

The one calculation Elon runs everything on (it made him trillions)

61 MIN · YOUTUBE · [HTTPS://YOUTUBE.COM/WATCH?V=T3HWIEY2LH8](https://youtube.com/watch?v=t3HWIey2Lh8)

<https://youtube.com/watch?v=t3HWIey2Lh8>

The headline here is the \$300 million butcher. >> I'm in. >> It's just a reminder that if you're the best at anything, money will never be a problem for you. All right. Um Pat Leafa. Do you know who this is? Pat Leaf Freda. Freda. I feel like you definitely know who this is cuz this is like >> this, you know, if there's two things that you like, it's red meat and denim jeans. So I feel like this is right in your alley. It's a family-owned business. You want you want to hear the story here?

>> Yeah. Oh man, I love the name of his website. Pat Lefreda meet purveyor. >> Purveyor. So good. >> Can we change this podcast name to uh my first million business purveyors? >> And my hot dog stand. Its first logo was Southern Sam's. Purveyors of fine wieners. >> Was it actually Purveyors? >> Yeah. Yeah. If you Google Southern Sam's logo, you'll see the logo. >> Oh wow. I This is like a legit looking logo. Purveyors of fine wieners. Premium quality. And then you have the smoke and the hot dog with the smoke lines coming off.

>> Yeah, it's good. Right. >> Although there's something like wrong with like the beveing of these letters. Looks a little Billy. I It was Billy from Nashville. I gave him 50 bucks and he gave me this logo. So >> this is this is not bad though as a branding thing. Um all right. So here's here's this story of the the headline here is the \$300 million butcher. This caught my attention because I didn't think a butcher could be worth hundreds of millions. But it's just a reminder that like if you're the best at anything, money will never be a problem for you. You're the best plumber, money will never be a problem for you. It doesn't matter what you are. There's a guy in Dubai is just the best at trimming uh what's it called? Split ends that women have. And people will fly to this guy to get him to cut their split ends. You know, you're the best at anything. Money would never be a problem. All right. So, here's here's the story. Back in the day, early 1900s, 1909, there's a guy named Anthony Lefreda and he he migrates from Italy and he comes to Brooklyn and he opens up a butcher shop and he opens up a butcher shop and their idea is they don't want to just do hamburgers like everybody else. So, the way a hamburger normally works, I think a hamburger and a hot dog, like they're basically the worst parts of meat mashed together. So, it's like not the premium cuts of of meat that you could sell separately, a steak, and they uh they mash it together, and that's what a burger was, was the scraps. And he said, "We're going to use whole muscle cuts only." And he had this great line, which is, "You can't hide your sins in the hamburger." And he he viewed that that's what the other butchers would do is they would just take hide the sins is all the bad parts smashed together. Hey, there you go.

That's your hamburger. So, that's the first Lafreda blend. And it was like, you know, parts of different parts of the of of the muscle. So business is okay. Normal butcher shop. 1950 New York butchers go on strike and uh

restaurants have no meat and he decides to seize the day. So what does he do? He drives down to New Jersey. He goes and he buys up a bunch of the meat and wholesale. He brings it back. He starts selling direct to restaurant and uh they open up Lefredo Meats in the meat packing district and it's going good but nothing spectacular. Uh and in fact the grandfather then the father takes over the business. It's not growing. By the late 80s things are getting bad.

Restaurants are switching to Cisco which is like the sort of Costco for restaurants of how you get food delivered. And the company's kind of dying. And so the son was never allowed to be in the business. This is Pat Jr. And the father was like, "Son, I want a better life for you. Don't don't stay here. Go to college. Get a good job. Don't be a butcher. >> Don't be like me. >> Don't be like me." And he says specifically, he goes, "Why would you want to do this? You'll you're going to be rubbing together pennies for the rest of your life." And so he's he's forced out and Pat goes and he becomes a he goes to a good school and then he goes and becomes a stock broker on Wall Street for 9 months, but he hates it.

And he just comes back. He begs his dad, "Let me be in the family business." And he petitions with the sister and I think the the mom or the aunt or something like that like, "Let Pat Jr. into the business." And so the dad relents. He says, "Fine. If you really want to do it, do it." So here's where we're at. This is now like 1994, not that long ago. I think like Lion King came out in '94, okay? Like this is not like hundreds of years ago. And they had 44 customers. They had five employees, two drivers, the mom did the books, and the dad and the grandpa were still the only two butchers. Okay? So that's when he took over the business. All right. So he's he decides, I'm going to start reinvesting in the business like crazy.

So he's buying new equipment. He's hits the streets of New York. He's just signing up restaurants manually, door to door, right? cuz you know how some sometimes when you have a really like product focused organization, the sales side just that muscle never got developed. And so he decides to hit the streets. And he has this genius idea to start creating branded labels for specific cuts and blends that nobody else was doing. And so he takes a bet on an unknown chef named Mario Batitali.

And Mario Batitali was a nobody at the time, but he liked him. And he desperately needed some vealoin. And he didn't have any money. And so Pat convinces the dad to give to sell this guy the meat on credit. Something they've never done. The dad was against it, but he's like, I just I think this chef, he he'll be good for it. I think we should support him. Let's do this. And Batitali rewards this with loyalty.

So for the rest of his career, they only buy Lafrida. And as he's putting as he as Batitali's reputation as a star New York chef grows and he becomes a celebrity chef, he adds on the menu that he's not just serving meat, he's serving Lefreda meats. And it helps him too because it sounds like it's a more exclusive premium high-quality product. And this was the key lesson that Pat Jr. figured out which was don't sell a commodity. Create a brand and create a brand not just for him but for each of the chefs. So that the chef had their own brand. So we would create custom exclusive blends for every of every one of the hot restaurants in town. And so 50 restaurants got their own custom blend locked under an NDA that only they had. And uh this was kind of like a key growing thing for the business. Now, >> that is awesome.

>> Somebody you might know becomes a fan. Danny Meyer. So, Danny Meyer, who's got the upscale restaurant, um, Union Square Cafe, I think it is at the time, he's using Lefrida, and he says, "Hey, I got this idea for a more fast casual burger joint. It's going to be called Shake Shack, and can you give me like a burger for that?" He's like, "Sure." He goes, "But here's the thing. Like, you got to make it where it's pre preformed patties, and because we're fast, we got to have that." and the and the the the grandfather and the father were like, "No, no, no. We don't do that. That's blasphemous." So, the son secretly secretly does this against the parents will. He had sort of the the right the right amount of rebellion to pull this off. He knew what to keep secret sacred.

He knew what to wear to rebel and he does it. And now he he serves all of Shake Shack's locations with his meat only for his patty. And he took his dad to the to the first Shake Shack and they see 200 people in line and he goes, "Dad, that's our burger." And he said, you know, this is a classic, you know, a son trying to make his dad proud of like, you know, we did it. Look at this.

