

THE FOUNDATION

Starting from Nothing – The Foundation Podcast

Guest Name Interview – Dan Corkill

Introduction: Welcome to Starting from Nothing – The Foundation Podcast, the place where incredible entrepreneurs show you how they built their businesses entirely from scratch before they knew what the heck they were doing.

Dane: Hey everyone, welcome to another edition of Starting from Nothing, the official Foundation Podcast. I am your hopeful host Dane Maxwell. I have a few very special guests with me today.

The first I'd like to introduce is my next door neighbor, and also fellow entrepreneur. He is the reason why I'm in San Diego, which is actually the city of Cardiff, just north of it. He's also been a big inspiration in my life. And he also wanted to sit at 9:40PM on a Wednesday to help me interview another entrepreneur, if that says anything about his entrepreneurial DNA. I just wanted to welcome Micha to the call. Micha, welcome.

Micha: Thank you, Dane. Stoked to be here.

Dane: You're welcome.

Micha, do you mind just saying before we get into interviewing our guest, I want people to understand our tag-team duo here. Do you mind just introducing yourself for just a few moments and letting people know who you are so they understand the Dane-Micha duo and who we'll be interviewing today.

Micha: Yeah, sure.

Yeah, my name is Micha. I'm a serial entrepreneur. I'm on my eighth startup right now. I'm really focused on creating companies that are really pushing the evolution of humanity, and just products that really help lead people up to transform the world. Loving being part of The Foundation. I gave a hugging workshop at the live event and it was one of the highlights of my year last year. I'm excited to be on this call with you, guys.

Dane: Thank you. As Micha and I are about to interview Dan who I'll interview in a second. You see his cute face. Dan, are you from New Zealand or Australia?

Dan: Australia, man.

Dane: That's a cute Australian face you see here. As you heard from Micha, he gave a hugging workshop at The Foundation Live Event. Yes, had a hug which was

quite a trip. He's also started eight companies, all of which are – or not all of which, but at this point in his life now, he's really focused on creating companies that impact.

Whether he started eight startups or not, I really don't care. I really just love Micha's heart. If you think about how you are the average of the people you surround yourself with, I just feel lucky enough that I get to surround myself in a community of friends with folks like Micha.

With that being said, I'd like to introduce the first ever Foundation millionaire that came through our program during the Software Roundtable and the class of 88 students. He's very thoughtful, very pragmatic, very systematic, and very strategic in all of his decisions. I think we have a lot to learn from him.

He joined The Foundation with a product that wasn't selling, and pivoted to a new niche, and pivoted to a completely new product, and since then has grown to nearly 100k a month in revenue. A competitor in his space has recently sold for \$5 million dollars, and that competitor has fewer customers and fewer features which safely values him at around that mark.

In addition to that, he's just a really cool dude and I can't wait to just get his perspective and let everyone else do the same. Also, having Micha here on the front with me asking questions at the same time.

I'd like to introduce one of the first students in The Foundation and a friend of mine, Dan Corkill. Dan, welcome to this podcast.

Dan: Hey Dane, Hey Micha. Cool to hang out with you guys.

Dane: It's amazing to be here.

Dan, do you mind, before we get into our first few questions, can you just tell us a little bit about you, your background, and where you came from before you joined the Software Roundtable aka Foundation?

Dan: Yeah, sure.

I obviously grew up in Australia, went to high school, went to university, did a business degree there. That was pretty much worthless in terms of learning business. After that, I sort of worked in finance for a year, or it was about two years I think, and then I realized I really hated that and I did not want to do it one day longer. I sort of could see people that have been doing it for 30 or 40 years and just like, man, that's a sucky life. I just wanted out.

I started looking at what else is out there. Sort of like learning a little bit about web design and how people would buy websites for five grand. I'm like, wow, this looks kind of better than working for someone else. I got out of that game and just started looking for these entrepreneurial things.

Nothing was really major sort of happened until we sort of did team up with a friend. We wanted to start a software business. We sort of struggled through that. We didn't really know what we were doing. We had no customers at all, like we didn't even have one customer. Yeah, that's kind of how we went into The Foundation like that.

Dane: I hear sirens in the background. Where in the world are you right now?

Dan: San Francisco. Right near Market Street. There's probably some crazy action going on down there.

Dane: What I heard most that I resonated with, and just chime in whenever you have a question, Micha. What I heard most is that you followed societal norms: Went to college. Then during college you started to have this experience of what?

Dan: Yeah, during the university, I was doing what most people doing – just having a good time really. I wasn't really taking life too seriously. When I got out of that – out of university and into the real workforce, I realize life's pretty boring just working for someone else. Especially if it's at a job where you really don't have any interest, you don't have a lot of input into the business, and you're just kind of doing the same thing over and over again. Yeah, it's just not exciting basically. You're spending most of your week at work. You just kind of realize at some stage, yeah, it's not worth it. That was sort of that transition.

Did that answer the question?

Dane: I think so. You're at college, and you're having fun doing your thing as most college kids would, and then you realize that there is a lot more than this. Is that right?

Dan: Yeah. I sort of ... I think I realize that more once I started working really, you know, after I finished studying and got into the workforce. I was like, "Alright, this is it. This could be like I'm saying. Some people this is their 30-year career. Yeah, that was when I started looking for more options basically.

Dane: When you realized that you might be stuck there for 30 years or more, that's when you were like, "I don't want to be here for that much time."

Dan: Yeah.

Dane: Did you have an experience like that, Micha?

Micha: No. I started my first business before I was a teenager so that's – I never experienced anything else.

Dane: Micha's the lucky guy. He's the guy that we can all be jealous of. I had an internship as well and I saw people that's 30 years ahead of me who didn't seem that happy. That was your first little snap wake up call.

Dan: Yeah, absolutely. It's like you kind of realize you're heading down this path and it's like you're just not going anywhere that exciting. Yeah, that was the first one.

