

Masterclass: The Recession Proof Business Transcript

Ryan Moran [00:00:04]

I recently heard Patrick Bet-David say that this recession is going to be the best opportunity ever to add an extra zero to your net worth. He said you're going to see million dollar people become \$10 million people, and you're going to see \$100,000 people become million dollar people, but you're also going to see people who are worth \$100 million be worth \$1 million, and I completely agree with him.

Ryan Moran [00:00:26]

In my experience, recessions are when real entrepreneurs are made, and this upcoming one is a very interesting opportunity for people to dramatically improve their net worth. And I've made some of the biggest leaps in progress during economic downturns. So, I took everything that I know about succeeding during recessions, including my predictions for this upcoming one, into a one hour training that I did for free for people who are on my email list.

Ryan Moran [00:00:58]

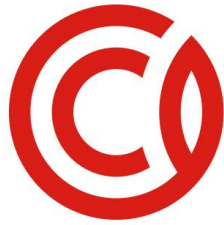
And I've shared the recording here on YouTube. If you want to see when I do these live, this was a free thing that I did just for people on my email list. Make sure you're on it over at Capitalism.com. Just find a place to put your email address and you'll be added to the list. But this next hour is everything that I know about succeeding during recessions and how you can thrive during the upcoming economic meltdown or blip, whichever it is. We'll find out soon. Enjoy.

Ryan Moran [00:01:25]

All right, welcome everybody. Today, my primary intent is to be a voice of reason for all of you and to give you some peace of mind during what is obviously a chaotic time, an uncertain time, a difficult time for a lot of people, because there's a lot of noise in the marketplace, especially in the internet marketing community and the online business space about this upcoming recession.

Ryan Moran [00:01:52]

And I have navigated two significant recessions as an entrepreneur, and I want to share with you some of the things that you will navigate ... That will help you navigate through this time. This is going to be especially helpful for those of you who are just starting, because you're



going to see that you're starting with a bit of an advantage because you don't have a lot of the pre-programming that a lot of entrepreneurs are used to the way of doing things have been operating for the last several years.

Ryan Moran [00:02:24]

And we have a very skewed marketplace right now. We have a very distorted marketplace on how things are supposed to be, of what they ... Of what prices are supposed to be, of what the ... What price points are supposed to be, what strategies are supposed to look like and it's very distorted because of what has gone on in the economy for the last several years.

Ryan Moran [00:02:49]

And we're going to add some clarity to this call. Now, just by show of hands, let me know in the chat, on a scale of 1 to 10, how concerned are you about the economy right now and its impact in your business? Scale of 1 to 10. All right. Most of you are in the 4 to 7 range.

Ryan Moran [00:03:11]

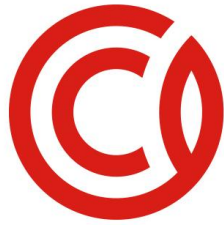
It was actually less than I expected because if you look at most of the commentary that is happening in our space, it's very doomsday. It is very doomsday. Okay, I'm seeing some 10s in here. Now I'm seeing some 8s, 9s, and 10s. Okay. Those of you who are especially scared are a little bit gun shy to answer the question, but the overall sort of vibe in our community is very doomsday.

Ryan Moran [00:03:39]

And I'm going to tell you a couple of things that some of you may disagree with and some of you may even find a little bit offensive given the current state of the marketplace, and I'm just going to go right into that. Entrepreneurs make their living looking for the alternative way. We question the narrative, we question the story, we question the official way that things are reported.

Ryan Moran [00:04:14]

We tend to be skeptical people. We question the nine to five, we question the path that everybody goes down. It is in our blood. It is in our nature to be skeptical and to question the narrative. And so, when you get a group of entrepreneurs that are put into an uncertain time, like we've all had for the last several years, what you tend to experience, what you tend to observe, is a lot of conspiracy theory, a lot of people who are looking for doomsday scenarios, who are looking for, how do I stay safe when I'm already uncertain as an entrepreneur?



Ryan Moran [00:04:54]

Because entrepreneurship is not a safe career path. Entrepreneurship is not the cushy job. Entrepreneurship is not the route you take if you want things to be easy and safe and predictable for your entire career. So, if you will look at a lot of the entrepreneurs in our space, a lot of the people who talk about the economy, they will have very doomsday scenarios that they will paint for you.

Ryan Moran [00:05:20]

I do have friends, I was with them over the weekend, that have very negative views of what is going to happen in the world. And when I say that, I mean, they are predicting 1930s-like depression, war in the street, a complete shutdown of power grid. I have many friends here in Texas who are buying ranch land, buying guns, growing their own food, and getting ready for complete and utter societal chaos.

Ryan Moran [00:05:49]

Now, if you ... Tell me in the comments. Have you ... Have any of you seen that? Have any of you seen that happening among entrepreneurs, among your peer group? Okay, about 50/50. About 50/50. And it's interesting, somebody said not in the UK. This is kind of an American idea, and it's part of what makes the United States unique and different is we are ... We don't trust the narrative.

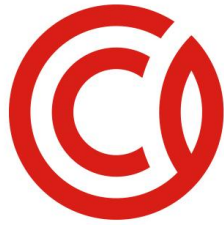
Ryan Moran [00:06:21]

We're skeptical of government, which I am too. And we tend to, especially in entrepreneurship space, to be very self-reliance or at least pretend to be, pretend to have personal responsibility. Now, I tell you all of this because most entrepreneurs have never gone through a recession before.

Ryan Moran [00:06:45]

Most entrepreneurs have had it really cozy for the last 10 years, because the economy has been strong, because interest rates have been low, because there's been capital everywhere. But if you're old enough, like I am, to be an entrepreneur through a couple of different recessions, then you know that this is par for the course anytime there's an economic downturn.

Ryan Moran [00:07:10]



Anytime there's an economic downturn, you have people that start to believe that the end is near. The comparisons to the great depression always come up. The idea of there being a breakup of the United States, of there being civil war, this happens in every downturn, at least in the United States, especially among entrepreneurs.

