



My 3 Steps To Scale The Company I Sold And Reacquired To \$10 Million, Again

Transcript

Ryan Moran [00:00:03]

In 2017, I sold a company called Sheer Strength Labs at a valuation of \$15 million. I sold it to a private equity group out of Dallas that ran it into the ground. So, in 2022, about four or five months ago, I bought it back for pennies on the dollar. And I mean pennies on the dollar. I bought it for under a million dollars.

Ryan Moran [00:00:25]

And my plan is turn it around and make it another eight figure exit. I'm going to share with you what the plan is, what we've done since the takeover, and how we plan to take this back to an eight figure company. So, let's break down exactly where things went wrong after I sold the company, and then I'm going to go through what we've done and what our plan is to turn this thing back around into an eight figure exit.

Ryan Moran [00:00:48]

I sold the company in 2017. I sold it to a private equity group that bought the business using debt. They used other people's money to finance the acquisition of the company. So, what that did is it put about a million dollars in new expense on the business. Then, they hired an expensive CEO who had no experience in this space. They hired a CFO. They hired a sales manager. They hired a project manager. They built up this bloated team, ran up expenses, and then the company suffered.

Ryan Moran [00:01:18]

Who would have thought? As soon as the sales took a little bit of a dip, they could no longer meet their interest payments and they declared bankruptcy a few years ago. I then bought the business back because it's my baby. But here's the thing. The company today is nothing like the company that I sold. It doesn't have the same product line. It doesn't have the same audience. It doesn't even have the same branding or marketing.

Ryan Moran [00:01:41]

So, I'm taking this thing from a clean slate, from a blank slate, from zero essentially, back to hopefully what it was and beyond. And in order to do that, I've got to go back to fundamentals. People have asked me in person and on social media, how is Sheer Strength



going? And to be honest with you, I cringe at that question because it feels like nothing has happened.

Ryan Moran [00:02:02]

It feels like no work has gotten done. It feels like there's been no progress. But that's not true. A lot has happened behind the scenes. For example, I raised \$750,000 to buy the company back. I brought in an influencer with a really big following. We are redoing the product line. We're completely redoing the customer cycle. We're completely redoing everything in the business, and a lot of really hard foundational work has happened. That's what I'm going to share with you in this video.

Ryan Moran [00:02:31]

But it starts with the fundamentals. The fundamental thesis of how I build eight figure brands goes to three areas that need to be dialed in in the business. They are product, audience, and sales channel. Now, if you only have one of these, or if you only have two of these, then you're going to struggle. It's really when you bring all three of these together that you have the possibility of having a really successful business that you can sell for eight figures.

Ryan Moran [00:03:01]

So, I'm going to break down what we did in each three of these categories, what progress we've made, and what decisions we made so that you can model them in your business. Whether it is something that you are starting or it's something that you're hoping to grow past a million for the first time, the decisions and the strategies that I will share with you in this video will help you get there.

Ryan Moran [00:03:19]

Now, in these three areas of product, audience, and sales channels, which one of these do you think is most important? I'll tell you that most people, most new entrepreneurs, will start with product. They'll start with the question, what do I sell? And in my opinion, that is the wrong question to answer. The first question that needs to be answered in any business is, who's the audience? Who is the person that I am selling to?

Ryan Moran [00:03:45]

Now in our business, in Sheer Strength Labs, when we started the business, this was in 2013, the audience was hard gainers. It was young guys who wanted to add muscle, because guess who that was? It was this guy right here. I still kind of want to be that guy. I've made some progress. But now I'm not really that interested in participating in bodybuilding shows anymore. Now, I want to be a fit dad.



Ryan Moran [00:04:10]

I want to be a fit grandpa one day. I want to be 50 and do 100 push ups. I want to be 60 and have a six pack. That's who I want to be. I want to age well. I want to look like Mark Sisson. Maybe Dwayne Johnson, but I'll settle for Mark Sisson. And since that is who I am, since I am the leader of the company, we're no longer serving the bodybuilding crowd.

Ryan Moran [00:04:33]

So, that requires a different strategy, it requires a different marketing approach than if we were targeting hard gainers, if we were targeting bodybuilders. So, if we look at the first question of who are we targeting, it's men, it's fathers, it's leaders, leaders of families who have two possible destinations in their life. They could age like grandpa, or they could age like the leader of the tribe.

Ryan Moran [00:05:04]

If you're a man, you have faced this dilemma somewhere in your life, especially if you are a father, and it's realizing that sometime in your life, you're going to get old. And when you're old, you can either be the fit guy in the tribe, or you can be the one that is dependent on the tribe. And if you're a leader of a family, if you are an alpha, if you are growth minded, you're thinking about aging well.