Actually around that time as well, my brother had a near-death motor bike accident. That also was sort of like a snap like, "Man, I don't want to spend my whole life doing things I'm not really excited about." Life's precious. We only got one as far as we know.

Dane: Just tracking this. You're going to college, you're in college, you're having fun, you're starting to start to work, you see people 30 years ahead of you, and you're like "This does not look like where I want to be in 30 years." Then, your brother's having this near-death accident and you're like, "No way, this is my life. I have to do something else."

Dan: Yeah. To clarify - this is after I finished studying; after sort of finished having fun and working at that time as well and doing all different jobs and stuff. Just after I finished studying and it was like this is 50 to 60 hours a week in an office, in a cubicle, basically, working for someone else. You're making more money than you ever have before because I was just a student or whatever. And you're like, "Oh, this is cool for a little bit." After a while it's very repetitive. That's when I'm just like is this all there is? I haven't done that before. I hadn't worked for a corporation, so it was kind of a new experience.

That's what I was trying to get out of it and trying to learn as much as I could. But then, after a while, you're just like, "Well, I can't learn anything else here. I can't do anything else here really." Unless, yeah, you do want to pursue this 30-year plan, like become a manager sort of thing, climb that corporate ladder. That is just completely unappealing to me and, yeah, probably most to entrepreneurs.

Dane: What I'd like to do is I'd like to put Micha on the spot for a little bit because he knows nothing about you, Dan, and I'd like for him to just ask questions from the stand point that he's completely clueless who you are, like most of the people listening are as well. Give your first question, Micha.

Micha: Dan, I'd like to know what idea you came into The Foundation with, what inspired you to join The Foundation, and then a little bit about the story behind the pivot.

Dan: Yeah, sure. Those are three questions. Alright, let's roll.

We sort of – basically a friend who I'd worked with before came to me and said, "Let's look at starting a software business." He's a developer and yes, the idea was more CRM, sort of like Highrise, something like that from

37Signals. We sort of just thought there's a little room in the market for something that's a bit more advanced than Highrise but a lot less confusing than Infusionsoft for the average small business person. That was kind of the original thing.

We never really got very far with it because there was just no reason for people to buy it. We didn't – it wasn't heavily developed. As an example, there was no search in the system, so you couldn't search for someone to find them. It was just kind of us experimenting a bit as well, just understanding how we could build an app and stuff like that. Yeah, we really realize like after – that was probably six months on and off working on it. We didn't know what the hell we were doing and we needed to find a niche. We kind of knew that because we were reading some of the startup stuff.

I got introduced to Dane like most people in that initial class. I used to watch interviews on Mixergy all the time, Dane was on there and he's like – I don't remember the title of your interview or whatever, but it was basically laying out how to start a software business, just bam, bam, bam. Like here's all the stuff I did to start Paperless Pipeline. That immediately resonated with us because we're like this is the exact information we need. It's just the perfect time.

Dane launched the course of that. He was kind enough to offer it and teach us all. It sort of went from there and we're just like, this just makes so much sense. Yes. Once we got into it, Dane was – I guess for the people listening like familiar with the idea extraction concept, Dane?

Dane: Oh yeah, absolutely.

Dan: The first stage of The Foundation is sort of getting into idea extraction, finding out what people need. It's definitely something before where I was always with businesses and stuff. It's like I'll just come up with this great idea and then try and sell it to people. Whereas it doesn't really work out that great when you do it that way.

Idea extraction is the exact opposite, you just really talking to a lot of business owners, listening what their problems are, and then coming up with a solution for them. It's just very natural that they want to buy that solution to their problems. It's easy once you do that process correctly.

I think one day, Dane, just like, "Oh, just try real estate" or whatever because Dane was in the real estate niche. I just started talking to real estate agents, real estate brokers, and we found out there's really sort of this big problem they have.

I remember really specifically the guy who first told me about it, his name was Marty. I've been talking to him a couple of times. This is probably the third time I talked to him. He's like, "Dan, my biggest problem is I'm getting all these leads from all these websites, I'm paying thousands of dollars a

month for them, and what I do is I just sit there all day. When I get a lead, I forward it out to an agent.” He just literally hits forward on the email, and he just sends it out to one of his agents. He’s like, “Then I don’t know what happens after that. So I don’t know if they called them or if anything happened.” He’s just wasting all of his money, basically. He’s like not many of these come back as deals.

That sounds pretty painful. He’s telling me he’s in bed at night sort of doing this, forwarding these emails out. You’re just like, “Oh man, this is a pain in your ass basically.”

Yeah, just from there, like that conversation, it really kicked off the idea. I’m just like, “Well, man, that can be automated essentially. You can just get a software to do that for you. You can have it understand what’s in that email, send it out to an agent, and that also makes it a lot faster for the customer to get a response because it’s not waiting on this extra person to forward it out.” There’s a ton of benefits, then it’s in a system so you can see they followed up and they’re accountable. We do things like send out emails if the agent doesn’t get in contact with them, that kind of stuff. There’s a lot you can do once you start automating that. Yes, that’s kind of how we got the idea.

From there I kind of – I want to really confirm it so I just kept talking to more people. I remember finding someone on the forum and just being like, “Man, can I give you a call?” because he was talking about the same problem. This is an online real estate forum. He’s like, “Yeah, sure, man. Just give us a call.”

I gave him a call and he was telling me how he had this exact same problem as well, and that he was paying \$500 a month for software which he hated and he didn’t use to solve that problem. I’m just like, holy! My total expenses at that time were like \$500 a month or something. I’m like this guy would surely pay that same and out for software he does like and he does use and solves the problem. From there just asking him what are you lacking and that kind of stuff. That’s how we really got onto that idea.

What’s really amazing about that idea extraction process is we’ve got competitors which are public companies. They’ve been in the market 20 years and they didn’t come up with this idea. They’ve got 1,000 employees. And so that’s just the amazing thing about going through this really systematic process and really deeply listening to people. You can come up with ideas – you just kick your competitor’s asses because you understand what people need better.