Ryan Moran [00:07:37]

So, I am not surprised by the doom and gloom that is being promoted by a lot of my peers, but I do not agree that it is going to be that bad. And it's important that you all know that and that you know that that is my opinion because I have fireside debates with all of my peers where we stay up until the wee hours of the morning debating this, and I am yet to find a scenario in which there are not glaring holes in the doomsday predictions.

Ryan Moran [00:08:11] [00:08:11]

Glaring holes, obvious holes, things that you've really got to overlook if you're going to keep a doomsday scenario. So, I tell you all of this because I am going to come in a little bit as a voice of reason today, a little bit of voice of calm reason with some clear things that all of you can do in order to set yourself up to start, grow, or increase your profits during this downturn, because a lot of people are going to be flushed from the marketplace during this time, and if you know a few things going into this, I think you will come out ahead.

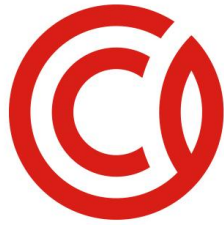
Ryan Moran [00:08:49]

I just want all of you to know, I don't have anything to pitch in this webinar. I don't have anything to pitch in this class. I kind of wish I did. My two programs are The One Percent where I help people build towards their first million dollar business, and the Capitalism Incubator, where we get really involved in helping entrepreneurs cast a vision for a seven figure business that they can sell.

Ryan Moran [00:09:11]

And that's where we help you work towards an eight figure exit. That's our target. If you want to find out more, you can find out more. Google is your friend. But today, I just want to hang with you all, to answer your questions, and be a voice of reason for all of you. Now, before we get into some of the strategies that I would recommend that you think about, and I'm going to leave a lot of time for Q and A today just so I can serve you as best as possible, I want to give a little bit of one man's view of the current state of the economy.

Ryan Moran [00:09:42]



I do have an economics degree. Economics is my hobby and side interest. I am, just so you know, not an investment advisor. Don't take anything that I say as investment advice. I'm some idiot that you follow on the internet, but I do follow economic news pretty closely. And my prediction is ... My assessment of it is, is not that we're at the bottom, not that we are maybe even near the bottom, but that we might have 10-20% more downside during a time when the NASDAQ composite is down about 35% ...

Ryan Moran [00:10:25]

No, more than that. It's down about 40%. Dow Jones is down about 30-35%. The S&P is down about 20%. We have ... In my opinion, we have a little bit more downside to go, but that we're at least halfway, probably more than halfway, through the stock market drop. It is my opinion that we are going to go through a housing crash-ish.

Ryan Moran [00:10:54]

Not to the likes of 2008, but that we will likely see prices go back to pre-COVID levels, that we will see a time in which we don't have a 70% pullback, even a 50% pullback like we saw in 2008, but that there's a pretty good chance that we see pre-COVID levels in real estate again, that the crazy wackiness that we saw over the last two years will be reset.

Ryan Moran [00:11:26]

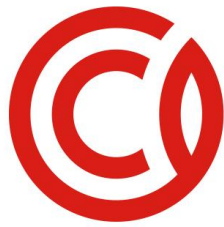
And there are ... There's really one specific reason why. We are not in any sort of ... From the economic data, we are not in any sort of a serious economic crisis, but we are in a massive asset bubble. And there is a difference between those two things. A major depression or recession is kicked off by major job, loss reductions in spending, and reductions in economic productivity, meaning output, the amount that we can create.

Ryan Moran [00:12:05]

When we have a decrease in productivity, in the availability of goods, that is when we see major recessions and depressions. We see layoffs, we see people spending less money. We don't have that. What we have is an asset bubble. We have major run-ups in the prices of Bitcoin, Ethereum, stocks, housing, apartment buildings, assets, and that is being popped by the rising interest rates and rising inflation.

Ryan Moran [00:12:40]

Those two things will ... Are pricking the asset bubble prices, which means that all the people who made gobs and gobs and gobs of money on the run-up buying Bitcoin and crypto and



stocks and real estate, they're going to be reset and a lot of them already have been reset to pre-COVID levels.

Ryan Moran [00:13:01]

And those run-ups happen because we have these low interest rates for probably too long. We overstimulated the economy, we printed a bunch of money, and now we're taking actions to correct that with higher interest rates, hopefully some government contraction, which the administration has said they're going to do. We'll see. And so, we'll have that correct, and that is already happening.

Ryan Moran [00:13:25]

We've already seen crypto come almost all the way back to pre-COVID levels. The stock market is almost all the way back to pre-COVID levels. And in my prediction, the housing market will do the same. Now, many of you may remember that before COVID, the economy was hot. It was really, really hot.

Ryan Moran [00:13:50]

It was record low unemployment. It was record stock market highs. Then we had COVID and we printed our way back into oblivion, and now we're seeing the fallout of that. We're seeing the correction of that, but production is still fairly strong. Spending is still fairly strong. Unemployment is still fairly strong.

Ryan Moran [00:14:15]

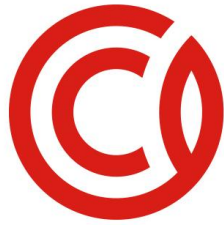
We likely will see a reduction of what ... From what it was in pre-COVID levels. We are going into recession, but in my opinion, in this man's opinion, we are not under any threat of having large scale downturns like we saw in 2008, and certainly not like the great depression.

Ryan Moran [00:14:36]

Again, I have plenty of friends who disagree with me, but I am yet to have a discussion with somebody that doesn't have obvious holes in their thinking. Now, let me pose a question to all of you to sort of kick off what is important for entrepreneurs to know. Now, I want you to tell me in the chat box, what hurts more?

Ryan Moran [00:15:02]

What hurts more? Two options. A professional boxer getting punched in the face by Mike Tyson, or a high school dork like I was getting punched by the high school bully. What hurts



more? You guys are mixed in it. Most of you now are saying the high school dork. The high school dork is hurt more than a professional boxer getting punched by Mike Tyson. It makes sense.