And they just kept doing these counterintuitive business moves. So 2008, financial crash happens in New York. It's, you know, blood is in the streets and everybody's hurting. He does a pretty counterintuitive thing. Hey, I want to tell you about something pretty cool. We have a database of all of the unsexy business ideas that have been discussed on this podcast. So, hundreds of episodes the team at HubSpot went through, they pulled out all the unsexy ideas. So, not the super high-tech ones, but the simple, relatable, interesting, profitable uh ideas that we have brainstormed, and they're all available for download for free. Just click the link in the description below. Thank you to our friends at HubSpot for sponsoring this podcast and putting together this free resource for you guys. Back to the show.

There's a chef who asked him to create the ultimate burger, and he says, "All right, I'll give it to you. It will be a 30% dry-aged New York strip steak burger, but that black label burger, it's going to cost \$28. It sounds insane, a \$28 hamburger, but they said, "Let's do this. We want to have the best burger." And that as a marketing thing played well. Everybody thinks he's crazy, but they sell like 15,000 of the black label burgers and versus they had a cheaper burger. They It outsold the cheaper burger by 2x.

>> Which restaurant was this? This was u Minetta Tavern. Minetta Tavern. Something like that. >> But I I feel like I I feel like I remember like headlines. This is always an easy headline which is like, "Wait, it's a \$40 bagel? What the hell?" That's like, "Well, let's we should see >> the hype. You got to know what makes this this happened with strawberries recently." You know, these like Japanese strawberries, like a \$50 basket of strawberries, and you're like, "I must know."

>> We should talk about that company sometime. It's killing. There's a company behind it that's doing really well. >> Yeah. By the way, I think it's I think it's great. I think there needs to be more premium like somebody who just says I'm gonna make the best thing for people who aren't costconscious and I think there's always a there's always a market for that. So these guys did it. People would go to that restaurant, they would order it and share it as an appetizer.

The burger they'd like chop it into six and be like this is amazing. We had to try it. So uh today, fast forward

today, the company does \$270 million a year. They make like whatever like they feed like 100,000 people a day or something with their with their food. They bought their own facility and they're like they have these huge like the world's largest dryaging room and um their facility can hold \$10 million of meat every night.

It's like sitting in there like a Swiss bank account. They basically are just been scaling up scaling up to the point where New York I think designated them as a no actually not even New York a presidential mandate that they are an essential service that they cannot close down. And so they're essential food infrastructure at this point. And it's this lesson of like how you can take something that's just a commodity product and totally differentiate and build a a multiund million dollar business that by the way in the world of AI seems like the place to be. I'd rather own this meat meat business than, you know, tech businesses today. And so I just thought you'd get a kick out of that.

>> That's a great story. He I'm looking at the guy. He seems like a guy who talks like this like, you know, with his hands. Uh this looks awesome. >> I don't know what that means. I don't think I've been to New York enough to chat to say, "What is this? What is that?" >> Like, "Hey, hey, what are you doing? This is my meat." You know, I don't know. Uh, this is awesome. Um, we should um like do like an Inerson thing with this guy and like go and like look at his his meat packing uh setup cuz this is really >> Can we see and feel the meat?

>> This is awesome. I mean, this is uh I think it's near where you're at. It's in your hood. I can't I'm stunned you don't know this name. I'm not like a food guy, you know, like like I I like McDonald's, you know? I'll be fine going anywhere. It's all It's all great to me. I always like have this joke that like when it comes to Mexican food, I'm like it's all the same to me. It's either a yes or a no. And it's mostly like avocado and like beef, like it's all the same. I don't know, man.

>> It's either yes or no. And it's a yes. >> Yeah. I don't have like I don't have like a a wonderful palette, but this is pretty cool. I also think that like there's a romantic feeling about these things that obviously is not fully true. like it was not fun to do that when it was not going well. And now that things are going great, it's probably only fun part of the time. But I do think that there's something like soulful about things like this. Like you and I actually talked about this. Justin Mayers was I think he's an investor or helping get going or advising a Justin Mayers is like one of our healthconscious friends who started a kettle on fire and he loves like these healthy things and he talked about like a he's like I want to do a better butcher and I and he has one going in Austin that it sounds like it's going >> he came on the pod and talked about it.

I didn't know he he launched one. >> Yeah. The first location is down the street from my old house and they there's a it's a butcher there. I don't know how it's going but I just know that there's a butcher there. But my point is is that it's kind of cool and there's actually been a lot of these large meat things. So for example, ButcherBox, the guy who started ButcherBox, he's pretty active on Twitter. It's a bootstrapped company that I believe is mid 9 figures.

I think like north of 500 or right around their million a year. And there's a bunch of really cool ones. There was a guy who joined Hampton that had who had bootstrapped \$100 million plus farm to like farm to the

consumer's door butcher. And I think they're really awesome. And then Omaha Stakes. Do you know the story about Omaha Stakes? no >> similar story where it had been around for a very long time but they really took off because them and stamps.com were one of the early early early innovators of internet marketing and so Omaha Stakes uh I believe was north of a billion dollars a year in revenue because they were one of the first people to advertise on Google DBC DBC stakes stakes mailed to you >> oh you've never had one >> a steak in the mail >> no Omaha stakes it's like one of those it's like one of those gifts that if you can't think of what to get your parents, you like give them an Omaha like steaks gift.

>> I don't think Indian people do that. >> Yeah, there's maybe a cultural divide here. >> Yeah, that's a that's a great call. It's like the Harry and David like gift basket. I think I've like defaulted to that many times just cuz it's like I don't know. >> That's what you gave me when I had my first kid. >> Who who doesn't like huge pears? >> Yeah. Yeah. Or like edible arrangements. Yeah. I mean, it's just like I don't know. It just works. and Omaha Stakes.

They were one of the very first people to advertise on Google. And now if you listen to a lot of like a lot of the early podcasts, do you remember early podcasts? It was like Stamps.com, MeUndies, and then like Omaha Stakes. These are like the early advertisers. And at this point, the company I think they're they have this massive marketing operation and it's incredibly sophisticated. It's been very fascinating to watch these guys grow. Maybe the best thing to do is just to um follow Omaha Stakes and Stamps into what just go look at their revenue like their marketing mix and then just go follow them because they just seem to find the new channel every single time and uh literally just copying their playbook is better than hiring like a great CMO who's going to come up with their own playbook. It's sort of like I remember when we were trying to do this the sushi restaurant, we were looking at locations and we're trying to run like these analysis on population and foot traffic and you know the the how many business how many high-income households are within 2 miles and it was like oh wait Chipotle has a 300 person real estate team. Why don't we just go next to where wherever there's a Chipotle? Like they did all the work and turns out that's actually what like uh that's how Burger King chooses locations. they just go if McDonald's does the research, they just go piggyback off McDonald's and go go near there and um you know you could you could sort of save yourself some breath.

