's like basically close to \$10 million a year.

Yeah.

So they're basically, they're doubling up, right?

So they have this guaranteed payout, but then they probably have their own costs.

So I don't know how great of a business it is, right?

They have their own marketing costs and things like that.

But let's say they did 40 million, 50 million, you know, across that time, they had to pay out 25 million total for the rights.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

That's still pretty, pretty damn good for a business that has like, by definition, zero competition.

Well, and on LinkedIn, I saw two employees.

That's it.

Yeah.

Beautiful.

This is very similar to what we talked about the trend of going to a school.

The guys who, the tailgate guys who go to the school and say, hey, we want to be your exclusive tailgate provider, we'll pay you a guaranteed, you get this flat thing and then let us charge what we want to charge to do like turnkey tailgates here.

And getting that kind of exclusive partnership is very hard to do.

But once you do it, your business is like so defensible because, you know, obviously nobody else can get in.

Yeah.

It's, it's sick.

I came across this, Dennis showed me and I was like, this is actually really badass.

This is kind of cool.

Yeah.

That's cool.

I've been, I've been looking into licensing recently.

Have you ever licensed a product?

No, but the only thing I know about it is our friend, Suley, who did it and he like told me how it worked and licensing is, if you're the person who owns the license, it's like, it's amazing.

Well, yeah, in this case, like these are non exclusive licenses, but I've been learning how like, you know, like how does the Disney licensing process work?

Like if you want to put Mickey Mouse on something, how does that work?

And it's like, well, you got to like get in touch with them and, you know, that's like, you know, hurdle one and there's brokers that will do it or you can just get in touch with them directly.

So basically you're like, I guarantee you this much and I'll give you whatever 15% of all sales.

And you have kind of veto rights on the design and all that.

You have to approve it before we sell anything.

The whole process takes kind of like a year, but it's so powerful to be able to sell somebody something instead of from your brand that they've never heard of, you know, on a brand like Lion King or something where they have like already an emotional attachment to it.

In this case, like it said that the top sold license vanity license plate was 12th man.

Which is like the nickname for the crowd at the UT at the Longhorns game.

And so, you know, if you're if you're a Longhorns fan, which is like pretty popular in Texas, like you have that emotional connection to the team.

And so you're going to get, you know, get that kind of benefit.

So I think licensing businesses are quite interesting in general.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

That's interesting.

Yeah, I didn't really know much about it.

I remember Sully like had some crazy story about how they did a bunch of licensing stuff.

What are you trying to license brand, you know, any popular brand?

So for my e-commerce store, we're just trying to look at any kind of like popular brand that we think would do well on apparel.

So you know, you can go to a sports team or you can go to, you know, like a big movie franchise Star Wars or whatever and turn it in, you know, that's how you get, you know, at Costco, like, you know, some hoodie with Star Wars on it.

It's not it's not Star Wars making that hoodie.

It's some company that's paying Star Wars for the rights to make that hoodie.

What's what do you know about Logan Paul?

What do you want to talk about with him?

I can't tell this full story, but I can tell a part of it.

So I met a founder today.

I'm going to ask him for permission to tell his full story, but the part of the story

I thought that was amazing.

It's just a little nugget.

So this guy was in college and he wanted to start an e-commerce company and he's like, okay, I don't have any money for marketing.

So I need like, you know, maybe like an influencer to shout me out.

I think that would be cool.

This was back in maybe 2015.

So this was like a while back.

And so the founder was like, all right, in college, doesn't know what to do.

And starts.

He's watching Vine at the time.

And he notices that all the Vine stars, Logan Paul, Jake Paul, King Batch, you know, like all these people, he's like, I feel like they all live like in the same place because they're all their doors look the same.

He's like looking at the door handles.

He's like, what are the odds they all just have the same door handle?

He's like, they probably live in one building that just has this door handle.

So he does.

So it was like an apartment building, right?

And so yeah.

So he finds the apartment building and he's like, oh, great.

He's on the East Coast.

He just moves to LA, moves into this apartment building, like finds like whatever the cheapest apartment is in this building, gets in, moves in, and he's like, all right, I'm here.

And he's like, they're here.

I'm here.

And he started.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

He's like, all right.

How do I bump into them?

He's like, okay, they hang out.

They go to the gym all day.

So he's like, I started going to the gym like five hours a day.

He's like, I'll just hang out there.

He's like, first of all, I got ripped, which was awesome because I was just at the gym all day, every day.

Secondly, I would just see Logan, I'd see Jake, I'd see King Pets.

I just see these guys every day and then sure enough, we became kind of like friendly and then we became sort of like friends.

And then he's like, hey guys, like, you know, have you guys ever thought about, you know, doing some merch and ended up doing like a merch run with Logan Paul and that kind of kickstarted his e-commerce business, which is now doing quite well does, you know, millions of dollars a year.

So but yeah, I just thought that was amazing, amazing hustle story of like, it's the put they found the line between determined and creepy, like creepy is like, I'm hanging out in your driveway.

It's like, dude, leave me alone.

Like, you know, every day, the difference between like creepy and not creepy is really if you could just make the recipient smile a little, that's what I've noticed.

If you could just make the recipient smile, all creeps out there.

Well, like, it's kind of like when you're like wanting to flirt with someone, it's like, you could say two phrases, the exact same words, but with different emphasis on different words with a different tone of voice.

And if you could get the person to smile, one's creepy, one's not.

So like the difference.

Do you want to share what your pickup line was for your wife, by the way, is that story, I think is the perfect example.

Yeah, as a friend, I recommend not telling the story as a podcast host.

I am hoping you tell the story because it's hilarious.

There's nothing bad about it, my opinion, because like her family knows and like it weren't like we're married.

So it worked out.