Ryan Moran [00:15:46]

Why would you think that? You think that because the high schooler doesn't know how to take a hit, because it would surprise him, he's never been punched before. The boxer is prepared for it. But if you look at the impact, the actual force to someone's face, a professional boxer getting punched by Mike Tyson hurts way, way, way more. Way more. Physically, anyway.

Ryan Moran [00:16:19]

Physically, getting punched by Mike Tyson, regardless of who you are, hurts a lot more than getting punched by the neighborhood bully. But psychologically, the high school dork will store that. If I were to ask you the question of which is going to cause more trauma, more emotional trauma, and ... A professional boxer getting hit by Mike Tyson or the dork, all of us would say the dork is going to have much more psychological trauma and emotional trauma because he's never been punched before, because of what he says that means about him, and because the boxer is trained to take punches.

Ryan Moran [00:17:05]

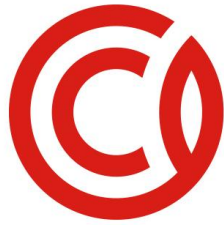
Are you all with me so far? Go like this if you are all with me, give me a yes in the comments if you're with me. Good. Thank you, James. Thank you, Alison. Okay, good. Good. Now, I tell you that because in the entrepreneurial space, we have millions of entrepreneurs over the last 10 to 12 years who have never been punched in the face.

Ryan Moran [00:17:33]

They have never gone through a dark time when the economy was really bad. Now, as an entrepreneur, we all deal with dark times. We all deal with sleepless nights. We all deal with times when we're uncertain. We all deal with times when we're not sure we're going to make it, or if we're going to make payroll, or if we're going to be profitable, or if this launch is going to go well.

Ryan Moran [00:17:52]

These are high school problems. Very few of us have gone through any real serious economic downtimes. I mean, in the macro, we've all had our own stuff. I've had my stuff too, but the economy has been very favorable to entrepreneurs. Very favorable. Again, low interest rates,



high productivity, low unemployment, consumer sentiment has been very high, and we've had a run up in asset prices ever since the 2008 crash.

Ryan Moran [00:18:25]

We've had very few significant pullbacks or even fears in terms of the economy over the last 10 to 12 years. So, what we have is a very soft community of entrepreneurs. We have a group of entrepreneurs that have never learned how to take their licks. They've never learned to take a punch and recover from it.

Ryan Moran [00:18:51]

Now, just a story from my own life. I am a pacifist, if you will. I don't like war. I don't own a gun. I don't want to be in a fight. And so, I went to a class once to get punched in the face to toughen myself up a little bit. And I was in the boxing ring and somebody punched me in the face and I sort of blocked it like this, and the guy beat the crap out of me.

Ryan Moran [00:19:17]

And the instructor pulled me aside and he was like, hey, next time you're in the ring, I want you to try something. Instead of turning away, that actually makes you a target because now your whole midsection is exposed and now you don't have a way to actively block and you have no way to attack at all, so you're just kind of a sitting target if you turn away.

Ryan Moran [00:19:41]

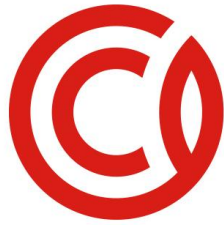
But my gut reaction when I got punched in the face for the first time was to do this. It's a natural flinch that most of us have until you train through it. And so, what he said instead was next time you get punched, I want you to turn into it. It's going to be counterintuitive, but when you're in the ring, turn into it and square up again.

Ryan Moran [00:20:05]

Now, if you are a boxer or a fighter, this is all child's play to you. This was news to me. So, I got back in the ring, I got punched in the face, and I turned into it, and pop the guy back in the face. And I remember that guy, his name was Rudy. As he described it, he goes, man, you really beat the shit out of me that round.

Ryan Moran [00:20:28]

The difference was I expected the punch, I leaned into it, and I kept punching. Entrepreneurs are going to have to learn to do the same thing right now. We're all going to ... We're all



getting punched in the face. If you have a portfolio, if you're in crypto, if you sell on Amazon, if you're in the marketplace right now, we're getting punched in the face.

Ryan Moran [00:20:53]

Most people are going to flinch and turn away and they're going to get their shit rocked. But there are a few of you on this class, a few of you on this call, that are going to say, all right, I can lean into this. And as a result of leaning into this, there's going to be fewer people in the ring.

Ryan Moran [00:21:17]

And you're going to be able to throw punches much more accurately and powerfully because you are leaning into this time. So, it's my opinion that part of the overreaction happening in our space is because entrepreneurs have never been punched in the face before. They do not have the mindset to get through a time like this.

Ryan Moran [00:21:40]

They don't have the experience to be able to navigate through something like this. So, the minute they're punched in the face, you're going to see them run for the hills. I believe that this is going to create a wide open opportunity for those of you who lean in, and because you're my people and you're in my audience, I hope to empower you to lead through this time, because it will be an amazing reset for the world of entrepreneurship.

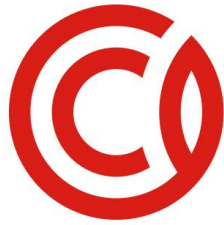
Ryan Moran [00:22:11]

It will be an amazing window of opportunity for you to strike when other people are flinching. That is the mindset that you have to go into this time with. Now, some of you may have reference points for times that you had setbacks as an entrepreneur, I have them too, in which you flinched.

Ryan Moran [00:22:35]

And when you flinched, you were given the opportunity to either quit or lean into it. And if you have the muscle to lean into it, then I am very optimistic for you. Team, I want you to know that I am extremely optimistic going into this time. I'm extremely optimistic. This is the time that the wheat separates from the chaff.

