



How To Cast A Vision, Raise Money, And Build A Rock Star Team with Bill Glaser

Transcript

Chris [00:00:05]

Hey Capitalists. This week, we wanted to share our conversation with serial entrepreneur, Bill Glaser. Bill's had several successful exits and as you'll see, he is not shy about his plans to scale his current focus, Outstanding Foods, to \$100 million dollars and beyond. This healthy plant-based snack brand aims to reach the highest number of consumers without having to change their snacking habits and he's already attracted some big influencers, like Snoop Dogg, Rob Dyrdek, and Emily Deschanel to promote his company. Ryan invited him to our group, The One Percent to chat over a drink and take some calls from the Capitalism.com community. So, to keep this episode from running long, we actually had to cut out 6 questions from One Percenters on the live call, but when you're ready to join our membership for entrepreneurs who we help build businesses and invest the profits, and join in on the next call like this, head on over to Capitalism.com/1. All right, let's do this.

Ryan Moran [00:01:18]

Bill, good to see you.

Bill Glaser [00:01:20]

Great to see you. Great to be with you.

Ryan Moran [00:01:21]

Bill, I am so pumped to talk to you for a bunch of selfish reasons. First of all, I want to make sure I have the story correct. All right. If I remember correctly, you said on Build With Rob podcast, Rob Dyrdek, a partner, influencer, investor in your company, that you set out to have a \$100 million dollar company in ... The goal was \$100 million in 18 months or something like that. Would you clarify if I'm remembering the story correctly?

Bill Glaser [00:01:54]

18 months would be very impressive. I mean, our friend Josh Bezoni and Joel Marion, those guys pulled off \$100 million in their first 12 months. That is an incredibly aspirational story. We aspire to be \$100 million plus, plus, plus not necessarily in 18 months, but coming up. Our wifi password for everyone in our company, everyone that comes in is \$100 million sales, exclamation point. It's something that's in our psyche. It's something that's every time anyone



logs into our wifi, they know what we're about, but it's more about not the sales or what the value of our company is going to be. But if we're doing \$100 million in sales, we're doing more than that, we're making a massive impact. We're making it easier for people to eat healthy products because they taste great. We're making it easier for people to incorporate more plant-based foods, not because they're being preached at or judged, but because they're finding delicious foods that are nutritious, that can help solve a problem for them. And so, that \$100 million in sales is a gateway to making a huge impact.

Ryan Moran [00:03:06]

If I remember correctly, I hope I'm not disclosing anything I'm not allowed to disclose, but you already passed a \$100 million dollar valuation. Is that correct?

Bill Glaser [00:03:14]

That is correct. Yes. I mean, we don't disclose our sales publicly, but there was a financing that was disclosed last year that was in that range. Yes.

Ryan Moran [00:03:24]

Yes. And what time frame did that valuation occur? Meaning, from origination to valuation?

Bill Glaser [00:03:34]

Yeah. I mean, we incorporated before we even started getting down into business, but really we ... In 2018 is when went into R and D mode and like any journey, most entrepreneurial journeys are never straight lines up. There's always the zig and zag and it's when there's downs, it's how you navigate those challenges and overcome them. And we've had our share. But 2018, we were in R and D. 2019, we launched our first product and one of our biggest challenges during that time was we had this amazing product. It was a product that tasted like crispy bacon, but it was made out of mushrooms. It was the most complicated thing to make. If a manufacturer ... It's like a recipe, if you don't follow it, right, you're going to get something totally different. If you don't follow a process right, you're going to get something totally different. That happened with our first product.

Bill Glaser [00:04:26]

We ended up having to pull it off the market and pivot into the next product and race to get that next product out so we didn't lose as much momentum. And we've fought our share of battles. We have challenges small and big almost every single day. So, we celebrate our wins along the way, but we have a bigger vision and a bigger mission that ...

Ryan Moran [00:04:48]



Yeah. That's one of the things I wanted to chat about. Say, right now, these are ... This is my favorite product that you have, these ... The Hella Hot Pig Out rinds. And they're delicious. And hard to open.

Bill Glaser [00:05:01]

There's a tear strip. There's a tear strip. There you go. Another shot of whiskey and that ... You would have pulled that off easier.

