

# THE FOUNDATION

## Starting from Nothing – The Foundation Podcast

Andy: What's up everyone, Andy Drish and Dane Maxwell coming at you from Boulder, Colorado and Des Moines, Iowa.

Dane: Des Moines, Iowa.

Andy: Des Moines, Iowa. Still living it up out there. This is the first episode of The Starting from Nothing Podcast where we're going to profile incredible entrepreneurs who have built their businesses entirely starting from scratch. Meaning generally no money, no credibility, no background in the businesses they went into.

Dane: Yeah, just like us.

Andy: Just like us. We're building this because this is the podcast we wish we could've listened to a couple years ago.

Dane: Yeah. We don't want to listen to the interviews from the Facebooks and the Twitters, the billion dollar companies. We want to hear the guys just like us that are doing stuff just like us.

Andy: Yeah, and we spent a lot of time talking about this. The general conclusion we came up with is that our media system – the media coverage of entrepreneurs is broken. People don't share the stories of the person who's making \$5,000 a month on their side business, or the person who just quit their job, or the person who just raised \$100,000 on Kickstarter before they ever built a product.

We wrote a little bit about this in the blog post on Friday, but what happens when the media profiles the stories of Twitter and Instagram to sell for a billion dollars is that we begin to believe that we need to do that to be successful, or we need to raise a lot of money, or we need all of these things to start a business. The truth is you don't need any of those. Especially if you just want to build a business that's making five to ten grand a month, quit your job, and live a fun lifestyle with it.

Dane: I got nothing to add. You said it pretty well.

Andy: Yeah.

Dane: I remember being at the airport when I was 22 just starting the zanee.com recruiting website. I had my first ten customers, and I wasn't raising money,

and I wasn't valued at millions of dollars, I was making a grand a month, maybe two grand a month. I saw this article with Zuckerberg on there when he turned down the offer for a billion dollars from Yahoo. I don't know if you remember that but Zuckerberg at one point turned a billion dollars down from Yahoo and I was like "What is Zuckerberg thinking? A billion dollars. Why would he turn that down?"

But then what was going on in the back of my head was why can't I think of a big idea like Facebook, why can't I risk everything like Facebook? I even started to doubt my own very lucrative, very profitable path that was working very well for me.

Going back and seeing Fast Company article with not Mark Zuckerberg but this guy who's working out of his parent's basement making two grand a month just getting started, just getting traction, I would've just flipped out if I could've read that article.

Andy: Here's one of the biggest things we took away from – We posted it on Friday – well, today, and we're reading through some of your comments. What generally happens is the most important people, the people who are going to impact your life, are the people who are not the Mark Zuckerbergs of the world but the people who are just one or two steps ahead of where you're at.

Reading through the comments, one of our students is Josh Isaak and he's got about 80 paying customers right now. His comment was "I'd like to see businesses who scale from 100 customers up to 1000 customers" because that's where he's at in his life cycle.

We heard a bunch of comments from people who really want to focus on that going from nothing to \$10,000 a month space. Because so many people can relate to what that's like and the struggles of what it takes to get there.

The coolest part about that is I think getting your first thousand dollars per month in recurring revenue is the hardest thing to do. Going from zero to a thousand is much harder than going from \$1,000 up to \$10,000.

Dane: It feels impossible.

Andy: Yeah.

Dane: It feels literally impossible to go how in the world do you go from zero to a thousand when you don't have an idea, you don't have money, you're working a full-time job, or you're a part time dad, or you're working two jobs, or whatever your circumstance is. It literally feels impossible to go from zero to a thousand.

I remember on myxergy.com, Andrew Warner's most popular interviews, in terms of comments that I see, are the smaller guys like me. The guys that are

the bigger ones, they have typically fewer comments. I think it's just because people could relate to me more because I'm smaller than Facebook.

Andy: Totally. There's a disconnect that happens. When that disconnect happens, the stuff they teach isn't as powerful because you can't relate with where that person is at in their business.

When I put my two weeks in Principal, my corporate job, I went to South by Southwest for the weekend. I talk Principal into sending me there as a corporate thing. I hung out with all these 24, 25-year olds, I think I was 23 at the time.

Dane: How did you talk Principal into doing that?

Andy: We were giving – At the time I was giving a ton of presentations around social media. I tallied up all of the – I've given like 40 or 50 presentations internally from groups of 800 people to a small group of our international CIO's. I tallied all the people who went through our presentations which was a couple thousand, and I put a time value on it. I was like "We spoke into something between 2,000 and 3,000 people in the last nine months. If you think their average salary is worth \$25 an hour, Principal has spent between 50 and 75 grand or something just on people listening to what we're talking about. I was like South by Southwest is the best place to go for new information about that. That's how I talked them into it. It was awesome.