Ryan Moran [00:23:07]



This is the time when the big girls and the big boys are revealed. And you can grow into one of those. This is a very good time to do it, because if you are prepared to become a big girl or a big boy, you will win right now. The competition among entrepreneurs is going down. It's getting less.

Ryan Moran [00:23:33]

We don't have a gold rush of people pouring into the marketplace like we did four years ago. Now, you may ... Tell me if you've ever experienced this. I know I've experienced this many times. You've seen a story about the newest millionaire or billionaire that started some app, that started some software, started some website.

Ryan Moran [00:24:02]

Their timing was good, and they became a multimillionaire or a billionaire within a year and a half, and you felt kind of pissed. You were like, man, I feel like I work harder than this person. I feel like I've been trying longer than this person. I feel like I've been at it for more than this person.

Ryan Moran [00:24:23]

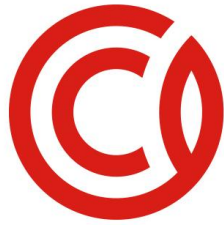
Have you ever experienced something like this? Just Kelly. All right, Tanya has. Some have. I know I've experienced this. There's this twinge of feeling jaded over the speed at which the marketplace is moving and idiots are getting rich, right? I felt that way during one of the crypto run-ups. Idiots are getting rich.

Ryan Moran [00:24:49]

Well, what we have now is a reset of that. We have a reset of that where since asset prices are falling, since that bubble is popping, all of ... Not all, but a lot of those people who got rich in the run-up are losing everything. And I'm not here to try to celebrate that as a good thing. It's obviously a very painful thing for a lot of people, but it is a reset for you to now be in a position to win.

Ryan Moran [00:25:23]

I was speaking with an investor group yesterday that invested in a brand that was doing extremely well. They were valued at \$150 million, selling food and supplements as a direct to consumer brand, raising capital at a \$150 million valuation, and they are potentially going out of business. They're considering closing operations.



Ryan Moran [00:25:52]

They can't keep up with the marketplace changes. Valued at \$150 million. We are seeing that and we're seeing a lot ... We will see a lot more of that. And there was a great post in the chat by Haley Adam, hashtag reset, not recession. That is what's happening. It's an asset reset much more than it is a depression or a recession.

Ryan Moran [00:26:20]

The prices of things falling, rather than it being blood in the streets, which means that you're now in a position to take advantage of sort of a fresh marketplace, fresher valuations, fresher expectations. So, I want to go through a couple of the opportunities that I see right now, because if ... In all recessions, in all major reductions in prices, the most speculative of things crash first.

Ryan Moran [00:26:53]

So, what was the most speculative thing that we saw crash? What was the first bubble to burst? Tell me. Two lips. Hey, actually, Jason has a good point. Peloton, work from home stocks, right? Things that were temporary. Those popped first. Then came crypto. Crypto is much riskier or more speculative than profitable businesses.

Ryan Moran [00:27:29]

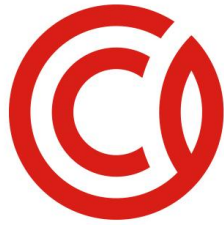
Alison put hand sanitizer. Yes. COVID related products. Masks, PPE. So, we had the most speculative things that popped first. Then there is a cascade to the more established assets. That's why I say we've seen the stock market come down, but good companies, Netflix, for example, down 70%.

Ryan Moran [00:27:54]

Netflix is a great company. Netflix is incredibly profitable. They're down 70%. Then you have things like real estate, then commercial real estate, that will all fall, but probably not as much. And so, that's kind of where we are. You see the riskiest things fall first, and then you have the less risky things fall last and not as much.

Ryan Moran [00:28:25]

My opinion is the least risky thing is a very profitable business. A very profitable business is not risky. And the one that you control, also not risky. The best investment strategy that you can have is to be protective of your profits and to take advantage of opportunities that are staring us in the face right now.



Capitalism.com
— B E T H E C H A N G E —

Ryan Moran [00:28:49]

So, let me ask you this. If prices of all things fall, like crypto and real estate and stocks, if all things fall, if prices are falling on all assets, what things in your business do you think might be going on sale that you would want to keep an eye out for? And I am not talking about investments, like putting them into the stock market. I mean, what are some things that you might look at investing within your business that might be falling in price?

Ryan Moran [00:29:28]

And by the way, I'm not factoring in inflation. I'm not talking about stuff. I'm not talking about food. I'm talking about, what investments might be going on sale? All right, Chris got it right first. Advertising. The cost of advertising is starting to decline. We're seeing this on Facebook and YouTube right now.

Ryan Moran [00:29:52]

Advertising prices are starting to fall and that is going to continue. I've never seen advertising go down as much as it did as when it went down during COVID. Advertising prices plummeted during COVID. It was a great opportunity to be aggressive when it comes to advertising your products and services.

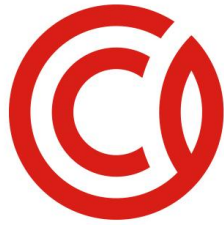
Ryan Moran [00:30:17]

If there is a time in which we see 2019 level Facebook ad prices, you might want to buy some Facebook ads. You might want to go hard on YouTube or TikTok. What else? What else might be declining in prices that would be smart for you to pay attention to? Tell me in the comments. This is stumping you. All right, I'm going to help you guys out.

Ryan Moran [00:30:53]

I'm going to help you guys out. People, human beings, and I mean in two ways. Number one, people that you hire. If we see layoffs, which we're starting to see at some big companies, we're going to have more talent in the pool. And because people don't want to go back to work at a traditional 9:00 to 5:00 job, because people don't want to go into an office anymore, we'll have more freelance opportunities with some world-class talent, which means very well-established advisors, investors, mentors may be available when they weren't available before.

Ryan Moran [00:31:38]



What this means is that you can start to think about things like, I want to go in this direction and I don't have to be the one to figure it out. I want to tackle that problem, I want to go after this goal, and there are people out there who have just been laid off from a company that's already done what I want to accomplish.