Ryan Moran [00:05:09]

These are delicious, they're my favorite product, but I know the first product didn't go as expected. Most people, when you got a \$100 million dollar vision, you just raise capital from people like me. I invested \$100 thousand dollars in your company. You've got people counting on you. You've got a vision, you've got a team. First product doesn't land. First product doesn't smash it out of the park like you hoped it would. Most people would see that as a reason to get discouraged, close up shop, run away scared. You were like, next product up. And these crushed it. And the third, then the third product did exceptionally well too. So yeah.

Bill Glaser [00:06:03]

I have it right there. Let's look at this baby, 7 grams of protein a serving, and a good source of 20 vitamins and minerals, iron, calcium, B12, D. So, yeah, I think as an entrepreneur or just a person living life, right, which I think we all are, right, there's always challenges in our relationships, in our family, in finances, as an entrepreneur and our companies. Right. And it's not the challenges we have. It's how we react to those challenges. We all have challenges, right? And we probably all know people that are miserable, and when you hear what they're miserable about, you're like, that's why you're miserable? The smallest little things, and they get overwhelmed and depressed. And then there are people that they get their legs amputated and they're just happy to be alive. And so, I think it's all about your mindset as an entrepreneur, and how you deal with challenges and how you manage your relationships too.

Bill Glaser [00:07:03]

Because as an entrepreneur, if you take on investors, you're responsible to your investors. If you have vendors or retailers or customers, you're responsible to them. You need to be honest and you need to express what's going on, but you also need to have a plan and the mindset to overcome it in a positive way and not wallow in your problems, but figure out how you're going to solve the problems and find solutions that can even be better you thought you were on the path to go.

Ryan Moran [00:07:36]



Bill, there's a piece of this story that I'm missing. It is ... When I work with a lot of our members inside the Capitalism Incubator, I talk about you as somebody who has really opened my mind to the benefit of raising capital, of raising money, setting a really big vision and going for it. If you started this with the idea of having a \$100 million dollar business, you raised capital confidently from people who are able to contribute to the company. The thing that's missing for me is most of the people I hang out with are bootstrap entrepreneurs. The idea of raising money is intimidating to people, not because they don't think they'll be able to raise it, but because there is a burden to the investors, there's like, there's almost like a tenseness of, if I raise capital, I don't have the freedom that I think entrepreneurship is going to give to me.

Ryan Moran [00:08:33]

I now have a boss and it's called investors. Where was your confidence? Why were you so confident that you were going to execute the vision and therefore willing to take on other people's capital? And why did you decide to do that when you were confident it was gonna be a \$100 million dollar vision and not keep all of it yourself, would you walk us through that mindset?

Bill Glaser [00:08:55]

Sure. I mean, look, I started off my entrepreneurial career as a bootstrapped entrepreneur, and I thought it was cool. I was president CEO of a company and I own 100% of it. When you are a one person operation of your company, then you have limitations of how much you could do yourself. The same thing is with capital. And capital not only gives you resources to grow and to expand your business in a faster way, but if you're smart about raising capital, you don't just raise money. It's not just money that is interchangeable with who your investors are. If you pick investors that are strategic and can add value, then you're not ... If you own a lesser percent, but your investors are helping you grow faster and opening up doors to whatever it might be, retailers, manufacturers, suppliers, celebrities, whatever it might be, whatever the business that you're in, you're amplifying the ... It's better to own 20% of a \$100 million dollar business than a 100% of a \$5 million business, right?

Ryan Moran [00:10:10]

Amen. My buddy, Brian Lee said ... I asked him a similar question. He's like, I'm out to build billion dollar companies. Do you think I'm going to care if I only own 10%? I mean, when you put it that way,

Bill Glaser [00:10:21]

Well, look, I think, if you looked at billionaires, right, everyone on this call, there are probably many billionaire icons that people look at and they look up to and they look at their



achievements and they look at what their quotes are and what they read and what they eat and what their meditation habits are. Right. We all look at, how does Elon Musk stay up and only sleep 3 hours a day, and is CEO of how many companies and, they're all billion dollar companies and, what did Steve Jobs used to eat for breakfast? And all these things. And what books does Warren Buffett read? We all want to know that, right? Almost every single self-made billionaire has raised money. There's a recent exception.

Ryan Moran [00:11:05]

Yeah. There's a recent exception of Sara Blakely **INAUDIBLE 00:11:08**] Happened yesterday.