But so I was with my friend, Lily, a girlfriend of mine, a friend who's a woman and it helped the reason I say she's a woman is it helped me look a little more disarming.

And I was with Lily and this woman walked in the bar and I go, Lily, that woman's beautiful.

Like I can't let her like, I got to talk to her before I leave.

And what should I say to her?

And as I'm saying this to Lily, Sarah, my now wife walks by and I go, hey, what's the difference between a chickpea and a lentil?

And she looks at me funny.

She goes, what?

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

I go, I don't pay \$400 to have a lentil on my face.

And she was like, and I was like, yeah, classic classic hummus joke, big fan of hummus jokes. Yeah.

And we became married and now we're married if we basically like fell in love like 10 days after that.

So it worked out perfectly.

And so that proves my point that the difference between creepy and not creepy is just getting that laugh.

So kudos to this guy.

That was like the most high risk maneuver Ben's Ben looks so I've never seen Ben so shook.

He's I as a man of Georgetown law.

What do you have to say about this?

My wife is like a little bougie.

She's like a higher class than I am.

She's a classy lady.

That's what I was going to say.

She's a classy lady.

I want to know how many times did you ever use that pickup line and how many times did it work?

I used it on Tinder once or twice before and it was a good litmus test because if you didn't think that it was funny, then we weren't going to be a good match.

And also if you weren't quick enough to get it, then I'm like, oh man, I don't know if we're going to be a quick match, a good match either.

So it was like, it leads me to think that like the best pickup lines are not necessarily the ones that work the most.

They're the ones that are the best filter filters.

Yes, exactly.

It's a perfect filter filter one.

If you don't think like a dirty joke is if you think a dirty joke is not funny, then this is isn't going to work.

So that was my reasoning, Sam, Sam, you know, ghetto country Romeo, Sam, like, oh, oh, oh, there's a crazy, crazy joke out of nowhere.

When you told me that, by the way, I was 100% sure you were lying because I was like, there's no way that's a true story.

That's a fake story.

It's a funny fake story, but I was, I was still happy with the fake funny fake story.

And then Sarah was like, she rolled her eyes, she was like, yeah, and then rolled her eyes and I was like, wait, is that real?

She's like, yes.

I'm telling you, it works.

This is like classic copy.

I would, the best thing that has helped me meet women because you know, like, like a

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

lot of computer dorks, I'm just, I was just a nerd learning how to be a better copywriter taught me how to like grab people's attention, get them interested, make the desire to take action.

I'm telling you, it was a classic copywriting.

Yeah.

Anyone listening?

Go try that.

Let us know how it goes.

Go try that line out.

The difference.

Tomorrow.

The difference between it working and it not working, remember, is getting the recipient to smile.

That's like the key in a good smile.

Not like, not like, you know, like you want to say like, wow, not like, wow.

You know what I mean?

All right.

What else we got?

You want to do one of yours?

You have a Darmash is amazing on here.

Okay.

So let's listen to this.

So Darmash, Darmash is the founder of HubSpot, the co-founder.

We had him on the podcast.

He very likely just based off his HubSpot stock as a billionaire, knowing Darmash, he probably has like, like he's made other investments that have made him a huge sum, but I don't know.

And he basically, when this app, Wordle came out, he got obsessed with it or just become a fan of it.

And he created a new game on his own game where I believe I don't play Wordle.

So I'm sure you've seen it because you play that game.

It's like, basically, is Wordle a once a day thing?

Yeah.

Once a day.

So Darmash's app is like, once you're done with your daily Wordle, come practice and train on my Wordle app.

And it's like a training Wordle app and it's really good.

Have you seen it?

No, I need that because every day I do the Wordle and then I'm like, not satisfied with the one minute, you know, like I need more of a break.

So then I go Google Wordle archive and I go to this bootleg site and I start playing an old Wordle just to play a little bit more.

Do you see his Twitter?

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

Look at his thing.

Wordplay.com?

I think that's it.

Yeah.

It's just an amazing domain.

So basically, here's why this is amazing to me.

He is not able to do this because he's a billionaire who has time.

He is a billionaire because he is doing things like this, like constantly creating, constantly learning.

He told me, I think last year, he was like, my son wants to learn how to become a YouTuber because all the kids, you know, care about that.

So I'm going to create a YouTube page so I can learn and I could like, you know, like I could teach him how to do his homework.

And he's doing really good.

His YouTube's great.

And I saw that when Wordle came out, he came out with this thing and it's awesome.

And he basically coded it by himself, like sometimes he'll DM me at night.

So I know he's up at night on his computer and he's just like working on this stuff.

And this is why this guy is amazing and why so successful is because he's prolific at making stuff, even if it's a silly game, but the passion that he brought to like a silly game, I imagine is what he brought to building HubSpot.

It's pretty amazing, right?

It is amazing.

I'm playing the game right now.

So excuse me if I'm a little, a little off.

I need a word that's R U blank blank Y.

Are you blank blank Y?

Rubby?

No.

Runny.

Can we runny?

There's no N.

What is it?

Runny?

No, there's no D.

Are you DDY?

But this is amazing, right?

That he's able to do this.

We also, when Big Cloud came out, I believe he was one of the largest or most active, one of the more active participants on Big Cloud.

And I was like, why?

He goes, oh, I'm not sure if it's going to work, but I want to just understand this technology so I know what's going on.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

Right.

Yeah.

He's amazing.

He's a tinker and a hacker for sure, which is like one of the highest kind of like predictors of success in my opinion is people that just scratch their own itch, their tinkerers, their hackers, and they build cool stuff.

There's this founder, Farsa, who's building this thing called BuildSpace right now, which is cool company.

It's like, helps web two engineers get into web three and like learn, learn, learn about web three and then get a job.

And over the weekend, and he's like, you know, he's raised money, you know, from Andreessen Horowitz and others.