Dane: That's amazing. I didn't know you did that.

Andy: Yeah, I was really excited.

Then I went down there and I hung out with all these cool, cool people especially in the lifestyle design space. They were making honestly not a whole lot of money. Some people were doing multiple six-figures, but most of them were making a few thousand dollars a month, between \$5,000 and \$10,000. I came home from that and I was like "What the hell? These people are awesome and they're not any smarter than I am and they're doing it." They're traveling, they're running these businesses, why can't I?

I came back from South by Southwest and the first thing on Monday morning is I went to my boss and I was like, "Hey, I want to cut my hours back to three days a week so I can focus on building something on the side." Having no idea what that would be at the time. But it goes back to that idea. The people who are most important are the people who are just two steps ahead of you. That's where you're going to see the biggest shift in your life and in your business.

Dane: Wow! You're so right.

I'm thinking about when Carl was at Las Vegas – Carl Mattiola, one of our successful students in The Foundation. Andy coached him through quitting

his job at Tesla. He's making a very, very good income at Tesla, and he quit. He went into the room to announce that to the other 35 people. I'd say half the room still has a job. Now, Carl's announcing that he's quitting Tesla. He's now one step ahead of half the people in that room.

Do you remember everyone that had a job in the room, how badly all of a sudden all wanted to quit their job and they were all super inspired because they saw Carl one step ahead?

Andy: Totally. They saw him making a leap.

Dane: The vast majority of the world is still stuck at the "I don't know how to start" phase. There are millions and millions and millions. Something like eight out of ten Americans, supposedly, from things I've read or heard, want to start a job but they don't know where to start. That's eight out of ten people that we want to reach with this podcast by showing them the people that are just one step ahead of them.

Andy: Yup.

The beginning, the first couple of episode, we've got a handful of pretty big name people coming on which is really, really cool. But we're going to focus more so on the beginning of their businesses. We've got Derek Halpern coming on. You'll hear before he ever did Social Triggers how he started his business in college and what he did to go from absolutely nothing to making his first \$20,000 a month and how it took him 11 months to do it. How his roommate who was working with him at the time, gave up after three months and thought he was crazy.

You'll hear stories like that or Peter Shallard, the shrink for entrepreneurs, who opened up his therapy practice and rented a place, and opened his doors, and then nobody showed up. That was his first business. And what he did after that to go from having a business where nobody's walking in the door to coaching some of the best entrepreneurs in the world.

You'll hear stories like that, stories that you can completely relate to because that's what we would really want if we were in that position still.

Dane: Well, what about Eben Pagan?

Andy: Yeah. The other really big exciting thing is we're going to be running a contest giving away a \$10,000 ticket to Eben's event. This Thursday is when the contest will start. All you have to do is subscribe and leave us comments in iTunes to enter into that.

The reason we wanted to profile Eben is he's had a crazy successful career. When he was 25 years old, he was in a Christian heavy metal rock band. I don't know what that is. He was in a Christian heavy metal rock band, had never started a business before, and now his business, which is incredibly

automated, generates something like \$25 million a month. And you get to hear the story of how do you go from starting at that, like living in literally a trailer, to growing a business at that scale.

We really want to balance listening from really, really seasoned, experienced people who have valuable information like that with the people like Carl who just quit their job and put their two week's notice in.

Dane: I think you said \$25 million a month, you might've meant per year.

Andy: Oh, \$25 million a year. That's what I meant.

Dane: Yeah. He's not there yet, but he probably will get there.

At a podcast, I don't know what it is but they like to try to get the biggest people on the podcast because they know that feels good and exciting.

What I've seen in the podcast space, the Myxergy space, and The Rise to the Top space, and a lot of these bigger podcasts is they go for the biggest guys in the space. They go for the big names because they think that's what's going to draw the bigger audience. While we will have big names from time to time, we want to focus on the guys you've never heard of, the guys that are making the \$5,000 or \$10,000 a month.

If we do bring the big names on, we want to talk about the stories about before they ever got into business. Like when Eben was 25 in a Christian rock band. What? I did not know that. We want to focus on when people started from nothing. We feel like there's a massive gap in this space of focusing on what happened before you got your first sale and beyond that; whereas we see a lot of people in the space trying to go up to the bigger names. If we have those guys, great, but what we're really after are the guys you can relate to that are still crushing it.

Andy: Totally.

Our ultimate vision with The Foundation is we see business as a way of making a cultural shift in the world. What we want to make absurd is we want to make it absurd that people in 10 years they don't start a business because they think they need idea, or credibility, or money to get started. We want people to know that if they want to start a business, they can do that, and they don't need any of those things to do it.

The playground that we're playing in is we want to help a million people get their first customer because once you get your first customer, everything shifts. Once you get the first person paying you and make that first \$1,000 a month, everything becomes easier.