Bill Glaser [00:11:11]

Yeah. At 1.2 bill, she owned it all. I mean, unbelievable accomplishment. I mean, it's very, very, very few people that do that. And she grew that over time for a long period of time. It was a slow and steady growth to get to where she was and where she obtained. Most businesses, if you're in certain products, you have to move with speed because other companies come with similar products or similar market. So, if you are wondering what Warren Buffett is reading and what all these billionaires are doing, you should wonder how they got to be a billionaire. And if not for raising capital, almost all of them would not have become billionaires.

Ryan Moran [00:11:56]

Yeah, that's true. I mean, that is why Warren Buffett is one of the richest people alive and gets to read all day and go drink coffee, because it's not ... It didn't start with his money. And he grew other people's capital.

Bill Glaser [00:12:09]

He drinks a lot of Coca-Cola as well. That **INAUDIBLE 00:12:12**] he's a big investor in. He eats McDonald's all the time. I mean, he lives and breathes the companies that he invests in. But yeah, I mean, you could do so much yourself. We all know that, right. We all have limited time in the day. We all have limited experience, limited resources. Most of us build a team because the team has other expertise and experience that we don't have. and they complement us as an entrepreneur. Money does the same thing. So yes, you have to manage your team. You have to hire your team. You have to deal with issues that come up with your team. You have to do the same thing with investors, but the trade off, you have to ask yourself if the trade-off is worth it, because if you're looking at being a single-person entrepreneur company, or have your own team, but own 100%, and you might be happy doing that, and you should do that if that's what you want to do, but if you want to grow fast and if you're hiring a team, you could look at raising money, very similar to building out your team. You're bringing in expertise and



resources to help you grow faster and to bring points of perspective and experience and skills and talent that you don't have.

Ryan Moran [00:13:24]

Now I'm asking this question selfishly, because I am preparing for a raise on a project that I am about to pursue. And I'm curious, when you were having those conversations with investors, what was it about your vision or your plan that other people bought into? Because it seemed to me from the outside, every time you talk about this, it sounds like the raising of the capital is the easy part. It's almost like there's ... You can correct me if I'm wrong, but there's lots of relationships and I remember people were introducing me to you and telling you why the opportunity was great, and it seemed like a pretty seamless process from the outside. What was it about what you communicated to investors that made them eager to back this project?

Bill Glaser [00:14:18]

So, I'm someone with a bunch of experience, right? I've got a few gray hairs and I've had ... You're in Texas. I've had my share of rodeos, right. So, I think I have developed some wisdom, but most importantly, and we talked about raising capital, the most important capital is human capital, relationship capital. I've built up a lot of really great relationships over the years that trust me, they know I have integrity, they know that I've had success and that those become easier. Raising capital is usually never easy, but they become easier. I've had my share of capital raises in the past where I grinded it out and I hustled and it was a numbers game and I got a lot of nos to get the yeses, but persevered and it wasn't as easy back then, but also, I happen to be in a space that's hot. I have a co-founder that is the only person that's been at \$2 billion startups in the space, in the plant-based food space. And I've had ...

Ryan Moran [00:15:24]

When you say the space is hot, you mean plant-based snacks.

Bill Glaser [00:15:28]

That's next. Food. My co-founder led R and D at Beyond Meat for 4 and a half years, led the team that created the Beyond Burger. He did all the early products himself. He co-founded what is now called Just, a company that makes a plant-based egg. He's been an iconic figure kind of behind the scenes, an iconic figure. I've had 2 big exits and other smaller exits. So, we have pedigrees. And Bill Gates, well, he's got some challenges right now in his life, but ...

Ryan Moran [00:16:02]

ATR problems.



Bill Glaser [00:16:02]

Yes, yes. But if he wanted to start a software company right now, the valuation of his software company with just an idea is going to be a lot higher than yours or mine, or anyone listening to this call because of his experience and what he's been able to achieve. And so, I'm certainly no Bill Gates, but when you have successes under your belt and you act with integrity and you have relationships, then people are going to be more inclined to get behind you. And so, I always take the approach that ... Add value wherever you can, to whoever you can, when you have no agenda. Because then when you do have an agenda, you can tap into those relationships and they're going to be more than happy to support you in some type of way.

