



Breakout Brands: What \$100M Businesses Do Differently Than You **Transcript**

Ryan Moran [00:00:04]

I was 21 years old and I had just graduated college. I think this was 2009. And throughout my college experience, I had been an affiliate marketer, which meant that I was running a full time, 6 figure a year business and once I graduated, I had no idea what to do. No idea. In my mind, it's like, well, I have a business so I'll just grow this business. I'll just double down on this thing and it will grow.

Ryan Moran [00:00:36]

And when I graduated, I was absolutely freaking miserable because all of a sudden I realized I had no idea what I was doing. I had no idea if I was going to be able to grow this, if I'd be able to sustain this. And then the business started shrinking and getting smaller and smaller. I started losing my profits. I started worrying about it all going away.

Ryan Moran [00:01:01]

I remember one time my mom asked me, what are you doing this week? And I said, trying to pay rent, because I was so afraid that it was all crumbling. And of course you start to mentally perpetuate that. So, what I did about it was I took \$25,000 dollars which was a lot of money to me and I joined a group of entrepreneurs that was way ahead of me. I had no business being in this room, not really sure why they let me in. Could have been because I paid them \$25,000, but I had no business being in this room.

Ryan Moran [00:01:38]

And I did it simply because I knew I needed to think differently in order for me to grow. And I knew that the strategy that I was following, the mindset that I had, the approach that I was taking was not going to help me buy a major league baseball team. It was not going to help me grow a \$100 million dollar empire. Just wasn't ... I wasn't going to get there that way, but I didn't have anybody in my life who was showing me anything different.

Ryan Moran [00:02:11]

And I live by that principle of getting into the room where you're slightly uncomfortable, of getting into the room where there are people that are not speaking the same language as you. It's one step ahead of where you are. And about 5 or 6 years ago, I was starting to see real success for the first time. This is 2013, 2014. I guess that's more years ago. But I built my first



business that crossed a million dollars, my first 7 figure business ever, I was 26 or 27, and it was a big check mark for me to have the million dollar business.

Ryan Moran [00:02:57]

But I had no idea how I was going to take it to \$100. Not a clue. I didn't know how I was going to take it to \$10 million dollars. No idea. Unfortunately, at the time, there was no group around then that was a group of 7 figure or 8 figure business owners. It didn't exist. I had outgrown my peer group. In 2013, having a 7 figure business, an ecommerce business that was 7 figures, was kind of rare. So, me crossing that threshold, I had to go out and say, I need a new peer group again, and I have no idea where they are.

Ryan Moran [00:03:37]

So, I called Gary Vaynerchuk. No, seriously, I called Gary Vaynerchuk. I found out what his speaking fee was. At the time it was \$50,000 dollars. It's a lot more now. He was still famous but not as famous as he is today. And he always stood out to me because he was this person who was 10 years older than me, 10 years ahead of me, had a similar goal. His goal is to own the New York Jets. Mine, Cleveland Indians, now the Cleveland Guardians.

Ryan Moran [00:04:04]

And I had no idea how I was going to go from \$1 million, I'm pretty proud of my \$1 million dollar business. How am I going to take this to \$100? And the only way that I knew that I could ask Gary what I wanted to ask him was to have him speak at our annual event. And I started putting together the lineup for this event of all the people that I wanted to learn from because there was no more room, meaning there was no more group, there was no more ... There was no mentor to hire that I knew of to help me go from where I was to where I wanted to be.

Ryan Moran [00:04:45]

And that event became an annual event, an annual event of the entrepreneurs who were raising the temperature in the room, raising the expectation, raising the standard for everybody else who comes into the room. And seeing a peek into what it looks like to go from \$1 million to \$100 million dollars, or for me now, \$10 million dollars to \$100 million dollars. As a result of meeting the people that I met by throwing the event, I was able to go from \$1 to \$10. Now, I'm still working on the \$100. I'm still working on having a \$100 million dollar empire. I'm still working on my plan to own a major league baseball team.