My other takeaway from hearing stories like this, there's so many people who are just building amazing amazing companies. They're not particularly in the mainstream. They're not vocal about it and it's just fundamentally a pretty solid product and pretty solid marketing fundamentals. So, for example, I just hung out with this um a friend of mine who works at uh Element Element Salts. Is that what >> Element? Yeah, >> Element. >> Wait, I don't know how you say I think it is. I think you say Element or I don't know if you say Elementy, but that's how it's spelled. L M N T.

>> I remember seeing this business get started like it's only four or five years old and I remember seeing it get started and I'm like this is silly. Like who on earth is going to buy these like little packets of salt? It's basically electrolytes and salt. Well, they did a um like um they let their their customers like invest in them and so a lot of the financials are public. You can like see the numbers. I think it's close to \$200 million a year in revenue >> and they have a small team like 30 40 50 people >> and it's just like good fundamentals.

Like I was reading the CEO puts these blog posts out on how he runs his company and he >> James he's awesome. >> He's so great. >> He's he's like one of my favorite I've only met him once. He came to our basketball camp. >> I was I just love this guy. He's so lovable. He's like super thoughtful, super well-meaning, uh really smart, obviously just like a killer uh good basketball player also. He's just like a He was so nice, so kind, so humble, and yet had built like not only this killer business, but other killer businesses too in their portfolio. He is he is such a winner. I love that guy. He >> So, I've only heard about it from my friend Esther. She was said she was telling me what it was like working for him and she only said good things and then I started researching him and there's all these cool blog posts where he like writes about how they do these things where the they run the company by doing three week sprints, one week of planning. You know, most companies run off quarterly plans. He was like, "No, we do three weeks where we go hard and then one week where we go a little bit easier and we could rest for a minute."

>> By the way, that one week is really specific. It's three weeks like you're working like a like at a at an office or like you're online and then the one week is everybody's in think, rest, reassess, plan mode quietly by yourself, do whatever it takes for you to kind of step away. And he's basically shown that like that works really well for them. But like giving people time and space to think and plan, you can have a high performance team with that. It's not about just constant burnout of like pushing as hard as you can with no breaks whatsoever. It sounds amazing.

And he has a blog post um where he talks about like this process that he does, but he has all these other blog posts where my takeaway was like this guy is incredibly well-intentioned or not well-intentioned, thoughtful. Uh which I think you actually described him as. Uh so it's funny that we came to the same conclusion. You hung out with him. I just read about him. amazing entrepreneur and they don't seem mainstream in the sense of like in our little like silly marketing like loud about it online internet world but they're just kind of building a amazing company that solves a real need customers seem to absolutely love they have like all these weird like avatars I think they have like a nurse's avatar so there's like nurses who actually use their product and then they have like a a military one and then like a construction worker one or something like that you know they have like all these and then of course like endurance athletes and all this amazing stuff. It sounds like an amazingly well-run company run by a guy who's not particularly loud, but is incredibly successful and uh thoughtful about running his business. There's other guy named Jason Cohen who I like. He had a blog post somewhat that wasn't entirely addressing this, but the phrasing is perfect and it was a bit similar called be king or be rich and he was like do like do you want to be rich? If you want to be rich that there's like all these things that often times the kings are unwilling to do. So the kings are often times like the loud ones who raise all this money and do this or that. And then there's like the be rich, which is like a bootstrap and just quietly do it for a long time. It's like ask yourself, do you want to be king or you want to be rich? Because they require different things.

>> I think Nal has a funny one like that. He goes, if you want to be rich and famous, try getting rich first and just see if that does the trick. >> That's so good. >> Here's um on that idea. So I saw this tweet today by this guy Renee Selomman. He was talking about Nick Sleep. Do you know who Nick Sleep is? He's a basically like a legendary value investor. He's kind of in the Warren Buffett, Charlie Munger like lineage of investors. And I'll butcher the the long story, but there's a the simple way to understand Nick Leap is that he he crushed it so hard for like a very long like for for a period of time, made so much money for himself and his investors that just like

was like, I think we're good. Let's just like basically just like shut down the fund and was just like look, it's we won. and they had won by just holding like a very small number of obvious sounding positions. It's not like he found some niche thing. It's not like he was super ahead of the curve. He owned Costco, he owned Amazon, and he owned like one other thing. He owned four stocks and he just held them.

>> Burke, is it Birkshshire Hathway? Was that the other one that he owned? I >> I think uh I think he had Birkshire I don't remember what it was. He had four stocks like that were the core of his portfolio. It was super concentrated, but it was like four winners and they held it for a long time and that's all you needed to do. the game wasn't more complicated than that. And so he he put this in in one of his and he has great letters to go read. It's like you'll be a smarter investor if you go read the the Nick sleep letters. And so here's here's one of his thing. He says empty vessels and a quieter approach. So I'm going to read this. He goes, upon reflection, it is curious that this quiet attitude extends in its own way to the companies. So he's talking about his own quiet attitude, but he's like this actually extends to the companies we invested in that we've entrusted your dollars. Amazon and Costco do not advertise. No shouting here. Berkshire Hathaway and Games Workshop do not provide earnings guidance which is popular to give to fund managers and stock brokers. Amazon, Costco, Air Asia and Carpetright and parts of Birkshire give back margin to the customer. And we would argue this is a pretty humble strategy too. In other words, around twothirds of the portfolio is invested in firms that in some major way shun the commonplace promotional activity and yet they are no less successful as a result.

So like Amazon and Costco not advertising. Tesla famously does not spend any money in marketing. >> Amazon is a huge advertiser >> at I think at this time and they weren't they I don't know if they were doing like the Google performance advertising but I think he's talking about like kind of brand advertising anything like that. >> And then he talks about uh Bezos has this quote which is advertising is the price you pay for having an unremarkable product or service.

>> And he goes if you look at the he goes on the other end of the spectrum is the razle of General Motors. Now this was written a long time ago but he says which has the largest advertising budget of any company whose annual report we read this year and it went not that title went to GM this last year the year before and the year before their advertising spend was 5.3 billion in 2008 or \$630 per car that they that they shipped like if you just took the advertising spend it would have retired half of the company's debt. It seems easier to call Madison Avenue than build cars that sold themselves. In our opinion, GM is very much the empty vessel making the most noise in that regard. Our portfolio takes a different approach. So I I just thought it was interesting like the idea of like people but also companies that like almost as a negative signal which companies advertise the most like I wonder if you actually like back test that idea. How many of them actually have, you know, either worst performance to their peers or the like least durability, which is why they have to constantly be advertising because they have a commodity product and they have the least durability in the market or they have the the least the smallest moat.