So it's like a serious business.

But over the weekend, he posted this thing, he's like, all right, check this out.

And he's like, put this 30 second video up and he goes, I bought this Neurosity device, which basically, I don't know if you've ever seen this.

It's like a thing you put like, see how my headphones are on my head right now.

It's like this.

Yeah.

It measures your brainwaves.

Yeah.

And so, and it could be coded against.

So he goes, I have this Neurosity device and I made it so that anytime I'm focusing or I'm thinking hard about something, it's attached to this motor on this hat with a little fan on top of the hat, like, you know, those like goofy, like, you know, whatever PB Herman type hats, and it's like, this thing should spin anytime I'm thinking hard.

He's like, so watch this.

He puts it on, it's not spinning.

He goes, okay, I'm going to do some math, two plus two is four, four plus four is eight, eight plus eight is 16.

He starts going up and the wheel starts spinning super fast as he gets to like 128 or whatever.

And I was like, wow, this is amazing, it's useless to be clear.

But it's also completely amazing.

And so, you know, I give him credit.

If someone made that, I wouldn't bet against him.

Yeah, exactly.

It's like this person, they're just going to shoot a bunch of shots on goal and they're eventually going to get it.

The same thing happens on the marketing and marketing side.

People want to hire somebody who's a marketer.

It's like, oh yeah, I ran, you know, I ran market, I was head of marketing at Coinbase.

It's like, dude, there's probably 15 people that say that they led marketing at Coinbase, first of all.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

Then secondly, like, you know, the things you had to do there to make Coinbase grow, it's actually like Coinbase is already growing rapidly.

And you just helped kind of like, you know, you know, soften up the edges.

Whereas the person who's like, yeah, I made this website, like this is guy who's, I love this guy.

I've been trying to hire him from Milk Road.

This guy Rohan Vora.

If you go to his Twitter, you'll see exactly what I'm talking about.

So R-O-H-U-N, Vora, V-O-R-A.

So his thing goes, his thing is just, I created bitcoinorshit.com and bitcoinisdead.lol.

And so if you go look at those, it's like bitcoinorshit.com, it's like, it's a little mini-website that just says, if you bought bitcoin instead of stupid shit, you'd have blank by now.

So you type in how much you spent on like, you know, whatever, a TV that you bought. And it's like, you would have had this by now.

It's like, shows you if you had invested in bitcoin instead, how much would your money be worth?

Dude, this is the way to go.

Yeah.

And this little site gets like a bunch of traffic because it kind of goes viral and it was simple.

And he just like worked with some, you know, random developer to make it or built it himself. And he's built like 10 of these types of projects, you know, you've only heard three of them.

And then guess what?

He got a job as the first growth guy at Main Street and drove like a shit ton of growth for Main Street because he was like scrappy as hell.

And it was like, oh, cool.

I think I could figure out how to grow this thing.

Just like I figured out like clever ways to make my little projects go somewhere.

And hiring people like this is like, these people are much higher, like they have much higher likelihood to be like a trajectory changer for your company versus the person with a bunch of experience at a larger company.

Without a doubt.

Who never tinkers or creates stuff just for fun, just to see what happens and actually gets these random hits.

When I was running up my company, I would, if I got an applicant from Apple or Facebook or Google, at first I would flip out.

I would be like, I am so honored that a rocket scientist from Facebook would want to apply at my company.

That alone, I feel like validated in my existence.

And I hired, I'll try to be vague.

But I hired from one of these huge companies.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

It was horrible.

It was horrible.

We, we, it didn't work out.

And what I learned was like, basically, they just don't do anything.

Like when you're at Facebook, I had a friend that worked at Facebook and his job was basically to figure out what stickers to, what stickers to make in order to put on a picture that gets people to upload more pictures.

But they didn't actually do the work.

They had a team of like 18 people and then they got approval.

And I'm like, and I was like, oh, like still like, are you like skilled?

Like what are you good at?

They're like, I'm not good at anything.

I just like organize shit.

Like I'm, I can't do anything.

Right.

And so I learned the hard way that it, that it's not interesting.

Yeah.

This is why when you interview people, you have to be like, you know, okay, cool.

So, so what's, what's the projects you did there?

And they're like, oh, I did this project.

Cool.

So talk me through where the idea for that project come from?

This other person.

Okay.

Um, you know, explain to me, maybe like the three different directions you could have gone with it.

And then which one you chose and why?

And they're like, uh, it's like, oh, you didn't think you just kind of did the first thing.

All right.

Cool.

So you didn't actually weigh the options about which way to go and come up with three plans and pick the best one.

All right.

Great.

Uh, cool.

So then when you wanted to do it, um, you know, what, what'd you, what'd you do in the first kind of like, I don't know, 10 days, like, I don't know, because they don't think on short time spans about like, how do I get momentum?

How do I generate solid velocity and momentum and actually get the ball rolling?

It's like, no, we just like did it, took a year and I never considered it taking kind of like less than a year.

And uh, you know, so that was that.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

And it's like, cool.

So how would you measure your success?

Well, it was hard to measure for these reasons, you know, it's all, it's too many variables.

The question I ask is what tools do you use?

And if they tell me like, well, I just use like Google slides and then I take a screenshot

and I just drag it all over it, like I'm like in, but if you say that it's mostly like

Excel or database stuff, like SQL, I'm like, I, I don't know if you can actually create.

I don't know if you could do it.

If they say that they use tools where I'm like, I don't think that you, I don't think

that you can actually make something that a user sees, then I don't know if this would

be a good fit.

I asked them how their competitors are doing and not like, what are your competitors good or bad at?

It's like, so how much revenue or how many users does this other company have?