Ryan Moran [00:05:29]

And that's why I throw this event every year, to be around the people that stretch me and stretch the people who are like me, and stretch my peer group, and stretch the businesses that



I've invested in, and stretch my students who are on a similar journey. I want to introduce you to a couple of the people that we've invited to be at this year's event, Cap Con 5. It's September 23rd and 24th in Austin, Texas, and if you're watching this before then and we still have tickets, we'd love to see you there.

Ryan Moran [00:05:59]

And if not, I still want to introduce you to some of the entrepreneurs that you might want to follow because these are entrepreneurs that don't put out a ton of content, they don't do a ton of Youtube videos, but if you can find interviews with them or if you can find clips that we share from when they speak at the Capitalism Conference, you'll want to pay attention to them because they're real in the trenches entrepreneurs who have done amazing things and I want to introduce you to a few of them.

Ryan Moran [00:06:28]

The first is Miki Agrawal, and Miki had 3 successful companies before she turned 40. 2 of them crossed 9 figures. One of those businesses you might be familiar with. It's called Tushy, and it's that bidet adaptor that you see some people put on their toilet. Simple idea, really, really profitable. Hundreds of millions of dollars worth of, at least, value of the company as far as I'm aware. Another one of the companies that she started was Thinx, which was period-proof underwear.

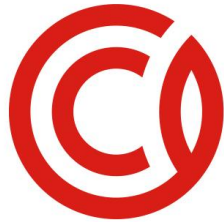
Ryan Moran [00:07:04]

So, she goes into kind of controversial areas and creates new products and new businesses that change the game in those industries, and she's become fabulously wealthy and fabulously successful, and celebrated for being a leader in these spaces. I invited Miki to speak at our event because she's bold enough to go into areas that a lot of people don't go into. I know it's tempting as an entrepreneur to figure out exactly how to do it and then try to force what you got to work, but Miki takes the complete opposite approach.

Ryan Moran [00:07:41]

Miki says, where is there a problem and how do I come up with a good solution for it, and how do I create partnerships with investors and people who will help me distribute this so that I sit in the owner's seat? And how do I do things my way? How do I do things in a way that matches the values that I want to bring to the world? I don't want to look like everybody else. I don't want to do it like everybody else. I just want to do cool things and be successful in the process.

Ryan Moran [00:08:06]



See, that to me is entrepreneurship. That's freedom. That's capitalism. And I think it's so tempting, especially in the Youtube entrepreneurship space, to figure out exactly how and then ... And that's just not freedom. That's how people get caught in the grind. That's how people get stuck in the weeds, whereas I know what you really want is to do the projects that you want to do. You want to do the projects that excite you. And Miki is an example of that, of somebody who did that and was scrappy and ambitious and was incredibly successful, and that's why I invited her to speak at this year's event.

Ryan Moran [00:08:48]

The 2nd is AJ Patel. AJ was one of my mastermind buddies years ago. I mean, when we were both in the trenches figuring this stuff out, on the rise, running low 7 figure businesses. I met him when he was first doing about \$100,000 dollars a month selling a couple products on Amazon. This was 7 businesses ago for him. He went on to build ... He hasn't told me exact numbers, but I know a mid to high 8 figure company that was mostly Amazon based, and that was his warm up. Then he went on to start Zesty Paws, which is one of the biggest pet supply companies, I think, in the entire ecommerce world.

Ryan Moran [00:09:40]

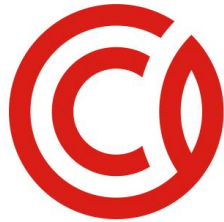
And then he started this other company called HighKey Snacks, which you see at Whole Foods, everywhere. It's one of the top selling products on all of Amazon. It's just this monstrously successful company. And then he just started this other snack company called Unsupervised. He's just ... He's always creating the next breakout brand. And I don't know what his net worth is, or what his collective companies are worth, but I know he's got several 9 figure businesses on his resume and he's 3 years older than me.

Ryan Moran [00:10:16]

What impresses me the most about this guy is that I've watched his personal transformation in the process, and he's a kind person, and he's a helpful person, and he's always ... I just got goosebumps, literally. He's always gone out of his way to help somebody who's not at his level yet. I've always noticed that about him from the very beginning. He always took an interest in helping the person that was still up and coming.