Um, and which forces them to continue to pay this tax. >> Look, just to be a little devil's avocado on this one, I feel like Birkshshire Hathaway's biggest company is Geico and they're like the biggest advertiser. >> Yeah. Or Coca-Cola also. >> So, I don't know. I mean, I think that this guy is significantly smarter than me and

significantly more successful than me. That said, uh I'm not racist, but that's like what that statement just was. Uh I don't know. I feel like all many of those companies are like huge advertisers, but I do think the sentiment is cool. And one would say that like even though Tesla doesn't advertise advertise, Elon Musk bought a \$ 38 billion social media platform. And I would say that that has benefited Tesla greatly.

>> No, come on. That that was that's not that's not I don't think that's fair. I don't think he he didn't buy it for that, nor I think has that if anything Tesla Tesla car sales have slowed down since he bought Twitter. I just think that like uh I just think that like there are a lot of outliers of course and maybe you could say Tesla is the outlier, but contrarians are often more often than not wrong. And if you look at some of the other best companies in the world like um Apple like they are or or you know many most all actually they are notoriously wonderful advertising.

>> Yeah, I don't think it's saying they don't advertise at all. Um but I think percentage wise matters. So for example, Elon has one mental model he calls the ind the idiot index. And the idiot index basically is something he kind of figured out with Tesla and SpaceX as they bought parts from providers. Oh, we need this we need this turbine. We need this uh this this this valve. And basically if the valve costs \$5,000, it's like, well, that's the market price for the valve. We can't find anyone who's who's selling it for less than that. And what he would ask is basically what is the cost of the raw ingredients on the London Metals stock exchange for the valve? And then what is the markup relative to the actual raw materials cost? And that's the idiot index. It's the price you're it's the idiot tax you're paying because you don't know how to make the part yourself. And he found that the space industry had essentially the worst idiot index of all the industries that he had seen where the idiot index was like, you know, 100x plus on almost every single part. And why he realized that he could do SpaceX without having a NASA level of funding was because NASA was buying things at the idiot prices and SpaceX didn't have to and that he could bring the cost. How did he know he could bring the cost down so much was because he knew he saw how high the idiot index was. Tesla does the same thing. Another version of this uh was I was listening to Palmer Lucky from Anderil talk yesterday and he was talking about the other defense uh contractors. You know, if you think about what Anderil did was pretty crazy.

they went into like a space that no real modern tech company had gone into defense. he was talking about he goes if you look at uh Loheed Martin or you know these kind of other defense primes the first thing is they all operate on the cost plus model costless model basically just says cool if for me to win this contract let's say it's um whatever this contract is \$10 million or whatever I'll bid \$10 million because I'm saying that the uh the cost to do it is nine and I want to have or you know let me let's call it \$1 million the cost to do is 10 and I'm going to have a 10% markup. So he goes, "Guess what happens?

Do does that company have any incentive to find a lowerc cost way to do things?" No, cuz they make 10%. In fact, the incentive is to to say that everything is more expensive cuz if it cost 20 million and I got 10%, I would make 2 million instead of saying it's 10 million and making 10% I make 1 million cuz it's a cost plus model. So I'm I'm always just whatever the cost is, I make a little bit on top. So the higher the cost, the better. Same thing with going faster. If I say I could do this in half the time, which is h, you know, half the people cost or the labor cost, um, I have no incentive to go faster. So what's the result? The military is buying from from providers

whose entire incentive is to make everything cost way more and take way longer. And so he goes, the first slide on the Andura pitch deck and our seed investment said, we are going to save the American taxpayer hundreds of billions of dollars a year and we are going to make hundreds of billions of dollars. And so he's like that was the entire premise from day one. And he goes, I think that's exactly right. Cuz he would go and bid. He goes, "We're not a cost plus model. We will we will basically say, hey, we can get you this. We're going to sell products to the American government. So we're going to sell you the best product at the lowest price and we're going to try to get it to you the fastest." And that way we're like Amazon or Walmart, right? Or Costco. We're trying to give you the best product at lowest price and the fastest delivery. And our incentive is to do that. We get to we get we win contracts the more we do that. And he goes, then you see that play out in the business. He goes, just look, if you don't believe me, go look at Locky Martin, they'll invest 1% of revenue in R&D. We we have invested 100% of revenues into R&D every single year of Andrew's existence. And people think, Palmer, how long are investors going to let you do that? Well, I don't know.

I've I've been able to do it for eight years or whatever it's been, and I think I'll at least be able to do it for another five. He goes, Amazon was able to do the same. Amazon was able to convince investors that they should be able to invest this all of their profits and more back into Amazon for like 20 years and that's what gave them this incredible durable advantage and allowed them to take so much market share. That's what we're doing. So in some ways I think it's pretty cool to almost look at like a simple heuristic like the idiot index or like what percentage of your revenue do you put in R&D and it's like I can't hear your words because the action speaks too loudly is one way of looking at businesses. I think that we've talked about like Eddie Murphy and he was like, "I'm a great comedian because I'm extremely sensitive. If the valet takes my car and there's like the tiniest scratch, I'll notice it and I'm good enough that I can make a joke about it."

And that's what makes comedians great is they're sensitive that they notice small moments and that's what's funny. And when I hear this story about Palmer, I don't really care about the his business or the industry, but what I care about is his personality and his attributes. And it seems like there's this vin diagram where you have to have all three. It's like the sensitivity to say that this is ridiculous and to like question why is this the way it is. Same thing with what you're talking about with Elon, the idiot tax like that that you have to be very sensitive to like notice these things. And then the other thing is you have to be audacious enough to actually think that you can fix that problem. And then there's this final circle which is like logic. you like these guys are very interesting at logicing their way into these problems where he'll say like so this problem exists and why shouldn't it be this other way and there's this weird like through line of like how you can do something that seems logical when he maps it out on paper but virtually 100% of all people are like there is not a chance that doesn't make sense and it's like well no it does like here's the math like and it's very simple math that you would use to explain this stuff, but you need to add in the audacity and then you need to add in the sensitivity to even recognize it in the first place. I admire those people greatly.

>> So the three audaciousness, logic or first principles thinking, >> yeah, >> was the third one, the sensitivity. >> Sensitivity. >> Well, he had said something that's kind of a combination of all three in this interview. So he said he said two things I didn't know. One was that he was homeschooled. I don't know if you knew that. I I didn't know that that he was homeschooled. I think in general I think homeschooling one of the possible advantages I could suspect of homeschooling is that because you are out of the crowd you are less likely to have heard

herdlike thinking and so so I think that's that's interesting already and maybe there's some selection bias of the type of parents who would choose to homeschool might also raise you differently to think differently in many other ways too. That's the first thing.

