

How I Raised My Net Worth By \$4M In One Phone Call Transcript

Ryan Moran [00:00:04]

So, my partner turns to me and goes, Ryan, that conversation just made us \$4 million. Go make more of those types of relationships. I recently did a keynote at an event where I talked about the three types of money. I did a whole video on the three types of money, but here's a quick synopsis. The three types of money are cash flow, we all know what that is. That's your profit. It's the money you can spend.

Ryan Moran [00:00:26]

The second is wealth. Wealth is your long term net worth that is growing from things that you don't have to work in. Your stock portfolio, your real estate holdings, all the things that you've invested your money in for the long term. If you do those two things, you come out way ahead of almost everyone. Most entrepreneurs are obsessed with cash flow, and if you're a good entrepreneur, you take that cash flow and you invest it for the long term.

Ryan Moran [00:00:51]

But the third type of money is enterprise value. Enterprise value is the paper value of your business if you were to sell it. It is the price that someone else would be willing to pay for your entire business. Now, this is not spendable money, this is only real if your business is sold. Here's the braingasm of it all. Most entrepreneurs focus on those three types of money in that order.

Ryan Moran [00:01:17]

Once I make enough cash flow, then I will invest, and then I'll build the business that I really want. But the faster that you can reverse the order and think about building a business with enterprise value, you will make the most money, and then you'll never have to worry about cash flow ever again. In this video, I'm going to share a story with you about how we raised our enterprise value by several million dollars with one relationship.

Ryan Moran [00:01:40]

And the best part is, it only takes a few relationships to completely change your financial future and to raise your enterprise value to seven, eight, or even nine figures. When we talk about what someone is worth, when we say someone is worth \$100 million or a billion dollars, we are usually calculating what that person would have if they sold everything. The game is raising your net worth, and the best way to do that is by focusing on building enterprise value.



Ryan Moran [00:02:09]

And the fastest way to change your enterprise value is building high quality relationships, getting plugged into the right network, meeting someone rather than learning something. So, let's break down how I raised my enterprise value by \$4 million by making one relationship. I recently bought a company. It was actually a company that I started and sold back in 2017. I bought it back from a private equity group for pennies on the dollar, and we just raised capital in order to fund the business and to complete the acquisition.

Ryan Moran [00:02:39]

We're currently in the process of relaunching the product line, recasting a vision, redesigning it, all the foundational basic stuff that needs to happen at the beginning of a business. But a big part of my focus for this company, making this company successful again, is partnering with audiences that can get the word out when we have new products for sale. If we're in front of hundreds of thousands or millions of people that we didn't have to pay for, we didn't have to advertise to, we can just distribute it out through our influencers, then we can get a product to hundreds of sales per day without any ad spend.

Ryan Moran [00:03:16]

So, instead of focusing on how we're going to rank on Amazon or what Facebook ads we're going to run, or what our pay per click strategy is going to be, I put our focus on what audiences we could partner with from the get go, because then we would have the cash flow to be able to pay for all of that other stuff. So, I've been working my network and I have been contacting people that we might like to work with in order to spread the word about our new products in this business.

Ryan Moran [00:03:43]

And we recently had a phone call with one influencer with over a million followers in the exact space that we are trying to target. This person looks the part, this person loves our message, and this person would be excited to bring our products to his audience. And the best part, he knows other influencers and is connected to other audiences that would also like to be a part of this. Here's what I can do with that relationship alone.

Ryan Moran [00:04:12]

I can put that person onto a pitch deck, and then I can go out to investors and say, our plan is this vision partnered with this person and these other audiences, and as a result, we have a very clear plan to getting to \$20 million a year in revenue. That one relationship can take our valuation from \$4 million to \$8 million. That's \$4 million in enterprise value from one



relationship. Now, of course, somebody needs to buy shares in the company in order to make that real.

Ryan Moran [00:04:50]

But that is a very easy sales pitch now that we've made the one key relationship that we needed in order to create a predictable plan to having a high seven or even an eight figure business. As you are building your business, your temptation will be to study exactly what and how other people got to where they are. And the real how you need to focus on is how you will meet the people that can take you to where you want to go.