Ryan Moran [00:05:33]

This is who we target, and therefore, that is the product that we will develop. If you follow my work, you might have heard me talk about the hero's journey as a way of coming up with products to sell to your person. When you are selling products to somebody, when you are serving that person on their customer lifecycle, they're going through a journey. They're the hero of that journey.

Ryan Moran [00:05:59]

And your job as the brand is to come up with products that you can sell to that person on their journey. Now, where this is different than what most people do and teach is they start with the product and then they say, okay, how do I sell as much of that product as possible? For example, when we bought the company in 2022, when I bought it back from the private equity group, they were selling all kinds of random products and they were selling them on Amazon.

Ryan Moran [00:06:25]

They had lots of products, they were selling on Amazon, and they were the same products as everybody else. There's nothing wrong with that, but there was no clear audience to serve. It's



really hard to stand out in competitive markets if you don't have a core customer that you're going to serve. But if you have a very tight group of people that you're marketing to, you can sell them whatever you want as long as it helps them on their hero's journey.

Ryan Moran [00:06:51]

You can fill in the product with whatever you want it to be, as long as it's in service to them on their hero's journey. So, the first step for us, as the new slash old owners of the business was to fill in these two pieces, the audience and the product. The audience we've defined as a clear person. Now, what do we do?

Ryan Moran [00:07:14]

Once we have the person that we're going to target, we're going to look at this and say, okay, where does this person hang out and how do we get in front of them? So, for us, I made a list of the people in my network that would represent this audience very, very well, and I came up with two people that could serve as advisors on product line and marketing.

Ryan Moran [00:07:35]

So, both of them are doctors. The first doctor is my personal MD, and he is really well known in the biohacking world, in the podcasting world. He'll be a great endorser and a great spokesperson for some of our products. And so, we carved out a little bit of the business to reward him for the work that he will contribute to the business, which will be looking at the product line and giving his endorsement and his feedback, basically being an advisor.

Ryan Moran [00:08:04]

And the second person that we narrowed in on was another doctor with 1.3 million Instagram followers. And why would we partner with him? Why would we bring him in on this side? Because now we have distribution, now we have free awareness, now we have an audience that we can launch products to, as long as he's excited about them.

Ryan Moran [00:08:27]

So, we've met with him a couple of times, talked to him about the vision of the company, and we're in the process right now of getting that lealed up. And as soon as it's official, I can share with you who these individuals are. As of right now, we're still in the legal process of giving them a few shares in the company so that they're on board.

Ryan Moran [00:08:46]

And now we can work together on formulations and marketing and all that good stuff. Now, I'm going to share with you how we're partnering with these doctors in order to get in front of lots



and lots of people who want to buy our product. I'll cover that when we get to this third part of building an eight figure business, which is about sales channels.

Ryan Moran [00:09:04]

So, when we know who the audience is, that's step one, we know who we're going to target and who we need to partner with in order to get in front of them. The second step is to go back and say, okay, who does this person ... What does this person want to buy? And again, if you look at what the old owners were selling, they're selling random products on Amazon that they thought they could rank for keywords and get sales.

Ryan Moran [00:09:28]

And the company was doing \$50 to \$75 thousand a month in sales, but no profit, no margin, no raving fans. Why? Because they're selling the exact same product as everybody else, and they're just trying to get in front of sales channels. So, we had to change that. We had to go back and say, okay, what are the four products that this person wants to buy when they're on that journey?

Ryan Moran [00:09:52]

That journey of, I've got two visions of my life. I can be fit dad, or I can be decrepit dad. In fact, the tagline that we're working with for Sheer Strength is From Dad Bod to Father Figure. Why? Because the world needs more strong men to lead families, because the world has ignored the family leader.

Ryan Moran [00:10:12]

We don't have tribal leaders anymore, so we get into cults and conspiracies and anywhere where someone is certain about anything. So, our mission is to reignite a million dads, a million fathers, to lead their families to go from dad bod to father figure. How? By igniting their mind, their brains, their bodies. I haven't come up with that tagline yet. That's still a work in progress.

Ryan Moran [00:10:39]

But we came up with four products that would serve that person on their journey. It's a nitric oxide booster, there's a testosterone booster, we have a fat burner, and an anti-aging supplement. Those are our core four products that we will be developing. So, we have four products here.

Ryan Moran [00:10:57]

And now, this is important to note. We've got four products nailed down, and they all serve the same customer on the same journey. You could go out and buy any of those products from a



different brand, but they will be marketed differently, they will be to different audiences, and they won't be tailored to the audience that we are serving. So, you can go out and just eat beets to boost your nitric oxide, or you can take L-arginine.