Like Dane was saying at the start of this interview, one of the other startups got acquired for \$5 million. That was by one of these big companies that could never generate this idea themselves. That’s just the power of it.

Dane: Just kind of recapping what you said. You joined The Foundation, you joined with this idea, and it was a CRM which is a Customer Relationship Management application. CRM is basically a database of all of your contacts and important things you need to track about them. You wanted a CRM that was more functional than Highrise, which was built by 37Signals, but less complicated than Infusionsoft, is that right?

Dan: Yup. That was our initial idea. Yeah.

Dane: You didn't actually have a niche market picked, you just went on there and you just tried to build a product.

Dan: Yes.

Dane: Like every other entrepreneur in the world.

Dan: Yes. We built a billing system as well but we had no one to bill. Hilarious.

Dane: It is hilarious. But it's only hilarious to us, it's not hilarious to the people who build it and don't have anyone to bill. To them, it's very, very depressing.

Micha: I've been one of those people, by the way. I spent a lot of money and spent a lot of time building things that the world wasn't ready for, and that people didn't want. If I knew Dane 15 years ago, I probably would've made tens of millions of dollars more in my career. It was all worth it because maybe we wouldn't have met.

Dane: It's quite an endorsement, too.

What I liked about what Micha said is he said I built products that the world wasn't ready for. What did you mean by that?

Micha: I historically built products that was ahead of its time. I built one of the first online Yellow Pages when we had 14.4 modems and nobody would spend the time waiting for a page to load to see what business they should go to. It was way easier to actually use the Yellow Pages back then.

I created an online social network in '99 for stock traders to help them optimize their trading strategies and all these things before Facebook even popularized social networks. I've consistently been doing things that was just a little too early for, you could say.

Dane: Dan, do you have any questions for Micha? Not to put you on the spot but ...

Dan: Yeah. I'd just be interested to hear what are some of your other products and what kind of stuff you're working on. Because you said stuff that has a positive impact on the world. I'm just interested what kind of products that is.

Micha: I built a software application now called Intently that connects people to their goals, visions, and intentions in life. How it basically works is you create an online vision board, you create personal affirmations that connects you to your goals and your intentions. Our software eliminates all the ads you see while you browse the internet, and it replaces those ads with your specific intentions, goals, and affirmations to connect you to your highest and best version of who you are.

Dan: That's pretty badass. It's like ad blocker plus motivation goals.

Micha: Basically.

Dan: It's vision board. Yeah, it's awesome.

Micha: It plants seeds of intention in your awareness that will trigger when you're in a situation where you need them, and it actually will impact your decisions, and actions, and behaviors to be more closely aligned with your goals.

Dan: That's awesome.

Dane: Micha's creating Yellow Pages when there's 14.4 baud modems. He's creating Facebook features before Facebook exists. Dan, before we get back to you, is that frustrating to see it worked now or how is that experience for you?

Micha: No. It's actually gratifying to see other people actually succeeded it. It wasn't that frustrating. I was like, "Yes," I was onto something. It was gratifying to see it actually happen.

Dane: That's cool. You've heard that he joined the CRM, he wanted to make it more featured than Highrise, less complicated than Infusionsoft, had no customers. Built a product, no customers which is –

Micha: Just want to acknowledge you because part of the journey of entrepreneurship where I find is the biggest leaps happen is when you're willing to take the leap for yourself. When you recognize there's more information or context that you need to take things to the next level.

Dan, you just totally talked and spoke into how – you were on this track and you saw this opportunity to connect with Dane, and work with The Foundation, and how it just shifted everything for you. I know I've had moments in my career where I took a leap of faith and I did some program or read some book, or really invested at something that created that shift. I think, for the entrepreneurs listening, it's really important to recognize when you need that extra support.

Dan: Yeah. You just need help basically and that's ... it could be more information. But also in the other cool part about doing it, or doing The Foundation is there's a community around you as well which give you some extra motivation because it can be lonely doing it by yourself, you can struggle a

lot. When we have that group of 88 people going through it all, it's like a little bit as well of competition. It's like, "Oh crap, I don't want to be left behind with not making any progress or things." It's really good to have that community and just be able to ask questions with anyone, see how everyone else is doing things. Yeah, you need to get connected to people.

That was definitely a weakness of mine is before this, before The Foundation and before connecting out with a partner and stuff, I'd been trying to do a lot of entrepreneurial things by myself. Just websites for people and stuff like that. I wasn't really hooked into a good network of smarter people basically. People who've done it before just could make life a lot easier.

I think it's getting better and better all the time because now there's just more and more content online, there's more and more blogs, there's more interviews like this. There's just so much stuff out there now. But you still need to get connected to people as oppose to just consuming the info.

Dane: Yeah, absolutely. It's really hard to do things on your own.

I really liked how Micha spoke into the vulnerability, maybe vulnerability but more humility of just surrendering what you don't know to apply. When you built that product and you had no paying customers, what was the feeling you had that propels you to seek the guidance?

Dan: I don't know. We weren't really distraught or anything. We were just looking at it as a learning opportunity because we didn't know what we're doing and we knew that. I think the feeling was more of we just want to do this. That's what I felt. I felt like I want to do this, I want to get customers, I want to build a software business, and to do that I need help basically. That's sort of what – Like I need to learn new stuff that I don't know because I've never done it before so, of course, I don't know. Yeah, it was just kind of a little bit of distance, I guess. Just really like, yeah, I want to do this, not like – For me, it was never that much of maybe I will, maybe I won't. We just wanted to sort of move ahead.

Dane: Got it. You've got this idea you joined The Foundation with, no customers. I mentioned, "Hey, just try real estate," you start to pivot. You talked to this guy Marty. He mentions this idea about forwarding leads to agents while he's in bed. You start talking to other people. This guy's like, "Hey, I've got a \$500 per month product I'm paying for that I hate that does this." You start validating more and more and you're like, "Oh wow, this is really starting to happen.