Ryan Moran [00:05:22]

You don't have to know the ins and outs of everything or anything in your business, but you need to know and be partnered with the people that do. And it's not just influencers. My life changed when I met a business partner who completely complemented my skill set and allowed me to do what I do best, and we built an eight figure company in four years because I did what I did best, he does what he did best. And if it wasn't for both of us, the company would have never happened.

Ryan Moran [00:05:56]

He would be working a job somewhere, and I would have a crazy idea that never got implemented. It took both of us. I teach something called the owner's model to our students inside the Incubator, and the owner's model is a way of building a business so that you're in the owner's seat, not operating every little thing in the business. It works like this. Your job as an owner is to cast the overall vision of a company, recruit the best people to execute that vision, and to make sure that the company has enough money and resources in order to build out that vision.

Ryan Moran [00:06:31]

Here's how you do that by using the owner's model. As an owner, you need relationships with a few kinds of people. One, you need someone in charge of product. That person's full time focus is that the business is selling the best products in the industry. For most Amazon entrepreneurs, you are that person. You're the one who is creating the product. The second relationship you need is someone in charge of sales channels.

Ryan Moran [00:06:57]

This is the person whose job it is to ensure that the product is taking sales on whatever platform you are. The third partnership is with audience. This is your distribution and your awareness. Most entrepreneurs thinking about creating content to build an audience, I say, just



go partner with the audiences that are already there, and then you're golden. If you have those three partners, product, sales channel, and audience, then you are the owner of the business rather than the operator of all the little details of the business.

Ryan Moran [00:07:31]

And if you have those partnerships in place, it is very easy to go raise capital to make sure that the business is funded. Those are the relationships that you need in order to ensure a business is going to have a seven or an eight figure exit. And it puts you in the owner's seat to where you get to focus on the things that you enjoy. Now, I know what you're thinking. You're saying, yeah, but Ryan, you know all these great people, and you've been in the business for 15 years, and you're so handsome and you're white privilege and you have a beautiful beard.

Ryan Moran [00:07:59]

Well, I have good news for you. You could go to masterminds and conferences and hire consultants in order to meet people, all of which are great ideas, by the way. But the fastest way to build relationships is to have a compelling vision of what it is that you are creating. When you are excited about what you're creating, and not just how much money you're making, which is also important, but when you are focused on the vision that you're creating and how this will impact your community and what this will do in the world, that is what is most compelling to bring in high quality relationships.

Ryan Moran [00:08:40]

Compelling visions attract talent. Compelling visions attract loyalty. Compelling visions attract capital. And they attract the types of people that you need in order to make it a reality. So, yes, go to masterminds, come to our event called the Capitalism Conference, get plugged into online communities, do all of that stuff. But it will be of less value to you until you have a very compelling vision that attracts the type of people that naturally want to be a part of what it is that you're building.

Ryan Moran [00:09:14]

The fastest way to build your net worth is to build enterprise value, and that means creating as big of a pie as possible, which comes from having a big vision and attracting the type of talent that feel compelled to be a part of that vision. Then it's easy to raise capital and to build a business that you can sell. My name is Ryan Daniel Moran. I run Capitalism.com, and most people think that capitalism is about me beating you.

Ryan Moran [00:09:42]



I believe capitalism is about us working together to build something bigger than we can do on ourselves, and that's why relationships are the fastest way to build enterprise value and to build your net worth. Thanks for watching. Let me know what you thought in the comments, and I'll see you next time.

Ryan Moran [00:09:57]

If you found value in this podcast and you're ready to go deeper, here are three resources where we can help you. One, you can grab my book, 12 Months to \$1 Million on Audible or Amazon. It has over a thousand reviews, and it's the playbook to building a seven figure business. Second, you can join our community of entrepreneurs who are following a plan to build a 1% net worth by building businesses and investing the profits.

Ryan Moran [00:10:22]

You can get plugged in at Capitalism.com/1. And third, if you're looking to go deeper and build a seven figure business that you can sell, you can work closely with us inside the Capitalism Incubator, and you can get on the waiting list and find out what we do over at Capitalism.com/inc. That's Capitalism.com/inc.