Second is he said his first job was using virtual reality like light uh things for veterans. So he's kind of the combination of the two companies he built Oculus and Android. So he's like I worked at this place where veterans were coming back with PTSD from war and we were using a VR like thing to help like mitigate their symptoms in some way. I thought that was interesting. I didn't know that either. The third thing he said was logic experiment. He goes, "After I sold Oculus, yeah, I think at 19, he he started or sold Oculus." At 21, he basically sold it for two or three billion dollars to Facebook. And when he left Facebook, he basically left a place where he noticed that the smartest people in the world were all focused on increasing advertising revenue or, you know, basically getting you addicted to mindless entertainment.

and he saw that Silicon Valley culturally had decided that war defense weapons was like taboo bad you're a bad guy you're evil for doing it and that was not the history of Silicon Valley that he had read about that was not the approach that they had and he talked about how um certain companies I for oh like Bill Packard from Huelet Packard there was some story like how either he did a tour of duty with the government or like somebody said like you know this general and Bill Packard they're basically the same guy. One one guy is just doing it in business, but they have the same values. They have the same beliefs. And he's like, I just don't think that that was true over time in the tech world. And he said, "Is it a bad thing for America if all our smartest technologists and engineers go work on entertainment and advertising and refuse to work on defense?" Uh, like that seems like a bad thing. How would we change that? Like because he goes, "Other countries aren't going to do that." Like other countries are not going to have their most brilliant minds not working on these things. And if they have their most brilliant minds working on weapon systems and we do not, like doesn't really matter how much money or clout you have, like that's not going to end well. At some point the slope of their line will cross over the lead that we have. And it's that kind of like simplistic big picture zoom out sensitivity thing you're talking about then multiply plus the logic then multiplied by the audaciousness to go do something about it, right? Like that that's kind of what you're talking about. It's like this like formidable triangle that that gets created.

>> And it's sort of like this thing where sometimes hard things are easier than easy things because when you have this grand mission um it like makes it where you can work harder and you can inspire people and you could recruit better the best talent for less pay when you can't afford it at at the time. There's this book that I just started reading last night about the um uh Manhattan project, the creation of the atomic bomb, and they're like, "I'm creating violence. That's not good." But Hitler's doing it, and we need it before him. And it created this sense of like excitement in a weird way. I don't know what what better word to describe it where they're >> purpose and excitement. purpose, duty, a sense of duty where they were able to wrangle up all the best scientists and get them to quit what they were doing, which was their dream jobs of teaching math at Berkeley. And like they were happy. They got them to move to New Mexico for a year or two and they worked like crazy and they invented things like in this book they explain how splitting an atom works and it's just impossible for me to understand, but it's like that is just some crazy stuff to invent in a very short amount of time. But there was this sense of duty. And I kept thinking these big meaty problems in a weird way seem easier or more exciting to go after than some of the small meeting small problems that might be significantly more lucrative. But in reality,

the first one can be way more lucrative. And so it's kind of like the best of all worlds, but there's like this this seems hard. This seems impossible. I don't want to do that. You know, >> have you seen the imitation game? The the movie the imitation game?

>> Is that with the uh touring? Is that touring? Uh yeah, it kind of has the same thing, right? It's like uh during the world war, Germany's kind of blitzkrieging and bombing and you know the uh the UK and they basically hatched this secret project to try to crack the the German enigma machine to be able to to crack their um correspondence and um Alan Turing and a small group of like brilliant people figured out how to decode the messages uh how to decrypt I should say the messages so that they could understand but then they couldn't So it's like this huge this kind of impossible thing. How do we how do we break the Enigma machine? This encryption that we can't break right now.

>> Basically for the listener, a machine that the Germans were using to relay messages to one another. And the British wanted to crack the code so they could figure out where the Germans are going to go, >> where are their ships, where are they going to attack, where are they, how are they doing this, what's the decoy, what's real, you know, like where is the where is their leadership right now? All those things. And so they want they couldn't do it. So they basically it's like you get the brightest minds you take them out of universities and businesses and you say look it's your duty like every day that we don't crack this you know your friends and family are at risk of dying basically and we could lose this war to you know uh this bad guy and so they worked you know for a couple years to crack this thing they cracked it and that was extremely helpful at like swinging the tide towards defeating Germany and um and everybody's just like these like the movie's great right it's like entertaining in that way because it's like a very romantic idea of like the brilliant minds secretly conspire and then they couldn't tell anyone either.

They couldn't even tell anyone that it existed. Once they cracked it, they couldn't show how much they knew. So, they had to like this was part of one of like the moral dilemmas. I don't know how real this was, but in the movie they're basically like they know they crack the thing, they know when an attack is happening, but it's like if we if we prevent that attack on that civilian boat, they'll know how the hell did we know that was coming? They'll know this.

They'll they'll just change the encryption. So, we're gonna have to be really selective about where we use our knowledge of this. And I just thought, oh, that's like another layer of game theory on top of this whole thing. >> When I was 24, I took a cross-country motorcycle trip for 6 weeks. I traveled the country on a motorcycle. And I had this distinct feeling when I got back where many of the things that I thought were normal or like the routines that I was in before that trip were broken because I did a lot of camping and I met a lot of different people uh from all walks of life. And I've noticed that whenever I travel, I don't know if you've noticed this, but whenever I travel, particularly to another country, I come back with more perspective, not in the like woo woo way, but like I seek framebreaking moments. And it's significantly easier to find those moments when you're out of the country in a place that's this is why I want to go to Japan so badly. I want to see like all the weird >> weird thing about Japan.

>> I want to see all the weird stuff they do because I want to be inspired. Um, we had um Kevin Ryan on the podcast. He's one of my favorite entrepreneurs and he said that uh either him or one of his co-founders was originally inspired to start guilt which was like was it like an auction luxury auction? >> But they had like this weird mechanism where they like made people wait in line. I forget exactly how it worked but he was like I went to France and I saw this and I'm like we should just do that in America. And that's a very simplistic way to to a really simple example. But I've noticed that whenever I travel, I come back with that feeling of where I ask myself, why am I living this way?

And to bring it back to Palmer, I think that is what makes people the greats really special is is they're able to be sensitive enough to find these small insights and are they're open to having their opinions changed. >> Right. I'm I'm totally with you on that. I think Coinbase kind of started for this reason, by the I think Brian Armstrong went down to Argentina and was just working out of Argentina. And if you've ever been to Argentina, it's uh the local currency has been like hyperinflated away. Um you if you have if you have dollars, it's not only just the normal increased purchasing power of the dollar, then there's something called the blue dollar, which is basically like there's a blue dollar rate. Um so it's like it's like 2x what the actual dollar rate is cuz they're that desperate to have dollars. So your your dollar just goes so far there. And you know, if you see something like that, it's a frame breaker because, you know, if you're here, you just take it for granted. Money is essentially like it's like a fish in water. You don't even see it. You just assume a dollar is a dollar. And you know, we now have a 2 3% inflation. People get it, but it's over such a long time period. If you go to a place that's inflating 20% a year, you realize very quickly like, oh wow, these people need a different solution.