It's my, my number one kind of like instant filter of how like-minded we are and how like

it's a, it's an instant red flag for me when people don't know the numbers of their competitors.

Because anybody who's sufficiently motivated and totally will know their competitors numbers within like a couple of days of doing their project.

And if you didn't think about that, or you're like, you know, I think they're doing well.

It's like, oh, you'd never thought to go figure out where they're at versus where you're at.

And I'm sure there's people who are successful who don't do it that way.

But for me, I'm instantly like, this is one red flag, it's not a disqualifier.

But if I hear three more, like this is a definite no go here in terms of this person, because

I just can't fathom how you would do something and not try to understand where the others are at in numerical terms and not like just your opinion of, of them.

I'm the same page.

And I do that when I, when I'm in, when I, in making investments, I say, how big a business do you think this, and I name like a competitor is, and they're like, well, you know, I'm not sure.

It's like, dog, I, I know you're not sure.

I didn't ask you if you're sure.

I just said like, it feels like let's have a conversation with me about like, I know you've researched this, right?

And if they haven't researched, I'm like, fuck, man, I don't know if you're going to be in a good place.

It's hard to say.

I'm like, are you sure it's hard to say?

Or can I just go to this number?

And in this site, triangulate basically within a very close approximation where they're at.

Or you know, that's just like a crazy thing to me when, when people don't know that.

Do you want to answer a few questions?

I'll ask you a few questions on your Twitter.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

Yeah.

I'm, I'll, I'll pull up your thing and I've got it up to, I'll ask you one and you answer first and then I'll answer second.

And while you're, while each other's answering, just scroll and find another one.

So this one's an easy one.

Straightforward general question, but tell me the percentage of your personal portfolio, you know, stocks, crypto, rolling fund, real estate, e-com, et cetera.

Actually for this, I don't know if you can include e-com or any private businesses because that could be like.

Liquid or illiquid.

Right.

Do liquid.

You could do liquid and I'll, I'll, I'll do it as well.

Okay.

I don't have the numbers exactly in front of me for like updated, but I think I did this last two months ago, three months ago, maybe in crypto's life.

I did it right before the crypto crash.

I think some, some of the numbers are going to be a little different now.

I roughly have 30 to 30 to 40% in stocks, 40 to 50% in crypto.

I own no real estate at the moment and I have very little cash.

I keep less than, I don't know, less than 5%, maybe 3, 4%.

I keep a very small amount of cash compared to most people.

It's also just because I did a bunch of startup deals where I invested personal money into startups and things like that.

So that, that took some cash and put it into liquid startups.

And then there's startups, which I didn't say that's kind of the remainder.

So of liquid, liquid money, that's, that's where I put it.

The business or the e-commerce business that kind of like your paper net worth, I don't count that.

I don't count, yeah, I don't count any, I don't count anything in net worth from businesses that are not exiting or yeah, that are not, not exited yet.

So it looks like I'm at 85% equity, public equities and bonds, of which that 85%, it's basically 90% equities.

And that includes Airbnb and HubSpot.

And then I own 10% in real estate.

And then I have 3.5%, I call it private equity.

So that's basically angel investments that I consider it, they've marked up and they're like profitable and like relatively safe.

So I like, and I put a discount on it.

And then I have like 5% ish of crypto.

Okay.

And I guess the follow up to that is, do you like your allocation or do you wish it was different?

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

It is really painful right now.

It's painful.

I've lost a fair amount of net worth in the past three months.

If there's anything I wish it was more real estate, but I don't regret not doing real estate.

Yeah.

Do you, do you, do you have regrets?

No, you know, yeah, basically my stock holdings are heavily biased towards tech and my, which has gotten slaughtered, you know, over the past, I don't know, X number of months, six months, something like that.

And then crypto is also taking a dive recently, but my basis is quite low.

So I'm definitely still up on all of it.

And then I forgot, startups are private equity.

That's a good one to bundle together.

That's probably like 10, 10 ish percent of it, uh, at least, um, yeah, I think it's fine.

I like, I like my allocation.

Maybe I think, I think I probably should get out of some stocks and go more into crypto, if I'm honest.

Wow.

That's crazy.

Um, I got, I got one for you.

All right.

Go ahead.

Question.

This one comes from Dylan.

Dylan asks, how do you negotiate the value of the company you're selling?

So how did you come up with the price?

How did you get to a price with your company when you sold it?

I made a huge mistake.

I made a classic mistake.

I said the number first, I said, these companies typically sell for blank X and blank X.

And of course the first offer, they asked you, like, what's your, what are your expectations or what's a brain?

What do you, what price would be happy with?

What are they at?

How did they ask it?

I don't even know if they asked it, but I said, oh, you know, I was like, I said, like, look, like it's, I'm not, I said, I'm not going to mess around.

Like, so these companies typically sell for blank to blank.

So if you're in the market, let me know.

And the first offer was the low number of that and the last offer, was it the high number or somewhere in the middle?

And then, well, so it was in the middle, but like the thing is, is that when we sold the

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

company, the HubSpot stock was \$350.

And basically a week later, it was like, you can look it up.

It was like \$550 and then like three months after that, it was like \$850.

So like the sale price was one thing, but it pretty much changed quickly.

But it was like right in the middle of that number.

But I made a huge mistake.

I should not have done that.

And as soon as I said that, I was like, fuck, fuck, fuck.

And you said it in an email.

Did I say it in an email?

I think you said, I think, I don't know.

It sounds like the story you're saying you said it in an email.

I don't remember.

No, I think I said it on the phone and the woman who I'm now friends with who is doing the deal fucking lashed onto that like a shark and she tore and I knew it and afterwards I'm friends with her now.

She doesn't even work at HubSpot and I'm like, you, you got me on that.