Ryan Moran [00:11:28]

So, we developed our nitric oxide booster to be food-based, to be very potent for specific effects, because it's not made for the bodybuilder, it's not made for the young guy, it's made for the family leader. And so, it's going to work differently and show up in your life differently than other products would. Even though it's packaged the same as a nitric oxide booster, it will work differently for our core audience.

Ryan Moran [00:11:58]

That is what is important to know for you. If you're selling coffee or journals or energy drinks like the Jocko GO I've got right here ... They sent this to me. Thanks, Jocko. If you're selling any product that can be done a thousand different ways, the way you'll differentiate your product is by who it's marketed for. Since I brought up this brand right here, this Jocko energy drink, Jocko has an audience of specific people.

Ryan Moran [00:12:29]

And because his audience of specific people, this is flavored a specific way, it is formulated a specific way, it's branded a specific way. This is not feminine branding. This is masculine branding. Why? 90% of the people who follow Jocko Willink are men, and they're go-getters, so the marketing matches that person. It's not product first, it's audience first.

Ryan Moran [00:12:56]

Then you layer in the four products that you're going to sell to that person. All right, so I've given you now how we chose our person, what we did after that, we went and partnered with some influencers and some people who would give us credibility, then we went back and we started working on the product line. We reformulated three or four of the products, and we've got two of them, two or three still in development.

Ryan Moran [00:13:19]

That required going to several different manufacturers, seeing who could help us, who was willing to work with us as a new slash small-ish company, and who would be flexible with us and communicate really well with us. We burned through two manufacturers before we chose one that we actually liked, and we placed an order with them a month ago.

Ryan Moran [00:13:41]



So, it took three months for us to have the product line nailed down, and for us to have a manufacturer who could work with us. That stuff takes time. I tell our students that sometimes it feels like nothing is happening for six months, and then things start happening, and the same is true here. Feels like nothing is happening, except we have an influencer with over a million followers, we reformulated four products, we dialed in our manufacturing, we rebranded, we redid our design, we came up with our tagline.

Ryan Moran [00:14:12]

Okay, so, some fundamental things are indeed happening. Since we have an audience now and we have a way to launch to them because we have an influencer on board, now that we've got product being ready to be made, now we move on to sales channels. That is the third and final piece of this. Where most people start is with product and with sales channels.

Ryan Moran [00:14:33]

I got something, I want to sell something. This is all your Amazon sellers. What that will give you, focusing on product and sales channels, it will give you revenue. It will give you revenue. You can get to \$100K a month with no profit and with no fans if you just focus on product and sales channels. You could also just have a product and launch it to an audience.

Ryan Moran [00:14:58]

There's lots of influencers out there who just sell t-shirts and they make a profit, but they don't have any consistent sales. That's why they need the sales channel piece of this trifecta. And of course, there are audience members who just sell random things on sales channels, like through Shopify, and they get fans, but they don't have consistent revenue or profit. When you tie in all three of these together, that's where you get the bullseye. So, let's tie in this third piece, the sales channel part of how we are revamping Sheer Strength labs.

Ryan Moran [00:15:36]

Now, I built Sheer Strength alongside my partner Matthew from 2013 to 2017 using mostly Amazon. About 60% to 70% of our sales were on Amazon, then maybe 25% to 30% came from retail stores and then the rest was on our Shopify store. We might do the opposite order for Sheer Strength this time. Here is why.

Ryan Moran [00:16:01]

We could just sell our products straight on a sales channel like Amazon and that's great. We'll start there, we'll launch our products on Amazon and we'll get these four products to 25 sales a day at high price points, so that we've got a \$1 to \$2 million a year business. We can do that by launching to our audience, getting good reviews, having good follow up processes, having



strong branding. We'll have high profit margins because we'll be a premium priced product, which gives us more money to spend on advertising so that we can get that top line to \$1.5 to \$2 million, and hopefully profitably.

Ryan Moran [00:16:38]

So, we'll launch on Amazon, we'll get some consistent revenue coming in, but here's where the real magic happens. Since we have a clear audience, since we have a clear product stack with one clear goal, what we'll do is we will aim to put people on auto-ship at between \$120 and \$200 a month. Now, if you were the perfect avatar for who we're going after, and our product line was the exact thing that you needed, would you replace the supplements that you're taking with hours as a monthly stack?

Ryan Moran [00:17:19]

Some people will. And my goal is to get 10,000 people on auto-ship at \$120 to \$200 a month. You want to run those numbers real quick? Those numbers equal ... On the high end, that would be \$2 million a month, or about \$25 million a year. Now, that requires we have very strong sales processes. That means strong landing pages, strong opt-ins, strong upsell sequences.