Ryan Moran [00:16:46]

You followed what we call the owner's model at Capitalism.com, which is you seem to focus, again from the outside, on 3 key areas, centric areas, key areas that we talk about with our students, which is capital, product and operations, and then audience. And your partners seem to complement 1 of these 3 areas. You built the team for product and operations, you took on outside capital, and then some of those partners, like Rob and Snoop Dogg, had audiences that they could immediately get the word out about the product. How important was that audience piece in order to get early momentum, distribution, and active customers?

Bill Glaser [00:17:33]

Yeah. Well, on the product side, you definitely would not want to eat any food product that I make. So, you have to understand your strengths, but also understand your weaknesses and complement your strengths with other people that can fill your weaknesses. In terms of the audience, we're in an era of influencer marketing, right? Influencer marketing has gotten very expensive, especially over the last year and a half or so, because all the big brands that used to have their own dot com websites and retail stores or web stores, many of them wouldn't want to compete against their own customers, which were the retailers, right? So they didn't put as much money behind marketing to their own site. They spent more of their focus on distribution at retail. Now with changing consumer behavior, as a result of COVID, in particular in food and beverage, bigger brands are spending billions of dollars.

Bill Glaser [00:18:29]

Part of those billions of dollars aren't just on Facebook, which has driven up the cost for everyone in Facebook advertising and other online advertising, but the cost of influencers is astronomical right now. So, like they are TikTokers that you didn't even know about 6 months and now we're getting 7-figure deals, for real. And so, my approach when we started was instead of paying influencers for an uncertain ROI and coming out of pocket potentially for a lot of money, I wanted to attract celebrities and influencers as investors. I knew a bunch myself,



but through my network and just networking skills was referred to many others. I was in Rob Dyrdek, Lewis Howes, who's I think a friend of yours as well, and a friend of mine. And he introduced me to Rob Dyrdek. Someone else that I knew introduced me to the manager of Snoop Dogg. And so, I leveraged a lot of those relationships to meet celebrities and influencers and then we were able to attract several of them. We have probably about 40 celebrity and influencer investors that we have now.

Ryan Moran [00:19:39]

Bill, so, it sounds like your job, at least at this point, is mostly the chief relationship officer. Is most of your job building and managing relationships?

Bill Glaser [00:19:52]

Yeah. That's a good ... I like that title. I might steal it from you, but, yeah, I mean, I think every entrepreneur, every founder should be in the relationship business first before anything else. Relationships are the most important. It's always amazing when you see ... I literally today, we were recruiting someone in marketing who accepted our offer and then after accepting our offer did a dishonest thing negotiating with another company and then ended up taking an offer with another company. He literally sent me an email today, months after he went to this other company, and wanting now to reconnect about potentially joining forces. So, I spoke to someone on my team today. I'm like, I'm not even replying to this guy because if you don't act in integrity once you can't be trusted to act with integrity other times. And so, relationships are the most important thing.

Bill Glaser [00:20:54]

If you want to find ... Whether it's celebrities or, open doors to retailers or, anything. There's so many things that we have needs as entrepreneurs and where better to find that than through your relationship, through your network, rather than just scratching the surface and trying to hustle new relationships that you don't have any points of references and you're going to step in a lot of shit and make a lot of bad choices to find the good ones. You could shortcut that by leveraging your network and leveraging your relationships. That's why building those relationships before you need them is critical.

Ryan Moran [00:21:31]

That's exactly right. How did I get the opportunity to invest in a private raise for a new company that has more than 5x my investment since I started 2 years ago? Because of an introduction. How did I meet the person that got me that opportunity? Through an introduction. It is always relationships. Sometimes the things that my team doesn't see are the



9 lunches that I have with people knocking on doors for 1 door to open. That's the thing that my audience at Capitalism.com doesn't see is that most of my job is pursuing new opportunities through relationships, that this week, the opportunity to acquire a company that I would like to acquire came in front of me through relationships. I'm building out kind of my board of advisors for something like that. They're all people that I know. My key investors that I would like to partner with, people that I know or people that I am 1 relationship away from. The only reason why I'm able to pursue an opportunity like that, or pursue some of the other things that we are doing over here is because I've spent 10 years building relationships.