She's like, yeah, like you set the number and the great thing to do is after you negotiate a deal, go talk to the person once you're, once your pals and they're on the same team say, look, we're on the same team for sure.

Man, negotiating that was so, you know, confusing for me.

What did I do poorly?

You know, like, what would you have, what do you think you would have gone up to make me hate myself?

What, what would you, what do you think you could have gone up to and just ask a bunch of questions to try to suss out what got them interested, what made them hesitant, how they figured out the value, what they were willing to negotiate to, what mistakes you made in negotiation.

Cause you get so few reps at negotiating.

It's important to do that.

But it sounds like to answer Dylan's question, you did two things.

You said, first you looked up comparables.

You found out comparable sales.

That's how you got a range.

And then you made the fuck up in your actual negotiation of that range to like, you, you actually set up the proper range and it cost me, it cost me many millions of dollars.

Right.

It's like that one decision you made actually was more important than like the previous two years of operating probably.

Yeah.

I don't like how did you do it?

We, I did not say a number right away.

I fucked up in one regard, which was I let my emotion.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

So when we, so the way we decided to sell was, and there was nobody coming and knocking on our door saying, we need to buy you, you're the best, we, we, we want to be in the business of you.

I was basically, frankly, I saw the writing on the wall for my business.

I was like, okay, I think this is not zero, but it's not going to be huge.

So what do I want to do?

I want to ride out a middle of the pack, like small, like medium sized outcome for the next five years, or can I just go flip this thing now?

And I decided I want to go flip this thing now.

I was also really tired because I had been doing, I've been trying to find product market fit with different startups in our idea lab for like six years.

I was ready for a change in general.

And so I told my investor, my co-founder, I said, Hey, I want to sell this thing.

I think it's time.

And they were like, okay, if you want to sell, then let's sell.

And I said, all right, let me, let me run a process.

I'm going to try to sell this in the next 45 days.

So first that was good because I time boxed it.

But I also, you know, like it added a lot of pressure.

And so the mistake I made when I was figuring out how to sell, I was, I let my emotions of the day dictate how I sold, how hard I sold the company.

So what does that mean?

At first I was super confident they're going to want to buy us.

I went to two or three companies with my super like swaggered out, uh, like cocky cocky like pitch basically, which was sort of like, yeah, everybody wants us, but like, you know, so if you guys are interested, you know, you, you basically like, uh, you got to let us know because this is moving fast with, you know, these other people.

So we, we got approached, we're interested.

We might go that path.

You're either going to get on the train now or you're going to miss it.

So I was like kind of cocky confident.

That was like working.

But then like two days would go by where like somebody, you know, they didn't text me back or they said they were going to review the thing and email me and they didn't email me.

So then I started to have doubt creep into my head a little bit.

So then I would like kind of like, it's like a booty call and like desperation reach out to some other company.

And so one of them was, I reached out to Facebook through somebody I know and I was sort of like, Hey, like, you know, we're going to sell this thing.

I used the word Aquahire, which was like the wrong word to say, because Aquahire means a specific range of what outcome you're going to get, and it basically means don't value my company, just value my talent.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

And I shouldn't have done that.

I should not have said that there.

I was luckily able to recover because it was such a big company that by the time he made the intro to the person who made the intro, I had like changed the narrative completely.

The third guy was like, yeah, you guys looking at Aquahire, I was like, I don't know where the fuck you got that.

No.

And it's like, I literally had sent an email and you know, with myself saying that, but I luckily was able to change it.

And actually they, they came in with the hot Facebook came in with the highest offer.

And so we, so I ended up recovering from that mistake, but that could have been critically bad.

Which you wish you would have taken the Facebook offer.

No, like the Amazon offer ended up working out great, but you know, whatever, it was a good deal in the end, I guess, but, but that was the main thing.

And I didn't have a comparable, I didn't have comparables really, I kind of the comparables I heard were such a huge range, but I was like, okay, I just need to forget I heard any of those numbers because it's too wide of a range.

It just means like it depends.

And so then I started negotiating.

I didn't say the number first and we waited till we got offers.

They tried to get a number out of us, but I was like, not going to do it.

And I was anchoring in other ways besides saying the specific number.

I was like leaving little hints or kind of just like, you know, just making sure they knew that we had other interest.

And eventually once we got one offer, I was like, okay, that's a ballpark.

And then I basically just texted the CEO of Twitch and I was like, hey, I'm going to take this other offer unless you can match.

And he's like, you know, give me some time.

Let me give you some time.

I was like, I don't have time.

He's like, give me an hour.

And I was like, okay, I'll give you the hour.

And then he came back with an offer that wasn't quite a match, but it was good enough where I said, okay, all other factors considered.

We think this is the best because they were going to take more of our team and other stuff that the other one wasn't going to do.

What a stressful, it's such a stressful period.

It's such a stressful period.

Yeah.

Nobody teaches you how to do this.

And it's like the most important thing you'll do as the CEO of your company is land the plane, but it's like being a pilot and you learned everything about takeoff and flight.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

You've never heard anyone mention how the fuck you're supposed to land. And so you're like just kind of pointing downwards and you're trying to land the thing based on like instinct and then like a few fuzzy messages you get from mentors or you use like, if you use an investment bank, it's different, but we were not at that size. You got to be doing like 50 million to 100 million minimum in your sale price to be, to be, to have a banker who does it for you.

Dude, I had this roommate named James and like he was like a stoner pothead and like, like the first day of work at his new job, he went and he had a teacher that said, I heart weed.

It's just really big.

I love weed.

Instead of, I love New York.

And he, he was negotiating a salary for a company, Vungal, Jack's company that I introduced him to and he'd been unemployed for 10 months and he'd been struggling to find a company that he wanted to work at.

And I think he was using like his mom's credit card to pay the bills because I would get like his statements and like, so I thought like maybe things were going south for him. I'm like, dude, I don't know if you have much money left.