Before we dive into our next question on where you went from there, I just want to pause and zoom up to the high level. Where are you at now? What are your rough revenue figures per month, and how big is your team right now?

Dan: We don't really give out publicly the info but we are doing six figures a month. We've got basically eight full time people working on the business. In addition to that, we have a couple of full-time contractors like [unclear 00:26:17] developer, that kind of thing. All up there's probably 11 or 12 people involved. That's sort of the stage.

I guess it's sort of about two and a half years from when we got that first customer now, after we've done The Foundation, and about three and a half years for the journey as a whole. Yeah, that's where we're at.

In our niche, we're definitely one of the top solutions. There's still not a lot of really good competition in the real estate niche. A lot of them are sort of these really big companies. Yeah, they've just got old products. That's where we're at. We're really just at this stage trying to scale things up, get it out to more people who need it.

Almost all of our customers just come to us through referrals from other real estate agents and teams that have used it. Lately, we've got some good press on some of the best real estate news websites and stuff like that, so that's been really great. From that perspective, it's all going well.

These SaaS businesses, they can really take a while to get rolling. It's very slow in the beginning. The first customer we got, he was our only customer for three months. We had this little bit – if you look at our bank statements, there's this little bit of revenue coming in like \$130 a month or something and ... that's just for three months. I think we got one more and then probably the next month after that we got ten or something.

It's very slow. It's not – I don't know. It's not just you're going to suddenly be hitting all these giant goals right away. Once you get it rolling, you can really start growing really fast.

Dane: I really appreciate you saying that. I think a lot of people will resonate with that.

I appreciate why you're not really specific about numbers. You have a pretty big ballpark to the point of, okay, six figures a month, a team of anywhere between eight and 11. Just so people understand what they're listening to in terms of the results that they could possibly expect for themselves.

With that being said, I'd like to pass the questions back over to Micha to fill in the gaps between how do you go from [unclear 00:28:46] pivot to real estate, can you get this idea. How do you get to the 100k – or not the 100k, the six figures a month?

Micha: You mentioned you had that first customer. What –

Dan: Yeah, sorry, we did have our first customer. I was just going to say as a side note, that Marty guy, he never actually bought the product because it just

wasn't ready at that stage and he need to think. Actually six months ago he gave me a call and he's like, "Dan, I'm ready to sign up." He's all signed up and happy now.

Micha: That's great.

What did your journey look like in terms of scaling from one customer to your first ten or 20 customers. How did you start getting some traction on the customer development side?

Dan: We did a lot of stuff on Facebook. Real estate agents are on Facebook a lot. There's some groups who call literally things like what should I spend my money on for real estate. These groups have 10,000, 15,000 members and stuff like this. I spent a bit of time on there just answering questions, building relationships.

As an example, people would just ask some questions like "What do I use for transaction management?" I'd be like, "You could check out Paperless Pipeline." "What do I do for this?" I'd just be like, "Just go check out this other service," or whatever. It had nothing to do even with CRM, or leads, or anything but by doing that, people get to know who you are. People click on your Facebook name, and they go and see what you do. Yeah, I did a lot of that in the early days. It was really good for meeting a lot of people.

It's kind of funny. Someone was talking about Facebook ads and how you can really ramp up all your marketing through Facebook ads as lots of people are. I would say our business is built almost entirely on Facebook but we've never paid for anything really. It's not paid ads, it's people referring us because we're building relationships with them. Through that as well, we got to meet tons of people who are influencers in the real estate niche. Yeah, they also helped spread the word.

A lot of these guys are out there speaking to a thousand real estate agents or more at a time, and they'll say go check out Follow Up Boss. It's sort of more powerful than anything that we could've done.

That's how we really got a lot of those first jolly customers with just Facebook, building relationships, just really slow. Nothing tricky like super duper landing pages with pop ups and stuff like that. It was just messaging people and just looking for people with that kind of problem as well. Getting referrals off those people that did try our service.

Dane: How many customers is six figures or more a month? How many customers do you need for that kind of revenue?

Dan: With us it's around about a thousand customers now.

Dane: And you've got a majority of those thousand customers through Facebook.

Dan: Through word of mouth which really includes Facebook, conferences; just telling people about us on the phone, that kind of stuff. Word of mouth. We don't do any paid advertising right now.

Micha: What I'm hearing is you focused on creating a great product and that product is what sold itself. The customers that use it told their friends, or speaking about it at conferences. That's where you've seen most of your successes, from actually just creating a really good product.

Dan: Yeah. I would say creating a product which they really needed. They benefit from referring it because they're just helping other people solve their problems. Also, giving really good customer service, I think. I did all the customer service in the early days. I knew everyone, they knew who I was, they knew if they had a problem I'd look after them. I would do things like –

We didn't have drip campaigns for example in our system. When a [unclear 00:33:06] comes in, if you can't reach them, it's kind of good to send them a couple of automatic follow-up emails. What I do for people is I'd be like just sign up for MailChimp, it'll cost you \$10 a month and I'll settle this up for you. I just go ahead and do that.

It's kind of just doing that little bit extra for people. That's the kind of stuff they're not getting from any of our competitors. Their average experience with a real estate software vendor is so low, I can't even put– I have to go below the floor. They're actually expecting to be treated badly.

We're not just treating them average, we're actually treating them really good. It makes a difference. That combination of product and customer service. When people say, "Oh, you're lucky you got all that word of mouth and stuff," that's what I would say made the differences. Not even really the product but all that customer service and just looking after people, basically.

Dane: Yeah. As Micha was asking that question, I remember you sharing a few Facebook threads that you participated in. Had I been in that Facebook thread, I would've been buying Follow Up Boss. I was like, "Oh, damn. The way that he just said that thing makes me trust Dan so much more."

You kind of just let out the secret for how I made my early fortune which is providing really, really good support to real estate. In fact, Paperless Pipeline today exists because I provided really good customer support on another product. I was supporting another product and the guy's like, "Man, your customer support's really good. Can you build me this?" What this was was Paperless Pipeline.