Ryan Moran [00:32:00]

I want to get in front of them. And those resources will become available. This sometimes means hiring someone for an hour of consulting. Sometimes this means putting someone on payroll, but people are becoming affordable again. And keep in mind, this is right after a time in which the employment market was insane because we were paying people to stay at home. No one could find work.

Ryan Moran [00:32:33]

That's going to reset. Restaurants are going to be able to hire at market rate again. McDonald's won't be giving out thousand dollar bonuses anymore because we're going to have people entering the workforce in order to work a job again, which means that you'll be able to be choosier about who you hire and be more intentional about where you want to go, knowing that there are people in the marketplace that can help you.

Ryan Moran [00:33:01]

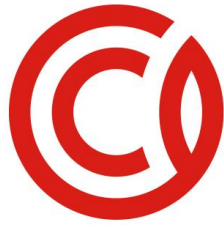
Now, there's another type of person that becomes available when prices are falling. Can anyone think about this? Think about ... We talk about advertising costs, and then there's people. There we go. Sean McCool got it. Influencers. Influencers are about to get cheaper. I have a good friend here in Texas who is a very well-known influencer, and during COVID, he got a little freaked out.

Ryan Moran [00:33:43]

People canceled advertising packages, all of a sudden he wasn't getting as much YouTube ad roll revenue anymore. And one sponsor of his content reached out and said, could we buy a bulk advertising package from you? Could we buy 25 sponsorships? And he was like, oh my goodness, thank God. Thank God.

Ryan Moran [00:34:13]

And he gave them a massive discount for booking those 25 sponsorships. You guys seeing where this is going? They got a major discount, but guess what? The reach was still high. The



audience was still there. That business exploded over the last two years because they bought up bulk advertising packages with the influencers that they already knew converted.

Ryan Moran [00:34:43]

So, they got a huge decrease in their customer acquisition costs, way more exposure. They stayed top of line ... Top of mind in all of these customers' awareness because they were advertising for longer periods of time. They launched new products because their profits were up. They took over more market share. They built a huge customer base as a result.

Ryan Moran [00:35:11]

That business crushed it during COVID because they were smart going into it, because they leaned into the punch. That is the difference, guys and girls. That is ... When you can lean into the punch, you're looking for those types of opportunities, rather than flinching and running away from them.

Ryan Moran [00:35:30]

But you have to know it going in. So, we're going to see advertising rates come down, influencer rates come down, the cost of people come down. Now, some of you are asking about, what about inflation, and importing from overseas, and all of the supply chain issues and those costs.

Ryan Moran [00:35:58]

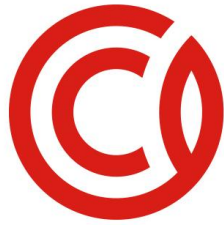
Those are starting to ease ever so slightly. They're still awful, but they're starting to ease. Now, if you remember the term transitory inflation that the Fed put out that we were going to have temporary inflation then it was going to pass, their entire thesis was based on the supply chain being solved.

Ryan Moran [00:36:19]

They said, well, when supply chain is solved, then we'll see inflation come down and we'll see things open back up. Well, it's not what happened, but their thesis was all based in the supply chain starting to ease. What they didn't factor in was all of the other factors, including a war, including gas prices go up, including the fact that we printed ourselves into financial oblivion.

Ryan Moran [00:36:47]

But the primary thing that they based their thesis on, supply chain is starting to ease ever so slightly. It may be another 6 to 12 months before that really eases and comes through, but



we're going to talk about what to do about that. The reason I bring this up with you now is because if you know it's going to ease over the next year and you know that advertising prices are going to come down and you know that people prices are going to come down and you know that influencer rates are going to come down, do you see why this is a very interesting time to be starting, growing, or scaling a business?

Ryan Moran [00:37:25]

Now, factor this in. The fact that most entrepreneurs ... The entrepreneurs that have been in the game for 5, 6, 7 years during boom times, they're getting punched in the face for the very first time. What are they doing? They're flinching, they're exiting, they're freaking out. They're selling their businesses at discounted rates.

Ryan Moran [00:37:49]

So, if you see a mass exodus from the entrepreneurship space, plus lower advertising costs, plus more abundant influencers, plus other things coming down in price, we now have a very fertile soil. We have very fertile opportunities. Give me a yay or a nay if you are seeing this, if you're starting to see, okay, I'm starting to see where there could be some opportunities looming on the horizon.

Ryan Moran [00:38:25]

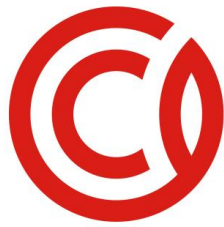
And if it's nay, tell me. I want to know if you disagree. We can debate this all day long. I love to debate. All right, good. Most of you are seeing this. But none of this matters if you're not aware and expecting it, because despite the fact that there will be this opportunity, despite the fact that we will see an opening for entrepreneurs to go in and strike, the media is going to have a heyday.

Ryan Moran [00:39:03]

Especially when the real estate prices start to reset, you're going to see the media go nuts, and you're going to hear a lots of bad news, and you're going to see lots of your peers run for the hills. And people will tell you, yeah, bad time to start a business. Wouldn't want to be a new entrepreneur right now. You're going to hear a whack ton of that.

Ryan Moran [00:39:31]

So, yeah. And Amanda says it well in the comments. She said they create the doomsday rolling. It becomes self-fulfilling. People hear it, they fear it, they create it. They hear it, they create it. That's what's going to happen. So, you have to be guarded of this. And my job through all of



this is to be the voice of optimism and reason for all of you to be reminded of the fact that there is indeed opportunity, and we are right in the middle of this opening for entrepreneurs to go in and strike.

Ryan Moran [00:40:05]

But you have to know it and you have to be willing to strike, because if you believe all of the stuff that's being beamed at you, you will flinch. You will hesitate at the very time that it is opportune for you to lean in and strike. Because there are so many businesses and opportunities that get started in recessions, because that's when the opportunity is right.