I don't know how you're going to pay rent.

And Vungal made him an offer for like \$190,000 to be an engineer at their company. And he told me and he goes, are you going to, are you going to take it?

And he like exhaled the weed and he was like, I don't know, man, I'm not sure if it's worth my time.

I'm going to make him sweat a little bit.

And I was like, James, are you kidding me, dude?

I'm like, you don't have any money.

You've been interviewing and talking to me for 10 months.

You're screwed.

He goes, yeah, let's make him sweat.

And I get a phone call from the recruiter who I introduced him to and he goes, dude, James is like a hot engineer right now.

Like I don't know if we're going to be able to land him.

Like he's just bargaining so hard and I don't think we're going to get this guy.

And I was like, I put the phone down and I go, James, do you hear what they're fucking saying?

You better come to an agreement soon.

And I go, well, you know, just give him what he wants.

Like who knows?

Just give him what he wants.

You just got to land him and I hung up and they ended up upping his offer and he negotiated from a place of having nothing and he didn't care at all.

And I learned from him that day that that's actually a really good place to negotiate from.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

So long as you're willing to accept these horrible consequences.

Yeah.

I got to actually say that that was the most useful thing.

Like how we sold our company was I was totally okay if nobody bought it because I was kind of excited about just ending it and going and doing something completely different.

Like I was kind of like a maniac in that way.

I was like, okay, look, if I got zero millions out of this, if I got zero dollars, I'm actually kind of excited about that path too.

So I was like pretty free in that way.

Whereas I think you had a real business that was producing real revenues and profits.

You didn't have that option of like, not a good, like, you know, not getting a good offer.

You need it.

Dude, I felt that way though where I was like, I'm done.

I'm out.

I was like, I like, I just, I need to get out of here.

So I felt the same way as you and I'll learn a little bit differently how to run things so you don't get burnt out.

All right.

Last question.

Oh, we'll ask two more.

The first one, how many Twitter, someone asked, how many Twitter notifications do you get a day?

Oh, I have no idea.

I turned mine off.

It says, like the way Twitter works, it just says 20 plus or like a hundred plus or something like that.

And it's just always like, anytime I go to Twitter, it's 20 plus on the little bell, which is the max.

Yeah.

And then when they go to the thing, it says like a hundred plus people have followed you or something like that.

So it's not even useful because, and it's very addictive because you can just always go, it's like a thing to refresh that's always going to show you something like literally like within two minutes of itself, it'll show you something new, which is crazy.

I turned mine off.

So in order to see what people are saying about me, I've got to search my name, but I had, I turned it off because I don't even want to know.

Well, you're talking about the phone, the phone, like notifications you're talking about.

No, but you can literally when I log into Twitter, I only see a notification.

If someone I followed sent me a message or DM me or, or mentioned to me, if a random person mentioned to me, yeah, if a random person mentions me, I don't ever, I never know.

The only reason I ever find out, for example, did you know that Graham Stephan that got

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

that YouTuber we like, he talked about us on his podcast, Alex Hermosi was on it.

And in the beginning he goes, I want to give a shout out to my first millions.

It's like, I love this pod.

I saw you on that when I was watching the whole thing and it was, I watched it a bunch of times.

And I only found out about it because someone DMed me it where he was tagging us or something like that.

And I had no idea.

That's dope.

I gave Ben my Twitter, like account login.

And so he goes in there and he'll just be like, Hey, these five interesting people followed you.

This guy is the founder of that, that brand we like.

This person is high up at this company.

And so he just kind of manually, he just gets curious, so he likes to see it or he'll go into my DMs or any, any product we like, he'll go DM them as me.

And he'll just be like, yo, you're thinking like name of, name of your thing is dope.

Love it.

And then they'll reply.

And they're like, I only see the, once the replies are, it's like a conversation has been started.

Then I'll take it over.

But that was the way it was like the best feature of Twitter is like, just give Ben your account and let him like, let him go hand, you know, it's cause it's a good resource.

It's just mentally exhausting for me to like try to keep up with a last question.

Who's a bigger asshole in real life?

And why is it Sean?

This question from you.

No, it's someone, didn't someone say that from Shampar over there.

Yeah.

Okay.

Yeah.

I'm, I think I am actually the bigger asshole.

I think you, I think you would come across as a bigger asshole, but you're actually a nicer human than I am.

That's what I'm saying.

Like I think your verbal style could, could brush like ruffle feathers faster than mine would, but your actual intent, I think is very pure.

And I would say more pure than mine almost.

Well, no, I think, I think that you are better at being selfish because you're more comfortable.

I definitely want to be selfish and say no to all this type of shit, but you're, I think you're a little bit more comfortable with confrontation than I am.

So oftentimes I come off as nicer, even though I don't think that's exactly what I want

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

to be doing.

What's, what's an asshole thing you, you did this week?

Let's make it tangible.

Well someone just now was knocking on the door.

It was the cleaning lady at the hotel and like she knocked like a bunch of times and

I just ran over there and I was like, Hey, can you please go away?

I'm right in the middle of something.

And I just closed the door.

So I get really mad, like, um, I get mad with incompetence.

So like if I'm, like if I go to a restaurant and there's like a menu that's like taped scotch

taped to like the mirror or something or like to like the glass, I'm like, Hey, what are

you guys doing, man?

Why don't you guys just get like a nice area, like, like take some pride.

Like I'll say stuff like that.

I get really mad at that.

That makes me angry.

And I'm like, Hey, just so you know, like if you, like this stuff makes me not trust you.

Um, so that's like an asshole thing that I'll do.

Um, what else?

When people DM me their ideas, I just say like, yeah, send it to me when it's live.

Like I don't want to hear about your idea.