Dan: Tell us a bit more about that. What was the other product? Were you doing all the customer support? Is that the same thing?

Dane: Yes, and yes. It was agentcarecenter.com. This guy calls me up he's like, "Hey Dane, I saw your email that you used to market to me. The email was

brilliant,” because that’s what I’m brilliant at. I think I’m brilliant. My stats also support that. It’s more than pinning, right? This broker’s like – I’m just really conscious. I didn’t want to brag that I’m brilliant but that the results that I got were brilliant.

This guy was like, “Hey, I got your email and I really want to buy your product.” I was like, “Well, I don’t think you should buy it.” He’s like, “Why don’t you think I should buy it?” I was like, “Well, because you say you already have a product that does the same thing.” He’s like, “Well, my product doesn’t do da-da-da, and your product does.” It wasn’t because my product did more features, he just liked how mine did it better. It wasn’t a more sophisticated product.

He bought it, and then he wanted another feature that was not built. He wanted a feature where he could have all of his real estate agents which were 150 to 200 agents be notified via email of some update that another agent wanted to post. It’s basically like a Craigslist. Agent goes to site, post a thing, and then a staff can go on and click a button. If the staff clicks that button, it notifies all the other agents.

I had no idea how – I don’t know software. I do but I know the business of software, but I don’t know how to code it so I didn’t know ... That sounds like a complicated feature to me. I was like, well, I don’t know. I think that will probably take a month to build.

Then I went to my developer on Friday, I was like, ‘Hey, you really need to build this feature by Monday.’ He worked the weekend. On Monday I contacted that broker and I was like, “Hey, by the way, we have that feature done.” I told him a month, it took the weekend. He signed up, he was wowed.

Five days after he signed up, I called him personally to ask how he was doing with the product. I said, “Hey, how are you doing? How are you liking the product? He’s like, “Dude, I like the product, but more importantly I love your service. Can you build me this?” I was like what is this? He said, “Well, I have this problem, I’ve been looking for software for three years, none of it does this. I need it to do this, this, and this.” That’s how Paperless Pipeline was born. It was good customer support.

In this case, your thousand customers what you’re saying is it came from good customer support. You said you would set up MailChimp personally for people, can you talk about other really, really specific ways that you made customer support really, really good? Like you can paint a clear picture for those of us listening?

Dan: Yeah, that was a really clear picture that you just painted. I felt that. That’s the kind of support people aren’t getting anywhere else, really. Everyone can do that, and it’s an advantage you’ll have over any corporation, over any

giant customer service, call center, or whatever where you actually care what they think of how they're going. I'm trying to think.

We do all the standard stuff now. We try and call every single person that signs up straight away. We try to check in with them. It's something where it's become more of a challenge now because we've got so many customers. It's something we actually struggling a little bit with is how do I keep it really good, but scale it to other people in doing it so that we can do it for thousands of people, not just the first hundred. The first hundred, I think you should be doing it all yourself, you should be that one on the phone with them, calling them.

Dane: Hey Dan, actually what I'm thinking about as I'm listening to this is what about the guy that – What if you joined The Foundation with no product at all. Do you think you would've still been as successful?

Dan: Yeah, absolutely. I don't think it was really an advantage that much that we had. We just really had the barebones of a CRM.

Dane: Let me interrupt you for a second.

Dan: Sure.

Dane: What I'm thinking if I'm a starting entrepreneur, I'm thinking, "Well, hey, that's great Dan. You already had a product, you already had a developer. Of course it's easier for you to be successful." What do you say to that? How do you think about – how would you navigate that kind of a question?

Dan: You can always come up. This is one thing personally that I used to always think. It's like all these people in business that have really good connections. In certain business circles and certain deals, they're just done based on connections. It can often times be done with who you went to school with. "Shit, I didn't even go to school with anyone doing these business deals, so how do I get into this?"

That's a personal thing that I used to always think. "Oh man, all these other people have all these connections that I didn't have." I don't know. About having a product, we didn't have any customers, we had no chance of selling that product. We didn't know how to sell it. Having some software built which has no customers, I don't think that's an advantage.

I do think having a partner, having someone who's got your back and is a good developer, that's definitely an advantage. You want to have that. If you don't have that right now, you've just got to get that basically. You just need to find reliable developers, good developers if you want to build software.

Dane: How did you find that partner? How did you find the developer?

Dan: We actually worked together previously. We worked –

Dane: Pause. How did you meet him before you worked together previously?

Dan: We worked together at a company we were both working at. I visited a little bit of tangent but I'll make it real quick.

Once I got out the finance world, I got into web design. I thought you just sell someone like a WordPress website, put a theme on it. Everyone needs a website, and you sell that for 5k. I thought it'd be really easy. I didn't know anything about marketing or sales, so that really failed hard after a while. I went to work for another company. We just did seminars and stuff in Australia. I got to learn a ton of marketing stuff and web stuff as well there. That's where I met him. We got to know each other a little bit through that. That was that.

Dane: Cool. You met him at a company you were working with at the time.

Dan: Yeah. Exactly.

Dane: That can happen. Carl Mattiola, ClinicMetrics founder, that's how he found his thing.

I want to shift back to Micha because he's been sitting here so quietly. I'm hoping he can ask you a really difficult question, but maybe he won't, but I'm curious.

Micha, Dan he has this real estate product. It's a CRM initially, now it helps real estate agents with leads. He's at six figures per month, and he's got it mostly through referrals. He has a partner as a developer. He provides really good customer support so it's shared word of mouth. All this being in the spectrum, if you're someone from the outside seeing it for the first time, what else would you want to ask?

Micha: I'm always curious when I talk to entrepreneurs what's – especially starting your first company, there's so many breakthroughs and personal triumphs that happen, and so many laws we have to break through. I often coach entrepreneurs saying the number one thing is finding how you get out of your own way. What's something you've learned or breakthrough you've had where you just had to get out of your own way to enable your own success?

Dan: That's a really good question.