And then you hear then you connect the dots when you hear about something like Bitcoin which is mathematically impossible to inflate as a currency system as a savings system. You could see why that might be really valuable to people because of your Argentina experience. And so there's so many examples of this you know all around the world. I'm I'm I'm with you. In fact I think that's the one thing I miss the most since having kids is that my travel has dramatically slowed down and has safed up. I'm like convincing myself that we have to go travel. I have to go travel. We got to get >> Yeah.

>> It's like one of these things that like it's sometimes a pain in the ass to do. And then >> then I look at my 2-year-old, I'm like, I guess we'll just go to the resort. It's going to be pretty tough to am I really going to am I really going to adventure out there right now? Let's see. >> Yeah, >> maybe a few more years. >> My friend for a few years >> this uh I did something the other day that I want to tell you about. Got a babysitter, went out my wife on like a Thursday. It was a big deal. And we went to this thing called the Webbbby Awards.

Have you ever heard of the Webbbby Awards? >> Well, as a one-time Webbbby Award winner, yeah, you know, we we know about the Webbbby Awards. >> I don't know the origin story, though. It's It's basically the Oscars for Internet Nerds minus all of the prestige. >> I have a lovehate relationship with the Webbbby Awards because it was actually quite fun, but it's a it's a circle jerk, but the business behind it is kind of cool and I think there's a lot of opportunity here and I and I think you you would dig this. So basically it started in 1994 as a website called the cool site of the day. The internet had just started. I don't know how many users there were on the internet but potentially only hundreds of thousands.

And there was a website dedicated to showing off the cool websites every single day. And it was almost like DIG or Reddit but like one website. And this lady had this idea where she was like we should turn the website of the day, the cool website of the day into an award show. And the first Webby awards, I think it was in 1996. And so the early Webby's was actually quite cool. They called it the Oscars of the internet. And it was total nerd stuff. So check this out. I want you to see this video. So they played this montage video when I went to this award show and it was so cool because it was like internet history. first shot the founders of Google, Larry and Sergey, wearing giant foil capes and it looks like they're rollerblading. I can't see their feet, but they're gliding around the stage. They said he said they said 100 million times a day and then searches a day. And then he goes, "Do you get a penny every time they search?"

And he goes, "I wish." Turns out that wish came wishes do come true. He got a lot more than a penny. Hollywood has the Oscars. TV has the Emmys. The internet has the Webbies. Okay, so you're you're back in on the Webbies because they gave you free food, Gohan. >> 3 to 6 cents per search. So, good job, guys. >> They make 3 to six cents per search. >> That's insane. >> That sounds too high. That sounds crazy.

>> Um, is that right? Okay, so Webby Awards, it was bas It was really cool early on because it was internet culture. This was when Google was a company that was still almost like a nerdy project. It was awesome because there was like Kim Kardashian before she was like super famous and she was famous for like uh she said I think it was like nude photo of the year. Like they had like goofy categories like do you remember when Will Pharaoh did Ebomb's World where he did like uh the angry landlord?

>> It was awesome. It was like nerdy stuff but it carried over into pop culture like when the Foo Fighters were like really famous. They were there. David Bowie was there. It was awesome >> and it was so cool. And the when I went there the other day, it was also awesome because the famous thing is every single speech can only be five words. Some of the people who won the awards for like a lot of like Instagram stuff that you see online like nerdy niche shows. But it's a total payforplay scam. So in order to get into the Webbies, they have something like 1300 or sorry 13,000 entries per year and it costs like \$6 or \$700 in order just to enter. And they have so many categories that they have a blog post on it called how to pick the right category or like how to find your category. And at this point, the reason I didn't want to like it even though it was quite fun is because so when you went was it like pageantry? Like were you blown away by the production or was it kind of like bootleg? Like what what was the insult these these hosts of yours? But >> no, it was great. There was a red carpet and everyone was taking photos and like everyone dressed nice. My wife and I, you know, we dress like >> Were you famous there? Were you famous there?

>> I was quite popular there. Yes. I Yeah, it was. >> There was like actual famous people like for example the big award went to uh is it Druski? You know Drusky or is it Druski? >> Druski I think. Yeah. >> And Jack Harlo like gave him the award. So there was some like proper famous people there. But, you know, I I was a favorite because we're a business podcast and so a lot of these influencers who are way more famous, they actually listen to us sometimes because they want to get like business content. But the company's crazy because it's been around for 30 years. It's now owned by private equity, which is hilarious because the bulk of the people there, it was a very Brooklyn hipstery like woke people, >> right?

>> And if I started like researching where the Webbies is based, it's based out of Kentucky. So it was bought by a PE firm and now the headquarters are in Kentucky. So it's not even like this like necessarily like cool internety Brooklynite business, but that's what everyone there it's that's what they were. I think that someone can start a cool back to indie award show that is properly the Oscars of the nerd internet. Like I don't think that Twitter is mainstream enough, but that might work where you could have like nerdy uh Twitter stuff. But I went to this other one coincidentally called uh Shrip Mall Trent. You know who Shrimp Mall Trent is?

>> Yeah. >> He has a gala which is hilarious. So it was a black tie gala and it's just all of his Twitter real estate friends. So it's just like real estate Twitter has an event and it was awesome cuz it was all the all these guys who I'm friends with on the internet but I never actually see. They were all there. It was amazing. But I do think that a proper indie Oscars of the internet type of stuff like the nerdiest stuff, start extra small would be epic. Would be so cool.

>> This model, this business model of basically create the award, create the event, create the list. I call it the kingmaker move. So you you basically can go into any industry, any social circle and simply by making the winners list, by making the awards, by making the list, you can insert yourself at the center of any network or any market. Actually, Jason Calhanis did this back in the day in New York. And I think he's talked about how I remember hearing this like 15 years ago. He was explaining this. He goes, "I was in New York and I was we, you know, nobody was reading our publication and nobody knew me, but I knew I wanted to be in the tech scene in New York." And so what he created was the Silicon Alley 100, which was going to be the 100 power players of tech in New York, >> which at the time was a small a small >> a smaller market back in the is like in the 90s, I think, or maybe early 2000s.

specifically what he did was let's say everybody knew that Ariana Huffington um in the Huffington Post was like you know she was like this power player and but he wouldn't put her one he put her at four and so immediately she's like what who are the three people that beat me cuz if she got named one it's kind of like oh whatever but if she got named four she's like I got to know who are the three that were above me and it created controversy and he's like I intentionally would place people at certain parts of the list to maximize the controversy and the sort of word of mouth with which this thing would spread. And he goes, "And it worked.