Ryan Moran [00:40:35]

My acquaintance, Trevor Blake, says recessions are the best time to reinvent yourself because that's when things are cheaper, because there's actually more opportunity there. When was the appropriate time to buy Bitcoin? At 64,000, or 3000? At 3000. But there wasn't all of this excitement around Bitcoin when it was at 3000.

Ryan Moran [00:41:02]

When was the best time to buy into the S&P 500, when it was at 200 during the crash, or when it was at 480 a few months ago? At 200, but there wasn't all this excitement, there wasn't all this promo, there wasn't all this joy, there wasn't all this optimism fueling up the run-up, so you have to be leaning in to throw the punch.

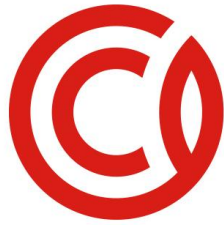
Ryan Moran [00:41:28]

And so, if you are ready for the punch, you lean into it and you strike. If you are waiting for the media and your peers and the economy to recover before you strike, then you're flinching, then you're getting it at the top. Now, one more thing that is coming down in price, which is going to be scary unless you're leaning in, is the price of businesses.

Ryan Moran [00:42:03]

The price of businesses. If you are getting ready to exit your business, that sucks. That stinks. You might go from a \$15 million exit to a \$10 million exit, unless of course you're doing the things that we talk about in this class of aggressively pursuing advertising and taking advantage of the opportunities that are right in front of you.

Ryan Moran [00:42:31]



Capitalism.com
— B E T H E C H A N G E —

But if you're a business owner or you're a new entrepreneur, that means that partnerships and acquisitions and collaborations are on sale. Let me say that again for the kids in the back. Partnerships, collaborations, and acquisitions are on sale. What do I mean by this? I mean that the competitor with a list that they don't mail very often, and their lists of buyers, they are much more open to letting you send a postcard to their mailing list.

Ryan Moran [00:43:19]

They are much more likely to take the call and say, hey, why don't we swap inserts in each other's packaging? Or they are much more likely to take the call and you say, listen, I would totally be interested in acquiring your company on an earn-out basis. An earn-out basis. Earn-out basis means I will pay you the amount that is owed out of the profits of the company over time.

Ryan Moran [00:43:49]

Partnerships, collaborations, and acquisitions are on sale. So, if you think about it this way, there's a competitor in your space with a list of 100,000 buyers. 100,000 buyers. You can't buy that kind of media. It would cost hundreds of thousands of dollars to advertise on Facebook to get 100,000 buyers.

Ryan Moran [00:44:17]

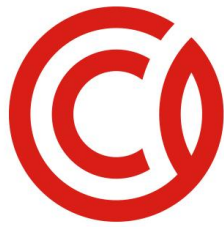
Or you could propose a collaboration with that competitor and say, hey, we're launching this line of products. I'm interested in giving you equity or royalty or an advertising fee for you to promote this product. I'm going to get this off the ground. I think it'd be a great strategic acquisition for you because one of the things that we could do is, once this brand is off the ground, we can put inserts in our packaging to advertise your most expensive products because we're advertising to the same type of person.

Ryan Moran [00:44:48]

So, if you want to create some sort of a collaboration with us and promote our launch, we'll create a two year exclusive with you to put inserts for your products and our packaging. Whew, interesting. We've now opened up a collaboration with somebody who has 100,000 buyers for our demographic for free that puts us right in front of our ideal people.

Ryan Moran [00:45:22]

Are you guys ... Do you guys get this? Hello? Is your pulse up? Is your pulse up right now? Those collaborations are decreasing in price because business valuations are falling. Why is



valuation impacting the openness to people's collaboration? Because there are a ton of businesses right now, a ton of them, that were growing their businesses with the intent of selling them, so they were not focused on profit margin.

Ryan Moran [00:45:58]

They were focused on top line acquisition, so they were pouring money into acquisition, ignoring profit margin because they were racing towards an exit because interest rates are low, there's aggregators in the space, because everybody's buying companies. Well, when that starts to lessen, you have to be much more conscious about profit margin, which means you are now looking for different collaborations and partnerships that can drive up profit margin so that you stay in business.

Ryan Moran [00:46:24]

So, if you come into this time being the one creating the opportunities, you are now looking for collaborations and partnerships that put your products and your business on the map at a time in which advertising rates are falling, when people are scared and they are exiting the marketplace, there's less competition, influencers are now plentiful, and we have partnerships that have become cheaper because they're scared.

Ryan Moran [00:46:49]

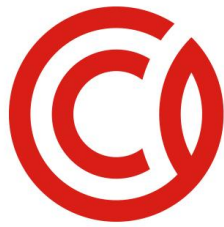
Now we have a window of opportunity, but only if you lean into the punch, only if you're in a position to expect the blow and be ready to punch back. When you know that, your brain can start to look, all right, who are the people that I can partner with right now? And all of a sudden that business that you want to start, all of a sudden that product that you want to launch, all of a sudden that influencer that you want to connect with, don't seem so out of reach because there aren't 1000 people trying to get their attention all the damn time.

Ryan Moran [00:47:27]

Now, what does throwing a punch look like? We're talking a little bit philosophically. What does it actually look like to throw a punch? Here's an example. There are 50 of you on this call right now ... There's way more than 50 on the call, but there's 50 of you that have been sitting here thinking about starting a business or launching that product for way too fucking long.

Ryan Moran [00:47:54]

You have been thinking about it, you've been doodling on it, and you've had these excuses. I don't have enough money, I don't have enough time, I don't know the right people, I'm not



sure it's a good time to do it, and what if my idea fails? Some combination of those thoughts have been going on in your mind.

Ryan Moran [00:48:16]

When it's a recession, all of those excuses can be punted out the window. I don't have enough money. Well, guess what? It's now less money to start a business because advertising rates are less, there's less competition, and because there are partnerships all over the place that you can contact and work with.