Starting The Foundation and before I was taking this really relevant action to getting customers and working at what people want, I think I was trying to be too clever about everything to come up with all these [unclear 00:43:54] things and ideas.

Micha: Relax, because we've been there.

Dan: You can probably relate to drawing this big freaking mastermind on a whiteboard, right, then you're just like ... yeah, this is it. You sit there by yourself and you're not talking to actual businesses. I think that's one way I've got out of my own way is I stopped trying to be so smart and just listen to other people that have done it and, yeah, take some relevant action.

I think more like a breakthrough of the stage I'm at now that I'm still working through is like how do I stop being this person that's trying to do all the customer support, or trying to be the person that drives all the product forward. How do I stop being the person that does that stuff and move more towards how can I manage other people and empower them to be really good at their jobs instead of falling into any traps, not managing them enough, or managing them too much, or whatever.

One thing I don't think we mentioned is our team is completely remotely. This is actually another really interesting thing about us is we were not in the US to build this business. All our customers are in this US, and maybe 5% of them in Canada, but we weren't here so it's all built remotely. And I've lived in a couple of different countries when we've done this.

That's another thing where it's like there's probably a ton of people in the US that's you're saying, Dane, "Oh, you have this, you have that." But we weren't even in the country. That's a pretty big disadvantage.

All these things could be worked around. Technology just enables so much stuff now, and things are getting cheaper and cheaper all the time to build software. Obviously, we're talking on Skype right now, it's free. All this stuff, you can work around it if you have these challenges. If you're in a different country, if you don't have a developer, you can just find ways around it.

Dane: Anything else? When you approach initially – You joined with this product with no customers, your idea extraction process, what did that look like?

Dan: Yeah, it's [unclear 00:46:16] now but it's coming back to 2011. I think it was October and the few months after that when we were doing it. It's just trying to talk to whoever I could, basically. I think there was a little bit of cold emailing, a little bit of searching forums and stuff to see what problems people had and trying to talk to them. Asking people for referrals, and then, yeah, just really trying to listen.

That idea extraction skill, it's something which I probably need to sharpen up a bit because it's super useful for the rest of your life. Definitely as long as you have any kind of business, the more you just keep listening to your customers. Not just this surface level, "Oh yeah, they just said something sucks," or whatever, or they need something, so you just jump and do that. But you really understand them. Why did they need that? What would be other options they could do? What would be the best possible outcome for them? That's sort of, to me, what idea extraction represents.

You guys have way more practice with this because I haven't done it a lot, but just asking people why things are important. They'll say something and then you'll just be like, "Why is that important?" Just really dig down.

It's amazing once you learn that process, you just realize everyone should be communicating a lot freaking better. Lots of people are just saying stuff and, yeah, they don't really get understood by anyone. The same in business, you're just not coming across clear enough. People are trying to sell you things and they don't even really understand what your needs are.

Dane: Just real briefly, what problem does your product solve and what does your product do?

Dan: At the high level, it's lead management for real estate. It basically solves that problem of Marty sitting in bed forwarding these leads out to his agents. It does that automatically for him. It keeps track of who these leads are assigned to. It keeps track of what follow up they do so they send an email to that person, that's all tracked. Likewise, if they don't send an email or give them a call, they're going to know. He's going to know that they haven't done that. Yeah, that's kind of the problem.

It's really important that they're following up quickly so we track that kind of stuff as well and we tell you "This is how fast you've been following up your leads."

Dane: Your customers are the successful real estate offices who are generating lots of leads.

Dan: Yeah. Our most successful customers spend a lot on lead gen. A lot of them start out small, and then sort of build up. It's kind of interesting. We do have customers which don't have a lot of online leads because they just want an easier to use CRM, so that's definitely some of our customer base as well. Definitely the people that get the most value are the ones that have that problem. They've got a team of agents and they need to get themselves out of the way. They can't be that person who's the barrier between a lead connecting with an agent. That's the people who definitely get the most value.

Dane: For those of you listening, if you are curious, we have content by Dan within The Foundation where you can actually see his conversations in the Facebook groups to see how he's talking to real estate agents in such a way where they just want to join his program.

But Dan, for people that are listening and are like – it just seems to me, if I'm listening, you're making it way too easy. It's actually frustrating me out. Is that happening for you at all?

Micha: No.

Dane: It's not happening for Micha. You and Micha can go up a powwow of how simple you make things. What I'm thinking right now, it's just why does it seem so easy for you, Dan, when it just seems so damn hard for everyone else?

Dan: It's easy to talk about, I guess, now because we've had some success, basically. It didn't start out this way, right? When we finished The Foundation ... it was six months in the beginning as well. At the end of that six months, we didn't have any customers still. It wasn't easy. It was six months and I'm like, "Shit, I've got no customers still."

Dane: Hold on. You joined with a product and at the end of six months you still have no customers? What were you doing?

Dan: Yeah, we still didn't have any.

Dane: What were you doing?

Dan: We still went through all the steps but we didn't sell anyone until maybe May the next year. It finished in March, we probably got that first customer in May.

Dane: Why did it take so long? Hold on, "so long." It actually didn't take that long. Why did it take until May?

Dan: It could've been done faster. A lot of things I'd be able to do faster now because I've done them before. It just took a while to sell that first person. I wasn't good at sales. When I started The Foundation, I was petrified of sales. I didn't want to be on the phone with someone halfway around the world talking to them about their business because you sort of have that fear. You're like, "Shit, I don't know. What if this guy realizes I don't know anything about real estate in the U.S.?" It builds just a lot of fear around sales. That's something that I got over overtime. We just spent a lot of time on that problem. It just took a while to charge someone.

I think the first person as well, like we let them use the software a bit before we charge them. I know now it's obviously a really big thing to presell the software. We should have done that, we should have pre-sold it, but we didn't. It wasn't really a thing back then I guess that everyone was doing. Like I said, things can start off really slow. It can take a long time to get your first ten customers. It can take a while to get your first hundred.