Dane: Dude, amen. I just want to interrupt you and throw my hands in the air and say "Hallelujah. Why wasn't anybody there to tell me this when I was getting

started” That’s why we’re doing this. I just want to walk around to everybody in the world and grab them on the shoulders and shake them, the people that want to start businesses. Shake them. You don’t stop, you don’t need it.

I was getting my teeth – I had cavities – and I was getting my cavities filled. The lady next to me says she went through five different majors, and now she’s doing a dental thing. I said, “Well, if you had \$10 million in the bank and you didn’t have to work for money, what would you do tomorrow? She said, “I’d start a dance studio.” None of those things are anywhere close to nursing, or dental hygienist. I didn’t say that but I’m thinking that in my head. I was like, “Well, what’s stopping you from starting?” She’s like, “Oh, I need money.”

I just started walking her through how she could get a hundred students paying in advance and start out of a basement. She’s like, “Oh my gosh! Holy crap! Maybe I can do this right now. It’s not that far off.” The girls like her, I want to shake them by the shoulders like you could have what you want right now. We want to make that absurd. It’s absolutely absurd.

Andy: Totally. It still is. And it’s cool seeing that shift starting to happen right now.

With the Kickstarter’s popping up and people realizing they don’t need to start with a bunch of money or raise a bunch of money even to start a business. It’s really effective just by doing baby steps. Even on the side if you’ve got a full-time job.

Carl who just quit Tesla Motors, he worked only maximum two hours a day. He spent two hours a day maximum, and he was working probably 50 to 60 hours a week working at Tesla. At one point, he was working directly under Elon Musk which sounded really challenging.

Dane: I believe, Andy. Well, we believe at The Foundation that the world would be a better place if there are more entrepreneurs in it. The more entrepreneurs in this world, the better the world is. We believe that there’d be more entrepreneurs if they saw how truly simple it is to get started without an idea, without money, without credibility. We believe that entrepreneurs will save the world. There’s some ridiculous entrepreneurs that they’re saving the world. When I wake up every morning, I feel amazing to be a part of this cultural shift that we’re making absurd.

For those of you that aren’t waking up and putting your feet – when you get out of bed and you put your feet in the floor in the morning, if you aren’t excited about what you’re waking up to, you’re living a waste of life. If you’d like to join this group of entrepreneurs who wake up excited to change the world every day, that you’re working on something meaningful, we’d love to have you be a part of that program, we’d love to have the podcast. Can you hear Winny barking in the background?

Andy: I can totally hear Winny.

Dane: Welcome, Winny, to the podcast.

Andy: Yeah, awesome stuff. We're really excited.

The big thing is that stories like this aren't stories that get shared because they're not news worthy because people – It's shocking to hear that Instagram got sold for a billion dollars. We really just want to create – just cultivate a really passionate community who is really interested in learning. We're super excited that you want to be a part of that.

Dane: What should people be keeping in mind as they listen to the podcast moving forward? What can they expect? What can they not expect? Anything that you could do to shape their perspective a little bit? I just want to commend you, Andy, for heading up and starting this podcast. I have absolutely – I have 5% to do with this podcast. Andy is designing it, heading it up, running it, interviewing everyone. This is Andy's baby. Thank you for inviting me onto this first one.

Andy: Yeah, totally, man.

We're really going to shift everything that we do based on the feedback we get. We've interviewed some bigger names starting out. The first feedback we got from you guys is that you want to focus on the zero to \$10,000 a month space. So keep the feedback coming and we'll keep shifting based off of that.

To start one of the most exciting things is sometimes it's hard to listen to all the podcasts so we've hired a produce, Chris Mason, who's an absolute rock star. He's really done most of the work ...

Dane: Chris, what's up, yo?

Andy: ... to get this off the ground. He's building action guides for every single episode.

As you know at The Foundation, we're very much about taking action quickly. He's building an action guide so at the end of every episode, you'll get a five or seven step action guide so you know exactly what you need to implement. If you don't have enough time to listen to the podcast, you could just download the action guide and see what to do. I think that's really, really exciting. Yeah.

Dane: I bet Andrew Warner's going to get that idea and use it. And I hope he does because it would be awesome to see 700 action guides from all of the interviews he's done.

Andy: I think that's wrapping it up for the first episode. We don't want to ramble too long, 25 minutes right now. We're really, really excited about this, guys. We're excited for you to be a part of this, we're excited to create this and just

put it out into the world because it's absolutely something we wish we would've had, and it's fun building stuff like that.

Dane: Yeah. Thank you for doing this, Andy.

Andy: Yeah. Thank you, guys. We'll see you soon. Look for us Thursday. Look for the Eben interview.

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](http://thefoundationpodcast.com) to download it for free. Thanks for listening and we'll see you next week.