Ryan Moran [00:48:38]

So, instead of reserving a bunch of money for your business, create a few partnerships for fucking free and pre-launch the product. Oh, I guess I could do that. You'll have to develop a prototype. It'll cost you a thousand dollars. If you can't scrape up a thousand dollars, you need to go drive for Uber and you should not be an entrepreneur.

Ryan Moran [00:49:04]

If you're not willing to scrape together what it costs to get this thing off the ... You should not be an entrepreneur. And by the way, there are a lot of people who are not entrepreneurs that are about to be flushed away from the marketplace. I intend to win during this time. And I hope that you intend to win during this time, too.

Ryan Moran [00:49:24]

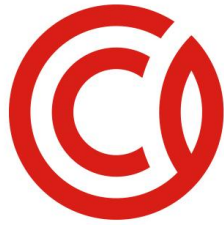
Now, I will submit to you, and I've talked to other entrepreneurs about this, there is something in our personality. We win when our backs are against the wall and when cards are stacked against us. I actually do better during downtimes than I do during boom times. And this is ... This may be a personality flaw for me, but I think a few of you will relate to this.

Ryan Moran [00:49:49]

Here's why I do better during dark times. I stop comparing myself, because when things are booming, I'm thinking about aw, that nincompoop just made a billion ass dollars. And when things ... And when Bitcoin goes from 3000 to 60,000, I'm not thinking about my million dollar business, I'm thinking about, man, should I buy Bitcoin?

Ryan Moran [00:50:17]

Should I take all of my profits and put it into Bitcoin? I don't want to miss out. But you know what happens when things aren't so good? You fucking focus. You're not so distracted by every



goddamn shiny object in the world. You focus on what's in front of you, which is launching the damn product and getting it off the ground and getting it to 100 sales a day.

Ryan Moran [00:50:48]

So, leaning into the punch, striking right now, looks like, all right, I don't have any other distractions anymore, so I'm going to start this thing and I know that I can create the partnerships that I need in order to win. Some of you are waiting for an investor before you feel that confidence, but I'm here to tell you that the options with investors open up when you have that confidence.

Ryan Moran [00:51:20]

Now, what develops confidence faster, studying boxing, or getting punched in the fucking face? Getting punched. Just getting punched. Getting into the ring and getting punched will make you more confident than studying how to box. This is why there are a lot of entrepreneurs who know a lot about entrepreneurship and have never taken a damn sale.

Ryan Moran [00:52:02]

So, they become consultants and advisors and agency owners. They never launch the thing. So, I am here to remind you that we're entering a window of opportunity in which costs are coming down, competition is coming down, people are running scared, and we're entering a time in which we are less distracted by all of the crazy this is going up, and this is going up, and this opportunity.

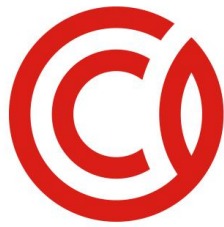
Ryan Moran [00:52:38]

And if you decide now that you're going to win, you will win. Now, here are a couple of strategic things that I would suggest that you work into your overall plan during this time. Number one, during recessions, there is less competition among luxury brands, high priced products.

Ryan Moran [00:53:17]

During recessions, the middle to low tier businesses will often lower their prices to compete. And you see this crunching of profit margin in the middle and low tier brands. They're so desperate for customers that they are just trying to lower prices to get rid of inventory, to try and compete, to try and stay on par with everybody else.

Ryan Moran [00:53:49]



And so, the counterintuitive thing to do is to launch a premium brand because now of course you just ... You stand out, which by the way, if you do the things that we talk about in The One Percent, like building an audience, creating partnerships, you will have the ability to control your own traffic and send them to the high price products.

Ryan Moran [00:54:17]

And this helps offset things like inflation costs, cost of shipping, which are killing brand owners right now. So, you get this wide open period in which there's nobody really starting luxury brands, and everybody else is running for the bottom, and you come out, you're like, I get all the attention.

Ryan Moran [00:54:38]

And now, I've got more margin to create opportunities with this partnership or this influencer and all this stuff. It's a really good opportunity to start premium brands, top of market brands. You won't have the same volume as everybody else, but you'll have the profit margins and you'll stand out.

Ryan Moran [00:54:58]

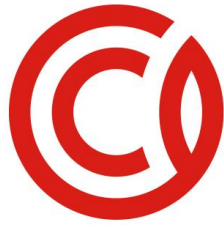
It's easier to create brand during this time, and you'll have the margin to be able to do it well. Now, this is going to sound opposite, but the other thing that I would encourage you to do, or at least consider, is to work in one or two very low price products purely as customer acquisition, purely for getting quantity of people.

Ryan Moran [00:55:30]

So, if you come in with a product that is ... You're selling at cost, and everybody else is trying to eke out a little profit margin, you actually beat them at their own game. So, you sop up all the attention just to acquire customers, and then you follow up with those customers for your higher price products with inserts and packaging, with email sequences, with retargeting campaigns.

Ryan Moran [00:56:03]

So, we have the low price products that are there just to get volume. And everybody else is trying to profit off those, and they're looking at you going, how does this guy or girl make any money? And you're sitting there like, I don't. I make all my money in the customer acquisition so I can promote my high price products.



Ryan Moran [00:56:22]

That is what I would invite you to consider going into this time. Now, there are three things in terms of overall strategy that are important for you to keep in mind going into economic hard times. Number one is aggressive customer acquisition. Once again, prices of advertising are falling. Influencers are becoming cheaper. Collaborations are more plentiful.

Ryan Moran [00:57:00]

This is the time to be really aggressive in customer acquisition. All of you wish that you could go back in time and run Facebook ads in 2014, all of you. Well, if prices fall at their current rates, we may not go back to 2014, but we might go back to 2018 or 2019. It was a land grab to advertise.