After I got the first few, even not to ten, say even the first one, two, three, I realize it's downhill from here because that is really the hardest. They're the hardest ones to get. From there, you just got a lot more confidence, you can build on that. I'm trying to think of other reasons why it took so long but it's just – I don't know. I could've put more time into it. It could've been done faster. It's not like – I would expect people now probably do it in – When do

people get sales now? Probably in month three or four, or something? What would they –

Dane: In some cases yes, in other cases it takes six months to sometimes even a year. It really depends on the person. We do everything we can to teach. Just even a few months ago, I had a gal in my condo here. She said she joined the Software Roundtable with you. She joined The Foundation three years later. I said why didn't you get any sales? Then she's like, "I made excuses. I got in my own way. I just wasn't ready yet." We do everything we can to empower folks, but a lot of it still just comes down to the person, you know what I mean?

Dan: Yeah, absolutely. It's really how much action you're taking. That's going to be your results, right? I wasn't calling 100 people a day. If I was, I would've made more sales quicker. We got there in the end, I guess, that's all I care about.

I think you guys hit the nail on the head with that, you get out of your own way. That's what it is. I need to get out of my own way right now in my business. It's an ongoing process.

Dane: As we land the plane and come down to end this interview, I think a lot of people are going to resonate with why you didn't have any paying customers at the end of six months, and now four years later 2011, 2015, three-ish years later, three and a half years later.

Dan: Three and a half, yeah.

Dane: Yeah, three and a half years later, you're sitting here at a six-figure per month business. What's it like when you sell people now?

Dan: Most people referred to us so it's very simple. It's just working out like do you have this problem, do you have –

Dane: Hold on. How about when they weren't being referred to you and you started to figure out sales, how was that process? Tell me about what it was like for you as we end, as we wrap up here, as we start to come down. Tell me what it was like for you once you finally started to figure out selling.

Dan: It's just empowering because you can go into a conversation. Because you've had that conversation lots of times before, like hundreds of times before, you basically know what questions are going to come up. It's like looking at the back of the book in school, or cheating. You know what's going to happen. You just have a lot of comfort.

It also comes down to having comfort in somewhat you're offering, and knowing that you have a good product, and you back that with good customer service. You got to have that integrity.

When you learn this process of asking them what their needs are, and then linking their needs back to what you can do for them, it just becomes pretty natural. It's just like you're there to help them. That's really what sales is, right?

I used to always think it was that sleazy car salesman or this kind of I know this guy from high school and so we're going to do this deal together. That's a lot of business as well.

What this is is really just talking to someone, finding out what do you need? If I have that, I'm going to offer it to you. You're probably going to say yes. If you don't need it ... Like you were saying before, Dane, you just say like "This is probably not the right thing for you for these reasons. Maybe check out this other software."

There's some movie, isn't there, where the Santa in the shopping centre is telling them to go to the other shopping centre to get better deals. It's kind of like that. You just want to do whatever is best for people.

Dane: As we wrap up to the last few questions of this, I have a final question but I'd like to put it on hold to see if Micha has any final questions.

Micha: You just love putting me on the spot, Dane.

I've really been inspired by your story today. Just the entrepreneurial journey, the hero's journey, it always just makes me proud to see a fellow entrepreneur push through and make it. I'm curious at this point, what's next for you, Dan?

Dan: That's putting me on the spot now.

Micha: I kind of just pass the book there.

Dan: Yeah. I'll just pass it onto Dane.

I don't know. I'm really having fun with this business. This year we're really looking to hook up with a lot of good designers, developers. We really want to get someone awesome to do customer service. We're a very tiny part of our market. I'm just enjoying this business and really like I was saying before, I'm really trying to learn. How do I manage a team now, and how do I help them be good at their jobs, and also do things that learn skills they want to learn instead of just me being the one that's learning all this different stuff.

That's really the power obviously of having a business is you're not the one there doing all the work every single day. That's the next big challenge for me, I think, is learning how to lead people and manage people properly. That's my big thing. And then after that I don't know.

At the moment, I'm trying to move to the U.S. actually, so that's something, well, like I said, we haven't been here but really to take this to the next level, I need to be here. I'm kind of excited about that, if I can move over here.

Dane: My final question is what's your lifestyle like these days?

Dan: I'm living down in Sydney with a couple of mates who actually got a sweet view of the Harbour. If anyone's ever down that way, come visit. It's pretty cruise-y but it's still a lot of work.

Kind of in the stage where I'm at now, we got more customers than ever; we're growing faster than ever. There's a lot of things which break and stuff like that where – yeah. When I was doing The Foundation, I was very much – all my stuff fit in like a backpack. I was just traveling around the world doing stuff, backpacking or whatever. Right now, I've got a lot more responsibility. I'm responsible for the business, for my customers, for my employees. I think, in some ways, you do have all that extra responsibility. You have to work a bit harder.

It's a lot of – I wouldn't have it any other way. I think if you really want to grow your SaaS business to the next level, you really do need to put in the time. I sort of think about the last three and a half years and I think, well, I probably put in ten to 15,000 hours into this business. That's so important. People thinking it's easy, it's not so much as it's easy. It's not that hard, but you've really got to put in that work. If you haven't put in that 10,000 hours and you're wondering why you're not doing six figures, it's kind of obvious. You've got to put in the work.

Dane: When you say six figures, do you mean per month or per year?

Dan: Yeah, per month.

Dane: What I like about that the most is the society says, "Okay, 40 to 50 years and you could be financially free." What I'm thinking more here is three or four, five years.

Dan: Exactly. That's what I talk about in that book with MJ DeMarco like is it slow lane which is like that 30-year I-want-to-kill-myself job in finance, or there's the fast lane which is yeah, maybe you work really hard for five years, but you're going to enjoy the rest of your life because you built all these skills and assets and stuff like that. Yeah, man. It's ...

Dane: But what about – What were you going to say, it's what?