So I, I get short tempered with maybe like people just like not taking their job seriously.

Yeah.

That's good.

Um, do you want me to ask you another one?

I have one.

Here's a layup.

How do you vet your ideas?

There are so many ideas out there.

What would you do if you're starting from scratch?

Plug your thing.

Uh, wait, what do you, oh, the idea is your boot camp, your idea of boot camp.

That's what this is.

Right.

You're like teaching.

Yeah.

So when, when I, I mean, Sean, research like crazy, he was, he, you use the word Sean triangulate.

We do that like, like a mofo.

So I created a course on about that.

If you go to maven.com, you'll see it, although I'm not even taking people anymore.

So we had 150 people sign up.

I'm afraid to, I'm not letting more people in.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

I'm really nervous.

I want to nail it.

Right.

Um, were you, were you nervous ahead of your, I'm scared.

I'm like, I've staged, right?

I thought about that the first time and I said I was going to cap it.

I think I did end up capping it, but I capped it at double what I was comfortable doing.

What did you cap it at?

I think the first one was 200 something people.

This is, so this just crossed a hundred thousand dollars.

It's 150 people times 699, whatever that is.

Um, I think that's like a hundred grand and like, I'm scared.

I'm like legitimately nervous.

And God is going to talk me in either way, whether there's 150 people there or 200 people, you're not going to notice the difference between that.

Like if you had only 30 people, yeah, you would have a different vibe, but once you get to 150, 200 is no different.

250 is no different.

I think once you get to like 500 or a thousand, now would again start to feel different because it's just nameless, faceless people that are like, they know that you couldn't possibly keep track of everything.

But do you feel like you're giving, how much was your, did yours cost?

950 bucks.

Oh my God.

Doesn't that intimidate you?

I also did the thing you're doing now, which is I underpriced the first cohort.

So I priced the first one a half off because I was like, look, if you're my true fan, you want to take this first one site on scene and I'm telling you my first run is not going to be my best run.

I'm going to give it to you half price, fill up these seats and let's do this.

And so I gave the first one a half price and then since then I know I don't do any discounts now, nothing like that.

It's just full price.

But were you scared?

Like I just, I have like, dude, you know your shit, you know your shit.

As soon as you do your first class, you're going to be like, you're just going to be effortlessly spitting off these like things because you've been doing them for a long time.

Like it's not like you're teaching material.

You don't know.

You know really, really well.

And as soon as you start, you're going to say something that's obvious to you and people in the chat are going to be like, like, I always tell them, I write, I say, write, I

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

tease up the thing.

I go, your job when you're here for an hour, you're here to get one golden nugget.

A golden nugget is an insight that you can take, you can go and you can actually act on.

That's like a kind of a game changer for you.

And so when you're listening, if one comes up for you, just type it in the chat.

So I know what the golden nuggets are for you and other people can get excited about them too because you're kind of like grabbing this insight that's coming out of my, coming out of my mouth.

And so now like I'm seven minutes into one thing and people like golden nugget and they have one.

And you just see people in the chat saying this and it's like, then you're like, oh, yeah, I didn't even realize that so, that part is so second nature to me.

I, that wasn't even my, that's not even my A stuff.

My A stuff is coming 30 minutes later into this thing.

But you weren't nervous.

You weren't nervous the first time.

I wasn't nervous, but I did feel a responsibility to do well.

That's why I was like, I'm going to make more money doing other stuff.

But for some reason, the fact that someone's paying me just for knowledge, I'm like, then I'm going to give you fucking, I need to make sure that I'm giving you fire knowledge, but I'm not nervous.

Isn't the right word.

It's just, I took it really seriously to, to like, I was like, I'm going to over deliver whatever they think it is.

I'm going to over deliver it.

So I like spent more time on my stuff to make sure it was really good.

I think there's a world where I'm not sure right now you've got a bigger Twitter audience for than, than I do.

So I'll say for sure.

And you have an email audience.

I don't have one anymore.

There's a world where this becomes a half a million to \$1 million a year stream for you.

Is that crazy?

That's the current world.

Yeah.

The question is, do we try to get, do we try to get bigger?

Okay.

Do you think it could be above one, one million's a lot for doing?

I mean, that's, that's a, that's like, if I teach it often, like to do, to do a million, you basically need to teach it five times a year.

So if I taught it five times a year, the question is, am I going to exhaust my existing audience of like the people who are in my audience, who cared about, want to improve this part

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

of their life and are willing to pay for a course and can afford it and all that good stuff.

I think I'll run out.

Maven's like, no, you won't run out.

Like you'll keep growing your audience and trust me, like this is only 250 people at a time that are joining this thing.

So think about your total audience size and think about 250.

It's a very small percentage.

But that's not how many people are seeing the page.

I think that's a flawed way of looking at it.

Not that he's wrong or right, but the right way is how many people saw it and didn't sign up.

You know, like how many people will come to your landing, how many qualified people will come to your landing.

But that's a lot.

Cause like if I send an email to my list about something I'm doing, it'll get like thousands of clicks, tens of, like close to 10,000 clicks.

And so the 10,000 people will go look at the page and decide if it's for them or not.

So I don't know.

We'll see what happens this year.

And if it runs out, it runs out, no problem, like I'm kind of excited to teach something else.

I want to teach a crypto thing.

So that's like my, the main thing is I teach this writing thing right now.

It's good, but I'm like itching to teach a crypto thing instead because that's where I'm more interested right now and where I'm learning a bunch and I want to share a bunch of things.

In fact, that's the question that I was going to ask you, which is some, this guy Clay says, if you could invest anything for Sam with his money, um, that he would not feel comfortable with that first, not like at first, but it would ultimately thank you later for what would it be?

And vice versa.

Um, so I know what my answer for you would be.