They would call me immediately and they would want to know who we are, what we're doing." And all this traffic came to the site because when you win, you share because it's good for you to win. And when you lose, it kind of pisses you off and you want to figure out who are these people and like why don't I have status in their mind and you kind of like you become in their on their radar where you weren't before. And I thought, "Wow, that's pretty smart." And I've since then seen this done many many times over in different different ways in different spaces. And I think actually you could do this really in any industry. I'll give you one other example. My brother-in-law, he's based in Vegas and he does real estate. He's come on the podcast once before. I told him, you know, he doesn't like ever go out pitching like investors or whatever, but like because his returns are really high, he's, you know, probably had like, I don't know, couple hundred million of investor capital put into his deals now, but he's never picks up the phone. He never does any networking events. And I was like, "Dude, why don't you just create the Vegas 100?" And he goes, "What is that?" And I go, "Basically decide to throw one

black tie gala."

Kind of like what you're saying the real estate trend guy did and just honor give awards out to the hundred most influential business people in Las Vegas. And you invite them. You let them know they've been they they won this award and that they are one of the most influential people in in Las Vegas as deemed by you, random person. and you rent out this car dealership because you already have really fancy cars there and that just already adds to like the luxury aesthetic of Vegas being really flashy.

>> I was like just rent out your buddy's car dealership, host it there, cars on the floor and then at the dinner you're going to network with everybody cuz you're the host. Everybody has to meet the host and those will become investors for you. You'll never have to go on a road show cuz you can get everybody to come to you if you if you create a honeypot like this. >> I think it's awesome and and I do have to add an asterisk. So, I did go to the uh Trent's uh black tie gala. It was amazing and I saw a bunch of friends.

But I have a rule that I don't go above 50th floor 50 floors in a building and I got to the lobby of the event and you had to get into this elevator to go to the hundth floor on the top of the Hudson Yards and I had my black tie [__] on that I rented and I found out it was on the 100th floor and I said, >> "Not for me, guys. Have a good night."

And I only stayed for half an hour and I went home. Dude, I'm not going to the 100th floor. Are you kidding me? >> What do you think's changing at floor 49? >> That's just not even make that jump. Like, what do you think's happening? >> Going going to weddings that are more than an hour away and going above floor 50. Not for me. >> Not for me. I just have a rule that I >> was all the way there. Not for me.

>> You're a man of principle. I I actually appreciate that you live by such a code. I don't know if there's really any rule that I live by as much as you do. >> Oh, yeah. I got there and I uh I was like, you know, so I went to the bar and got like a glass of water to calm down. I was like, can I and I and I went to the the tenant of the elevator. I was like, how long's the elevator up? And he's like, a minute. And I was like, not I don't I don't think so, guys. Have a good night. I hope the gal is great.

It was nice seeing you in the lobby. >> So, you just like went to a bodega in a black tie. >> Yeah. Just went home and my wife was like, "What are you doing home already?" I was like, it was on the hundth floor. She was like, "Ah, get it." Have you heard of uh Dude, and some of these could be big businesses, by the way. There's Institutional Investor, which is like a magazine, and they rank the best investors, and it's like a \$200 million business.

>> Is that the Midas list, or Midas is separate? >> Separate. Uh, Institutional Investor. It's like a super niche publication for institutional investors, people who raise money from institutions. And then we talked about JD Power. You know, JD Power >> and their associates. That's all. >> So, this is why it's funny. >> Who is JD Power and who are these associates? uh I think his what was his real name? Uh James David Power that was his real name and the associates was his wife and kids. He started the business in 1969 and he went to Wharton. He was

really smart guy and then I think he worked at Ford in advertising and he had this like brilliant insight which is like no one actually speaks on behalf of the customers. I don't think Ford I don't think they're asking the customers uh if they're truly happy with their purchase. And so he gets this idea to go and survey a bunch of customers to figure out what they liked and didn't like about Ford and a variety of other cars that they uh purchased. And he went and sold the research to the car companies which at the time in 1969 there weren't that many car companies.

And eventually he gets the idea is like let's create an award. And so he creates an award called the JD Power award. And this is like 10 years later. And he starts giving out these awards. And the people who he sells research to was like I'm angry. why am I not higher up on the list? And he was like, well, for an extra fee, I can teach you how to improve X, Y, and Z to so you can get higher in the list. And that was the JD Power award. And then like 20 years into it, he creates the trophy. Everyone knows like the trophy. It's like this weird.

>> No, I haven't seen it. Is it like the Stanley Cup? Oh, it's like this little arch. >> Yeah, knows this. Who knows this? Nobody knows this. You see the when they show the commercial, they show like ranked best in safety by JD Power and they like show that little emblem and that's when things really took off and he ends up selling the company to McGra Hill for like \$500 million and then they sell a few years later for a billion dollars and now it makes I think over a billion dollars uh and it ranks and does these awards and what they do is they have all these different categories so they can continually give awards to a variety of car companies and people pay for their research. And I was thinking this can work across a variety of categories where there's something where you need to do a lot of research in order to buy what's necessary and where you can license the award to the company and they can use it to attract more revenue.

For example, a really niche idea would be like uh old people homes uh senior living. It's like a 10 or \$20,000 a month decision and right it's like a huge decision and you want to research the best one. I do think that you could have these like award this award business, this research business for a variety of categories. And it's quite interesting to me. >> If anybody wants to do these like u you create the award, you create the list and then you piggyback an event off of it. Hit me up because I have two specific ideas I want to actually bring to life that are like this. I'll give one of them out and I'll save the other one. The one that I'll give out, Sam, have you noticed that probably more than ever, there are teenagers, you know, people who are 12 to 20 years old that are just doing amazing things, doing stuff that like, you know, we're just picking boogers when we were teens compared to them. Even now, we're picking boogers compared to what they're doing.

>> The average teen nowadays does seem way further ahead of where you and I were. >> Well, maybe not even the average. Maybe it's just the outliers because the outliers have the internet to show that they're outliers. I think the outliers kind of always existed, but there's two. >> It seems like there's more. There's more. It seems >> seems like there's more. I think because they're visible. I mean, back before the internet, how would we even know? And then secondly, um I think they got inspired like they got access to better information. So they're growing up mentored essentially by Elon Musk and Nval and Mark Andre. They have access to the best knowledge, the best founders.

They see what the Carson brothers and so there's a almost like Roger Banister 4-minute mile type of thing going on where the really smart people see what other really awesome people do and it breaks their frame of what they thought was possible for themselves and then they do more. >> But the here's a weird thing like >> Sam do you think those the people I'm talking about the ones who create like they invent things they create worldchanging companies they're hackers they're you know they're they're just really really brilliant in ways that are important in the business and tech world let's say. What do you think that person looks like when they are a teenager? Do you think they're on the honor roll taking six AP classes with high SAT scores and class president or do you think that they look a little bit different?