Ryan Moran [00:17:53]

And so, the question now becomes, okay, how? How do we align all of these pieces together? How do we take the audience that we're partnering with and the audience we're targeting, combine it with our product suite, and attract them with a sales channel that we know is going to work? And in order to do that, in order to get the volume that you need, you've got to have something on the front end to be able to attract them and be able to get as many customers as possible.

Ryan Moran [00:18:20]

So, what we are doing is we're writing a book, and we're writing a book with our ... With these doctors, so it will be branded with authority. We'll sell this book through a book funnel. It'll probably be a \$7 book. This \$7 book will be called From Dad Bod to Father Figure, Engineering the New American Alpha or something like that. I just made that up on the spot.

Ryan Moran [00:18:46]

And it's going to be a book about hormone optimization, about sleep optimization, about brain optimization, and we'll have upsells in order to pay for our traffic. The whole goal of this is to break even. All we want to do is attract customers. We just want to be able to acquire 10 to



50 thousand customers, and if we can acquire a customer at \$25 and our funnel makes \$25, then we break even on customer acquisition.

Ryan Moran [00:19:17]

Then what we'll do is we will put them into a follow up sequence for this. This is our sales channel. We'll put them into the continuity program. That's the business. That's the \$25 million business, just like that. And we have all these other assets that we can use, like the audiences we're partnering with, like the exposure on Amazon, where we can put inserts in packaging and offer upsells on our website, gather email addresses and follow up with them to put them into, what? The core business, which is the continuity program.

Ryan Moran [00:19:52]

In order to command the price points that we want, in order to brand ourselves in front of the people that we want to serve, we'll have to look like a premium brand. Now, if you're watching this and you're saying, all right, well, must be nice for you, Ryan. You know, all these important influencers, you've done this business before, but I'm just getting started. What do I do? Well, let me tell you, I did not know the doctor with over a million followers when I bought the business back.

Ryan Moran [00:20:22]

I didn't know him. I built that relationship. How do you build relationships? Just like you would build a friendship. Outreach, giving, going for the easiest yes possible. Also, I've never had a book funnel for an ecommerce business. I have written a book, sold 150,000 copies. I've never had a profitable book funnel. I'm trying right now in my business, but I've never had it.

Ryan Moran [00:20:48]

We're going to have to figure this out. I'm going to have to find relationships with people who do this stuff, and I'm starting to make them. I'm going out to agencies. I'm going out to marketers who do this stuff because there are people out there who specialize in each one of these areas. I had to completely relearn the product formulation process. My partner, Matthew, did all the product formulations last time I ran Sheer Strength.

Ryan Moran [00:21:12]

Matt didn't come with me this time, so I've had to learn this process. There's been a lot of getting dirt under my fingernails in order to put together the pieces for all three of these. But as they're coming together, and this process might take two or three years to complete, but as they're coming together, now it's becoming more and more possible. And now that I can



simplify the business into a funnel that is really everything aligns behind our continuity program, now I've got a clear path to getting to eight figures again.

Ryan Moran [00:21:42]

Now, of course, we've got to execute on all this, and it's going to take work, it's going to take time, and it's going to take capital. You've got to have a little bit of a cushion to be able to go this aggressively. But that's how we decided to run the business. And I don't own 100% of it because I raised capital for it, because I'm giving away shares of the company to people that I want to work with, I have partners in this. I'm doing this in a bigger way than I ran the ... Than I ran it before.

Ryan Moran [00:22:10]

But this is the model that I am following. Amazon is a piece of the business, but not all of the business. I have one core influencer, but will still be running traffic to a book funnel that makes everybody look good because it'll be branded well, it'll be a great book, and it will get people ready to try our supplements. And our product line needs to be perfectly formulated for our core audience in order to win them back over and over and over again.

Ryan Moran [00:22:40]

So, that's where we are in the process. It's been about four months since we took over. There's been a lot of cleanup behind the scenes, but now we've got a plan, we've got a product line, we've got some relationships, and we're almost at that six month point where we have everything sort of signed off and we can get to work. And it's going to be work, but I'm really looking forward to it.

Ryan Moran [00:23:03]

I hope you get some ideas about how you can make your business bigger, better, cleaner, simpler, because it just takes these three things. It just takes product, audience, and sales channels. And when you marry them together, that's when you're in a position to have an eight figure exit and build a really valuable brand. I'm Ryan Daniel Moran with Capitalism.com. Thanks for watching. See you next time.

Ryan Moran [00:23:26]

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 1000 reviews, and it's the playbook to building a seven figure business.

Ryan Moran [00:23:41]



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