So well, you say it and I'll think about what I would do for you.

It would be in the crypto space, but it would not be something super high risk.

So what I would do is, have you ever heard of a stable coin called UST, Tara Luna, any of these words?

Yeah.

Well, you told me about Luna.

Yeah.

So basically what I would do is I would buy a stable coin.

So I take, let's say \$100,000 and I'd buy you \$100,000 of a stable coin, which is going to be sort of like by definition worth the same amount.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

It's not a highly volatile asset.

And there's a protocol called the anchor protocol.

And basically you could put your money in there and you can get 19% a year fixed.

And so I would get you a 19% a year return fixed and you would be like, okay, this is great.

So I don't have to worry about the price of the stable going up and down and I'm getting 19% returns, that's way better than my index funds.

It's even better than maybe this real estate project.

Once you count all the time and effort I've put into it, I could just get 19% on a, just for my dollars basically.

And I would take 19% any day though, I would love that.

So I think you'd be comfortable with the idea once explained as I just did.

I think it'd be uncomfortable if I said, hey, Sam, go figure this out because you'd be like, okay, where do I even get this thing?

I got to sign up for this other thing.

I got to move it to a wallet.

I'm kind of scared.

I'm going to lose it.

Is this legit?

Am I really going to get 19%?

Where does the 19% come from?

There's all these questions.

And so the thing I would do, I would just do that for you and then you would just see your number going up and you'd be like, this is great.

Isn't there, there's not a way where I can just click buttons and like wire money and it works?

Yeah, it's all click and bunny buttons and wire money.

It's just how many buttons and are you comfortable with, are you comfortable with where you're wiring the money to, right?

Like that's the question.

You have to have the confidence that if I wire this money, I'm actually going to go, my money is going to be mine.

I'm going to get 19% like that's the trick with crypto is navigating it, you know, sort of a little bit of a minefield of knowing which buttons to click and then doing it in a way that you feel confident with.

All right.

Well, thank you.

Maybe I'll do that.

And then I'll wrap up with my answer for you.

I think it would be, do you own a squat rack?

No.

I would love for you to own a squat rack and to hire a coach and teach you how to squat properly so you can lift heavyweight.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

I think that, I think that, I think that, or build you like a really nice home gym for like four grand.

I think that would be, I think.

What are the benefits?

So why do I care about lifting heavyweights?

What am I going to get out of this?

Because it just seems to me like, that's cool if that's your hobby or your ego thing.

But like, if I really care if I could squat 275 pounds or 500 pounds, whatever, does it really matter?

The number doesn't matter.

The number is irrelevant because the effort that I, when I say heavy, I want you to be able to do an exercise where you can only lift the weights five times.

And on the sixth time, you wouldn't be able to do it.

Gotcha.

So it doesn't matter what the number is.

It just, because I think that when you squat heavy, I think a couple of things happen.

First, it releases chemicals.

I'm not a doctor, but like it releases hormones and chemicals in your body that impact the rest of your body, not just your butt and legs.

Number two, I gain a ton of confidence when I have that weight on my back and I can do it properly and I feel free and I feel like I've overcome some adversity and it makes me feel really good and like a mini high.

So I would say those are like the two biggest things.

And three, I do think that being able to put some weight on your back and squat really low and stand up is just an all around really good for your joints and everything like that.

I'm not saying like hundreds and hundreds and I don't necessarily think that getting like huge is the best way to go, but like being able to squat, like maybe your body weight or a little bit above your body weight is really good.

Dude, we got one great question that we should have answered because I don't know what my answer would be.

Liam goes, what's a physical feat you could bust Sam's ass in and it goes, Sam, what's one way that you're much more charismatic than Sean, embrace the debate and then it's a picture of Kanye West holding a notepad that says, I'm here to stir shit up.

Um, you would bust my ass in basketball, I think.

Oh yeah, that's true.

Yeah, that's true.

I don't think I could.

I just don't have like not shot a basketball in like 10 years.

I think you'd kick my ass in basketball.

Yeah, I'm good at basketball and then or probably golf.

You could play golf.

No, but I'm good at basketball.

They said this also will stick with that one.

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

I don't need two.

One, one was enough.

One was enough for me.

And then this charismatic one, I feel like you're already, you know, more charismatic or as charismatic.

So I don't feel like it's a fair question really.

I'm willing to admit, I think you're on fire.

I think you've had a good year, a good two years.

I think, I think you compliment by Sam, no, no, no, here's why I think you care more because like, since I've known you for like the last eight years, you've told me you wanted to be an actor or you've wanted to, and you used to be an actor as a kid or you wanted to be a standup comedian.

So I think you study this trade a lot and I studied it.

I study it a medium amount and you study it a lot amount and I think you're also natural at it.

So I would say that you care more, not in the sense of like, it's good or bad to care, but you, you, you're fascinated by this craft a little bit more, but I am also fascinated.

Yeah, I love speak.

I love public speaking.

I love content.

I love comedy.

I love all that stuff.

All right.

We're done.

Ben, what do you think of the episode?

Great stuff.

Just one last question is, did you ever figure out what the word was, Sean?

Oh, no, I still have it open.

I forgot.

Do you know what we got here?

I just guess rugby.

I think is my best guess.

Oh, rugby.

That's got to be it.

Damn.

Perfect.

Let me see.

Rugby.

I would have not got that because I did.

I was going through my head R U G. What could go after that?

Rugby?

No.

Rugby?

[Transcript] My First Million / Why "Desperation Induced Focus" Is the Key to Success, Plus Listener Questions

No.

Rugby.

Wow.

Got it.

All right.

I thought it was really good episode.

That's why you got the Georgetown.

That's why you got the Georgetown diploma.

And I don't.

That kind of level of analysis.

Good episode.

We don't get that just anywhere.