>> Well, the second one obviously. Yeah. >> And so because they look different, where do they show up? Right. So, you know, how how what do you think might be signals of somebody who is brilliant? They have this kind of like Sean and Sam um would want to invest in them. we'd be tripping over ourselves to invest in them because we just know that this person's a winner. What do you think we would be the signals that we would care about?

>> We would see them on the internet or if like they have like a weird hobby like they're the best video gamer or something like that. You would like catch little bits like that. >> They're great at something that's competitive and nerdy but not necessarily business. That's a good signal. They might be like running a like a some weird like sneaker flipping franchise or empire like a power sell Grand Theft Auto skins or some [_] like that and they're making a lot of money doing something that we're just like what you you own Instagram handles >> or like you sell Minecraft like products >> mods. Yeah, whatever that is.

>> Um a third would be really hardcore in math and science. So, math olympiad science, you know, doing, you know, actually like writing papers that are published in nature, like doing some weird [_] like that that like the average teen shouldn't have specialized in that way. >> Yeah. Like being being passionate and world class at things that don't matter that actually in itself it does matter. >> Being passionate and obsessed with things that are specifically low status when you're a teenager. Like you get you get bullied, you get a wedgie for doing this, you know? Uh you don't get stat status points for doing this in school.

So, I think that it would be really interesting to find a hundred kind of of these like hacker kid out outcast misfits. Um, go find the number one Yu-Gi-Oh player in the in the world. Go find the kid who's like figured out how to hack Google Maps or like he hacked his Tesla. And you're like, "What?" And he's like, "Yeah, I kind of got a slap on the wrist for it, but like it was fun." And you go find these kids. You bring them together and you let them know two things. One, I see you.

Everybody likes to be seen. I've learned. And the second thing is hey um the set of skills you're h you have right now that is not really celebrated by parents and teachers where or other kids in your your thing we celebrate it and legit people that you admire like go get you know the kind of the founders of Red Hat and Airbnb and all these things to come to this event and give these kids like time, attention, mentorship like you know their flowers and be like yeah I used to do that when I was a kid too so you could be like me and let them know if they ever shift that laser beam from doing dumb stuff to doing like something that might creates a value.

You could be you you could be here and create a network of those people. So, I really want to create this. >> That's cool. >> It just needs a name, a brand. I have the network to pull it off and the money to pull it off. I just need somebody who's got the energy to come like build this brand and host the event with me. I think it'd be amazing to to, you know, corral these folks all around the world.

the Erns and Youngs of the world, like these huge mega corporations that are kind of like dorky. They would be just chomping at the bit to sponsor things like this >> and we would reject them to only raise our profile as being cooler. Just imagine there's some kid in the in the Philippines who's like, you know, playing around with like whatever lasers and he's figured out how to laser laser etch something. You're like, what? I don't know what that means. But and then there's another kid in in the Ukraine who's doing something. And then there there's this whiz in Canada who's just like the number one Starcraft player. He kills all the all the the Korean Starcraft servers. He's just dominating.

Who are these kids? We got to know who they are. And if you identify them in that golden window, that like 11 to 19 year old window, you can actually be such a meaningful like trajectory razor for them. You can you can actually shift the course of their life just by giving them a a network of other weirdos like them at the at that level. I think would be amazing. >> That's pretty cool. I um do you remember how I started that website, Sam's List?

It was like a ranking for accountants. I uh I gave the I gave it to this woman named Kimmy. So, she's the the majority owner and it'll do like maybe 500,000 in revenue this year. >> Well, explain what it was for people who don't know. >> So, three years ago, I needed an accountant and I tweeted out who has a good accountant and I got probably 300 replies and I was like, this would be a lot to go through. I still don't know who's good. And I was like, you know, this would be interesting. What if I called all 300 of them and I aggregated the results? So, for example, what services they specialize in, how much they charge, and what if I could even get reviews on them. And so, I ended up calling like 30 of them. And I was like, this is this is interesting. I know how much each person charges, and if they're right for me or not, but I don't want to go through the rest of them. This is too much work. So, I tweet tweeted out, "Who wants this website? I I don't want this, but this seems like it could be cool.

And so this woman, Kimmy, replied and uh she took it over and she not only went through I think all two or 30 hundred of them, but she convinced them to send the website to their clients and they would give reviews. And the way that the business model works, I think it needs a little bit of tinkering because accountants or CPAs, they're not exactly the best salespeople. And so, for example, she's had problems where like she's like, "Hey, you know, these five people just inquired to use your service." and they haven't heard back from you and they're like, "Well, I emailed them one time and they didn't reply." And she's like, "Dude, you got to like follow up many times, like things get lost and things like that."

And then all these financial planners, whatever, they they're more like these alpha sales bros because unlike an accountant, you can have tons and tons and tons of clients because you don't really service them like to the same amount of quantity uh or the same amount of work and you get fees. So, the business model is far better. And

they're like clamoring to like use this website. And I'm telling her after this podcast, I'm like, you should host an award show for accountants and also you should offer the service to financial planners. But she's done a good job. She has a bunch of followers on TikTok now where she interviews like these accountants who are nerds, but they kind of do it in an interesting way. And so she's like actually gotten this following of like nerdy accountants and people who won an accountant uh an accountant. So it's kind of cool. But I think she can do an award show, too.

>> Yeah, that's a that's an interesting one. Well, I don't know awards show, but like some some sort of like recognition. Doesn't EY do like entrepreneur of the year? Like some insane, >> but there's like hundreds of them. But it's like there's there's thousands of them. There's literally like >> And whenever I think about this like here's the event for the non-winners cuz there's too many winners. We did the event for the people who didn't win because they do it like every city has multiple per every industry and every size of business. So, it's like congratulations, you are the Houston, Texas best oil and gas midsize company, you know, award.

>> Well, that's why I got mad at the Webbies. They gave like the awards to all these people I've never even heard of. I'm like, wouldn't the podcast of the year just go to like Joe Rogan or Theo Van or like just call her daddy like but it didn't that didn't fit the narrative. I love this type of [__] I love talking about this stuff. This like esoteric weird stuff. Um, so this is cool. That was a good episode. We had like a thousand hours of conversation with each other and it's still just as good as the first. My friend, that's unbelievable.

>> When we were on episode 20 or 30 or 50 or something, Andrew Wilkinson messaged me and I think he messaged us in a group chat and he was like, "Aren't you worried that you're going to get nervous or aren't you nervous that you're going to run out of stuff to talk about?" And we were like, "Kind of, but I guess we'll approach that when we get there." Uh, and thankfully it hasn't happened yet. Um, all right. Is that it? That's the part.