Ryan Moran [00:10:49]

I can't wait to have AJ at the event because he's done it over and over and over and over and each project has been more successful than the last. And he's done it in a way that is just Business with a big B. Doing it in a way ... He comes from our world, the scrappy startup, hustle ecommerce world and he made the pivot from small entrepreneur to being one of the big



guys, and yet still carries himself as if he is a humble, scrappy entrepreneur willing to help. I can't wait to have him on stage.

Ryan Moran [00:11:37]

Nick is the co-founder of Kettle & Fire. That's that bone broth company that really built the category. Every time you go to Whole Foods or Kroger, if you look on the shelf, you'll find Kettle & Fire. They've become a monstrous company. And they came out and grew so quickly. But this is the crazy thing. That business is, what, 5 years old, valued at, I don't know, a kabillion dollars or something like that. Changed an entire industry. And the guy is 25. Now he's 25. He was like 7 when that company started. And so, this young kid has built this enormously successful company, and that's just half of it.

Ryan Moran [00:12:37]

What's really interesting to me is Nick is working on a project right now that is going to completely change the ecommerce game. And what's cool is he's going to share it with our audience, and as a result they're going to kind of have early ... An early chance to benefit from this. Basically what Nick is working on is a way for founders like you and me to plug into a system that makes it almost effortless for us to fund our inventory and to free up a ton of capital so that we can be in a position to scale, and grow, and market, and get new customers rather than trying to manage the cash flows of inventory.

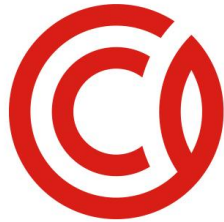
Ryan Moran [00:13:24]

The model is absolutely amazing, and it's built on all of the supply chain issues that he saw when he was building Kettle & Fire. So, we're going to unpack his success of building this breakout brand that built the category, but also we're going to talk about where the puck is going and where the opportunities are going to open up for scrappy entrepreneurs like you and me.

Ryan Moran [00:13:51]

The next entrepreneur that I'm excited to bring to the stage is Moiz Ali. Moiz is the founder of Native Deodorant, and this was the first breakout acquisition in our industry. Native Deodorant was acquired by Procter & Gamble for \$100 million dollars, I think on the nose, and that was a new level unlocked in the ecommerce industry. This was a few years ago. But they bought Native Deodorant at a time when 9 figure valuations on small, scrappy companies like the ones you and I are building, they didn't get acquired by the big guys.

Ryan Moran [00:14:33]



And so, Moiz has this ability to put himself in a position that is ahead of the rest of the marketplace. And by the way, he sold that company when it was less than 2 years old. Can you imagine for a second having a ... Today, starting a business and in approximately, oh, 2 years, you have \$100 million dollars in the bank? That's nuts. And Moiz has the ability to think about that type of scale at that type of speed. And the business never had 1000 employees. I think they maxed at 7 people. That's crazy. And he didn't raise Silicon Valley type of money. He was scrappy like you and me.

Ryan Moran [00:15:21]

And it wasn't like he was running into the red. He wasn't losing a bunch of money. They were profitable. He built a business the way that you and I do it. He built a business like he had his hands in the clay. He was bootstrapping it and just did it in a way that would make us in the grind entrepreneurs proud. And that type of a mindset does not usually get on the highlight reel. It's usually the entrepreneurs who raise a bunch of money and do some sort of tech startup. The guy sold deodorant and had a 9 figure business in 2 years, less than 2 years.

Ryan Moran [00:16:06]

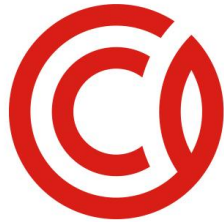
And Moiz has been on my podcast in the past, and every time he interacts with our community he says, these are my people, these are my ... This is who I am. And so, to have him at this event while you're still in the grind of your business, can you imagine? What would you pay to look somebody in the eye who is exactly where you ... Or has been exactly where you are, but has also taken where you are to a 9 figure valuation?