Dan: In this book, The One Thing, this guy talks about work-life balance and how it's all bull crap. Your life's never going to be perfectly balanced. Sometimes it's going to tilt more towards life and family and all that kind of stuff. Sometimes, it's going to tilt more towards work. Just recognizing that. Right now I'd say my life is tilted way more towards work. That's okay. I'm not

going to do that for the next 30 years. It's just more of making the most of this opportunity while I've got it. It's not that I'm going to be miserable and working 80 hours a week for the next rest of my life sort of thing.

Dane: The thing that you said that I wanted to make sure I touch on before we wrap here is you said you could work really hard for the next five years of your life but then enjoy the rest of your life. What I heard was that maybe you haven't enjoyed the last three and a half years. Is that the case, you have not enjoyed that last three and a half years?

Dan: No, I wouldn't say it's not enjoyed. There's sacrifices, right? If you're working 80 hours a week, you're not hanging out with your friends, you're not hanging out with your girlfriend. You've got to sacrifice time. You don't have to. It's a personal choice because I'm sure I could've balanced things better. I could've put in 40 hours a week to this business every single week. If I did that, we wouldn't be doing six figures a month. Maybe we'd be doing 20 or 30k a month. That's not a bad amount of money. There's nothing wrong with that. It's just working out what you want.

I think in SaaS and – it really is about how big you want to go and stuff. For us, like I said, we're a tiny part of our market. There's just a massive opportunity for us. I look at it as I wouldn't want to be in ten years kicking back and thinking, "Wow man, I really had an opportunity there," and I just put in 30 or 40 hours a week. It's definitely an option. A lot of people ask me that question, and they're like, "Oh man, you must be kicking back pretty good now." Not really, just still working.

Dane: I'll just touch on a few points here at the end.

One is that I love to see how much you are working and for me, personally, having – I have a tremendous amount of personal and financial freedom in my life. I don't enjoy the personal and financial freedom nearly as much as I enjoy being obsessed in working. I just really love to work. It took me a while to realize that, and I really enjoy.

There was a point in time when I called up a friend of mine and he's a very, very successful entrepreneur. I said, "Hey, I'm thinking about stepping away and closing down The Foundation." Or not closing down, but just stepping away.

He said, "You know Dane, we get a few good shots in our life in every once in a while to get a big thing that comes along. The Foundation seems like one of those things for you. And if I were you, I would dedicate your entire heart to that thing for the next period of time, for however long it is, because it seems like you're blessed.

The more time you put into this thing that's working, when you found this thing that's working, you'll find that the leverage you get by spending time on

this is far greater than if you were to walk away from it and have just a few hundred students a year join instead of thousands of students.”

I want to commend you, Dan, for working. Micha, I also want to commend you for doing eight startups, and also I want to say screw you for never having to work at a job like Dan and I.

While we wrap up guys, I just want to make us a quick small plug. For those of you that have been listening to this, you're interested in investing in yourself, investing in your life to create this kind of life where you can backpack around the world if you want, you can work more if you want, you can work less if you want.

If you're interested in a life where you have full control of the throttle and you're not living on someone else's terms but you're living on the terms that you want to set for your life, and you want to become an entrepreneur in that process, we'd love to have you as part of The Foundation.

You can apply to join our next Foundation program. Please put time into your application because we do look through each one. You can apply at thefoundation.com, you can click the apply button. You can also visit us at thefoundation.com.

I'd also like to bring Micha on for a second so he can just briefly mention his program or product for those of us that want to become more intentional about our life.

Micha: Yeah, absolutely.

If you'd love to connect to your intentions, your goals in life, and have them be present for you while you browse the web every single day and come and see it on your mobile platform as well. We're in a beta phase right now but by the time you listen to this interview we might be out of beta.

Currently, you would use a Google Chrome web browser and go to intently.com/beta, and you can sign up for our program there. It's totally free. So we welcome you all to join and connect more with your goals and intentions in life.

Dane: Dan, thanks for being open enough to being openly duo-ed by two entrepreneurs questioning on your business. There's a lot more we can go into: how you built your product, how long it took to pivot. There's so much more to ask on your product. For those that would like to be more connected to Dan and ask Dan questions, he is available through The Foundation if you do decide to join our program.

Dan, as we wrap up today, do you have any final closing words for the entrepreneurs of the world?

Dan: Just get out of your own way. I think that was the best think that came out of this call. Get out of your own way and just go do some stuff. Start a business, fail a bunch of times. It's okay. You'll be happier at the end of the day, right, you'll just make some progress.

Micha: On that note of getting out of your own way, my experience of having been at your live event, Dane, and talking to other students in The Foundation, what really resonated to me was that The Foundation was more than just a content of what to do and how to do it which is brilliant. It was actually, also, about how to get over your limiting beliefs, and how to get out of your own way.

In my opinion, the how to get over your own way part, that's 90% of the battle. I love that you guys integrate that with the program. I think it's very unique. There's a lot of people out there selling content but beyond just a brilliant strategy and content for how to launch a SaaS. You guys truly help people get out of their heads and get out of their own way so they can actually succeed in what they're doing.

Dane: Yeah, absolutely.

Dan: Yeah, it's a lot of emotional stuff which you don't realize is a barrier. I actually used to think why are all these people getting into personal development when they start businesses? What's wrong with them? But it's still related, right? You need to develop personally.

Honestly, Dane, this isn't a paid plug or whatever, but I think you are definitely one of the best people in the world really at taking someone and like Micha was saying, helping them get out of their own way. You have this unique way of really listening to people, understanding not just what they're saying but what their emotions are, what they're feeling, and helping them talk through that process. That's amazing. That's a skill which can help tons of people.

You already helped us, and I know you've helped a lot more people since then. Yeah, just good work man. I don't know how – you know maybe what it's called and all this processes that you do, but it's a really unique thing, man. Not many people can do that.

Closing: Thank you for joining us. We've taken this interview and created a custom action guide so you know exactly what action steps to take to grow your business. Just head over to thefoundationpodcast.com to download it for free. Thanks for listening and we'll see you next week.