Ryan Moran [00:22:42]

I used to think it was all hard skills. It was being able to sell. It was writing good copy. It was coming up with ideas. It was the right podcasting equipment. All those things matter a little bit but the relationships that you build open up all of those doors and make things a lot easier and faster. Bill, I know that when you launched Outstanding, for a while, I don't know what the numbers are, you don't disclose those publicly, but I know for a while you weren't profitable. And I know that you didn't have an infinite run rate right from launch. So, is that stressful for you, to take on capital, to launch a product? And again, that first product did not crush it. The 2nd 2 did. Is that a stressful time? And if so, what did you do to get things on the right track to where now you have literally ... A valuation of over \$100 million dollars?

Bill Glaser [00:23:43]

Well, I think again, back to mindset, right? Because when you have challenges, you're stressed only if you don't know what to do next or how to process the challenge. Usually stress comes from being stuck and feeling something didn't go your way and it didn't meet your expectations and you don't have a plan or you don't know what to do to navigate. And that's when ...

Ryan Moran [00:24:11]

Can anyone in the green room relate to that? Go like this. There it is. Yes.

Bill Glaser [00:24:17]

So, I usually don't get stressed over things when they don't go my way because I expect the unexpected. When things don't happen the way they do, you have to be accountable. You have to talk to people, you have to let people know what is unfolding and what your plan is and bounce off some ideas. I mean, Rob Dyrdek has become a member of our board because ... Hey, what's up, Sean? Rob Dyrdek has become a boss ... A boss. I'm reading what Sean wrote. Rob has joined our board and Rob has joined our board not just because he's an investor, but because I value his counsel and I value his input. So, the relationships don't just



open doors, but if you have good relationships with their unique experience and wisdom, then you have a support system as an entrepreneur to help you navigate things or to be a sounding board when you have ideas or ... Whether it's an idea for a product or an idea for a marketing campaign, or you're going through some challenges and you're figuring it out. Those relationships also can be extremely valuable in that way. I don't usually get stressed over things like that. But you know, I always ... What's that?

Ryan Moran [00:25:34]

Because you have counsel and you're ready to adjust when you get punched in the face.

Bill Glaser [00:25:40]

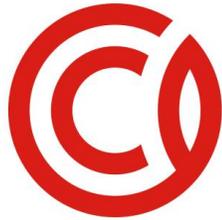
Yeah. You know you're going to get punched in the face. If you're expecting a straight line up as an entrepreneur, you're in the wrong business, because that's not reality. It's very rare that you have this kind of thing. There's always some kind of challenge. Right? And it's usually the ones that are the biggest where relationships are built. Most of us can relate to ... Whether it's in our personal relationships or with our friends, with our business relationships, people appreciate when you're straightforward, when you're honest about things, but when you also have a plan to what you're going to do ... How to meet those challenges. People don't appreciate when you avoid them, and most ... Many of us, just from the way we have grown up, many of us, when there's a conflict, we try to avoid the conflict. We don't talk to other people about the conflict because we want to solve it on our own and either never tell them or tell them, oh, we have this issue, but I figured it out.

Bill Glaser [00:26:43]

But what people appreciate is being told the truth, being told what you're dealing with. And most people who are investors or partners understand that no company's journey is a straight line. I mean, I saw a post on LinkedIn the other day that talked about the pivots of many successful companies. And, some of these ... I wasn't even aware of that Instagram apparently started as a whiskey app for friends to share whiskey ideas. And Netflix, of course, started out competing with BlockBuster selling DVDs and they pivoted into being essentially a studio, a content creator. And so I think that most people avoid conflicts and they don't express themselves and they don't have a plan out of it and they get stressed over, what do I tell this person, or do I not tell this person? And honestly, the best approach is just being straightforward with people, being honest.

Bill Glaser [00:27:44]

That's how you build relationships. People appreciate when you ... When you have a fight with an interpersonal relationship and you're able to resolve it, usually those relationships get



stronger, not weaker. The ones that are just on the surface, those are the ones that are weak. The ones that you hear, these people that they never have a conflict, they never get into an argument. It's like, usually those aren't ... Those relationships will have lack of depth because it's how you resolve the conflict that creates connection and creates even the wisdom that, hey, if things happen again, we know we can get through it. You have business partners. I have business partners. The best business partners know that when you go in the trenches with people, you can trust them and that you're going to figure it out because you've done it before. When you don't talk to people because you're afraid of the conflict, or you get stressed out, that's where you've already lost.