Ryan Moran [00:16:41]

That's what we get to do at this event. That is so cool. It's so cool that somebody who has had a 9 figure exit is going to go meet and shake hands and hang out with and have ... Sit around a campfire with other people who are like, hey, so I'm at \$4 million, I'm at half a million, I just launched. What advice do you have for me? And he sits around and tells you, and you get to just be in that presence where the expectation of the room is raised in a way that doesn't have ego, doesn't have posturing, doesn't have suits. We're just hanging out around a food truck and talking business.

Ryan Moran [00:17:22]

I can't wait to go to my own event. Isn't that cool? I'll tell you about one more entrepreneur that we're going to have at the Capitalism Conference. It's Sam Parr. Sam was the founder of Hustle.co, which just recently sold to HubSpot for a bunch of money. What's interesting about Sam is he went into an industry that wasn't used to having businesses that broke out and then sold. He went into the newsletter business. That's an industry that's supposed to be for affiliate



marketers and copywriters, but he built a very established, respected company. He modernized an industry that was kind of still stuck in 2006.

Ryan Moran [00:18:19]

And Sam did it in a way that was consistently profitable and was kind of the industry leader. And the way that he did it ... And again, he had an email newsletter business. That's crazy. An email newsletter business that scaled and sold. And since it was an entrepreneurship newsletter, he saw all of this data and information of what was happening in the business landscape, what businesses were scaling and selling. And today, now that he's exited, he runs one of the biggest podcasts in the world. It's called My First Million, where he's looking again at all these opportunities and deal flow and new entrepreneurs and he's seeing where the puck is going.

Ryan Moran [00:19:08]

So, not only is Sam able to speak about going into industries that haven't been changed in a while and doing things differently, not only is he going to be able to speak on how to take your business, your industry that's stuck and stale and help it grow to a point where it's mature enough and new enough to be acquired, but he's also able to speak from a place of here's what's coming, here's what's changing, here's what's going on in the marketplace, here's what investors are wanting to see, here are the new sectors and markets that I'm interested in, here's how I know a company is going to break out. And that's the eye, that's the perspective that I wanted to get from Sam and why I invited him to speak at the Capitalism conference.

Ryan Moran [00:19:57]

Plus, he controls so much media it's ridiculous. His podcast, his newsletter, his posts get collectively seen by millions of people. The amount of influence that this guy has is crazy. And it's not just the number of people, it's the type of people that he knows. The top in our industry followed this guy, and he's just going to be hanging out on this 7 acre ranch we're putting together in Austin, Texas, having a meal, hanging out.

Ryan Moran [00:20:32]

And that's what I love about what we're doing. Since it's such a casual experience there will be a mix of the person who's just starting with the other person who's had a \$100 million dollar exit, and you won't know who's who. It will just be this community of rockstars doing really cool things, hanging out, talking business and life. Can't wait.

Ryan Moran [00:20:55]



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So, that's a little bit about what you're going to see at the Capitalism conference this year and I hope you'll come and join us. My experience with events is that the keynotes are cool, they're part of the reason why your brain justifies that you should go, but really it's the people you meet at the event that end up changing everything. My first event that I ever went to, I met my mentor who is still my mentor to this day more than 10 years later.

Ryan Moran [00:21:24]

And I also met my business partner that I built and sold a company with. So, check this out, that business partner and I built a company, sold it, I don't know how much money we made together when you factor in profits and salary and all this stuff, let's just say it's \$20 million dollars. I paid \$2000 dollars to go to that event in 2009. I paid \$2000 dollars and met a person that I made \$20 million dollars with. What's that ROI?

Ryan Moran [00:21:53]

I actually think that's a million percent ROI from going to one event, one relationship. Not to mention the insights and the mindset shift I had and all that. So, I'm so excited to be able to do that for other people and myself and just hold the event that I want to have, and I participate like everybody else. Also, go follow those people because they're really insightful and they can help you on your journey. And I hope to see some of you this year at Cap Con. Thanks for listening and I'll talk to you soon. Take care.

Chris [00:22:27]

Hey Capitalists. Reserve your space now while tickets last at Capitalism.com/capcon5. That's Cap Con, the number 5. See you soon.