Ryan Moran [00:57:32]

This is also true with audience building. Advertise to build your audience right now because it's cheaper and those are your best customers. Number two, a focus on customer intimacy. I am hanging out with all of you with no other agenda than to build customer intimacy.

Ryan Moran [00:58:06]

I recently set the intention of building a \$100 million net worth in the next seven years. I know I need to partner with 10 people with wonderful companies and serve as an advisor, investor, mentor and take equity in their company and help them build a ridiculous exit. Need about 10 people, right?

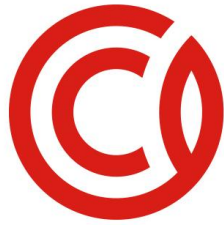
Ryan Moran [00:58:31]

There might be those 10 people on this call right now. So, my job is to build customer intimacy with my followers to find those 10 people, because guess what? Those people are going to pay me a lot of money when we exit together. When we exit together, instead of selling them a \$100,000 mastermind, which I might do ...

Ryan Moran [00:58:57]

But instead of selling them that, I may sell them on giving me 30% of their company so when we sell for \$30 million, I make \$10. It's a better funnel. It's a more profitable funnel. So, I need to focus on customer intimacy. I'm launching an NFT, and I hate to call it an NFT because NFT just makes it best for the customer.

Ryan Moran [00:59:23]



Capitalism.com
— B E T H E C H A N G E —

I'm launching an investor network and an entrepreneur community called The Capitalist Pigs, and The Capitalist Pigs, this is going to be my VIP group, where I'm going to open up ... We're going to do meet-ups, and I'm going to bring investor flow to them. I'm going to bring in opportunities for investing in companies that I'm advising, and I'll give ... I'll be looking in this group for people to have on the podcast.

Ryan Moran [00:59:45]

I'm building it as my community to be very intimate with. There, I'm going to be very close with these people. I'm treating this like it's my community, like it's my church. I'm building a community. I'm building intimacy with those customers. I'm looking at my Incubator right now like, which of these people has the best shot at having a \$50 million exit so that I can be part of this?

Ryan Moran [01:00:13]

I have two people I need to text after this call because I'm like, I just ... I really think you got a shot. Customer intimacy, community intimacy. You are a community first, and then. Because having that raving fan base will take you through economic recessions, depressions.

Ryan Moran [01:00:35]

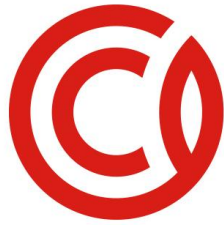
However bad the economy gets, if you have a community, you're good, which requires that you give more than you take, by the way, which requires that you are all in on your people. So, acquisition, intimacy. And third, in your marketing, honesty and empathy. Honesty. Honesty means showing, hey, this advertising campaign didn't work out. Hey everybody, just so you know, we're kind of struggling as a business.

Ryan Moran [01:01:14]

Hey everybody, this product was not up to pat, was not up to snuff, and we've got to do better at this. Hey guys, my last podcast sucked. Hey guys, I realize I've been kind of a douchebag lately in my content. That kind of honesty. And empathy, because most of the world is about to go through a hard time.

Ryan Moran [01:01:42]

And there is going to be a whole hell of a lot of people slinging mud across at this group and that group in that group, but empathy for your community, of knowing they're going through a hard time and doing what you can as a company to continue to serve and support them, builds the raving ass fans that carry you through the hard times and into the next boom cycle.



Capitalism.com
— B E T H E C H A N G E —

Ryan Moran [01:02:07]

We are going through a reset, not a major recession. A reset being asset price compression. Stocks, crypto, real estate, all coming down. But productivity, spending, prices are all still healthy, or maybe too hot when it comes to inflation. So, all that to say, we're having an asset bubble burst, but we're not going to go through a depression.

Ryan Moran [01:02:37]

A lot of those are overblown and I can debate it with anybody you would like me to debate it with. The way you will get through this time is just like the boxer in the ring. If you get punched in the face, which most entrepreneurs have not been punched in the face before, you flinch.

Ryan Moran [01:02:52]

But if you lean back into it, you're in a position to strike. And that's the mindset you need to be looking for because there are opportunities opening up. Those opportunities include lower costs of advertising, lower costs of partnerships, more influencers who are looking to make some money to get through this hard time, because guess what?

Ryan Moran [01:03:09]

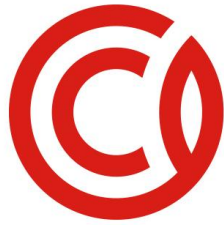
They make all their money from sponsorships and now they don't know what the fuck to do because the economy is melting in their eyes. Investing in people, advisors, connections, employees. One of the other opportunities is premium priced goods, and your strategy is aggressive acquisition, deep customer intimacy, and honesty and empathy.

Ryan Moran [01:03:39]

Thanks everybody for hanging out with me. This was really fun. You want to work together with me closely, the Incubator is open. If you just want to hang out in the content, that's fine too, but it was really fun to hang out with you guys for the last hour and change. Great to see you. Thanks for being here.

Ryan Moran [01:03:52]

If you've read my book, listen to the podcast, or watch any of my YouTube videos and you're asking yourself, where the heck do I start? Where do I begin my journey to my million dollar business? We got you today. My team and I just completed a new kickstart class called 5 Days, 7 Figures.



Capitalism.com
— BE THE CHANGE —

Ryan Moran [01:04:12]

This is the best on-ramp class for any of you who are ready to begin your seven figure journey. In this five day class, you're going to choose your ideal market, what products to launch, come up with a plan to get each one of them to 25 sales a day, and you'll know at the end of the class exactly what your business is going to be, how you're going to get it to a million, and exactly what your next steps are to get it off the ground.

Ryan Moran [01:04:40]

It's a five day class, it costs \$100 bucks, and when you're done, a member of my team will get on the phone with you and review your homework directly with you. When you're ready to start, go take the challenge at Capitalism.com/5. That's the number five. 5 Days, 7 Figures. Capitalism.com/5.