Ryan Moran [00:28:36]

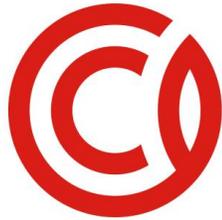
Bill, you are in Whole Foods. You're in my local Weeksville. You're in a bunch of retail stores. You're on Amazon. You have your own funnels. Which of these skills did you know or are you good at versus handing off to your team and letting them figure it out?

Bill Glaser [00:28:59]

Well, as an entrepreneur, my strengths have been in marketing and sales. So, I had a company about 10 years ago where we ran 30 minute infomercials. And I have a pretty good understanding of how to tell a story and make something compelling and appeal to people. Taking a food product ... This is my first food company. I've never been in a food company. So, taking a food product to the markets that we're in, we're in Wal-Mart, we're in Kroger, we're in Albertsons, Safeway, we're in 7-Eleven, we're in Whole Foods, Wegmans, all these retailers. If it were left to me to figure that out, we wouldn't have been in any of those in all likelihood. So, again, you have to know what your strengths are and you have to figure out even, where are your needs? Not only me identifying that I need someone that can help get into retail sales, but what is that position called? What is that experience? Do they need to be in the exact category of snacks or other products that we're doing to be effective at what we're doing? I had to ask those questions and get answers to know what I was even recruiting for. But then yes, I mean, I recruited a team that compliments me and allows me to hang out and drink wine on podcasts.

Ryan Moran [00:30:17]

Amen. I'm going to ask this question again, selfishly, because it's on my mind for a project that I am pursuing. How did you know much capital that you needed in order to get things off the ground? And I know you've done a couple rounds up to this point. Did you know that you were going to have multiple raises? Was that on kind of your vision? How did you know to plan for that and make those decisions?



Bill Glaser [00:30:44]

Well, I think if you're a company that's raising money, you should always raise more than you think you need, because there's ... What we're talking about, there's a common theme here is expect the unexpected, right? So we had a product that the first product we had challenges with, we ended up pulling it off the market. We spent more money in R and D during that period of time than we anticipated. It's always better to raise money and honestly, to be less sensitive about the percentage that you own, because you still want to make sure you're in a driver's seat of your ownership as a founder, but when you're hypersensitive to how much percentage you own, you could actually put yourself in a position of weakness that it doesn't matter that you own more a percentage. If you don't have the money to dig yourself out of a hole, it's not worth that much.

Bill Glaser [00:31:29]

So, I would always do projections. We now have a VP of finance that handles that, but previously, I would always do projections and do projections based on what we expected our capital needs to be. And always raise more than what we expected, but also with a strategy that as we continue to build and grow, then we're going to get a higher valuation in all likelihood. We're going to be able to raise bigger amounts of money. So, there's an art and a science to doing that. The sciences, projections, and comps, valuations of other companies that are in a similar space at a similar time of their growth or more advanced in their growth. And then there's the art of knowing how much more should you raise than you think you should, and what is that balance of ownership versus capital?

Ryan Moran [00:32:24]

Bill, I don't usually go to the green room this early, but we have a completely full green room of people who want to ask you something. I want to go over to the green room in a second, but before I do that, can you tell me, have you ever failed at something, Bill?

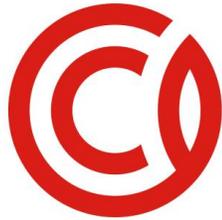
Bill Glaser [00:32:41]

Of course.

Ryan Moran [00:32:41]

Okay. Tell me about your favorite failure because you've got 4 exits on your resume and now a company that has achieved a \$100 million dollar valuation in 3 years. So what is your favorite failure?

Bill Glaser [00:32:55]



I mean, I embrace failure and you could look at failure as things didn't work out, but if you embrace it, your failure is you're getting closer to your success. Everyone knows in sales that the more nos ... As you're getting nos, you're getting closer to your yeses. So, failures get you closer to your successes.

Ryan Moran [00:33:19]

Tell me your favorite one that really knocked you on your butt.

Bill Glaser [00:33:23]

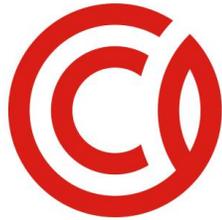
Well, I mean, it was probably the first one because when I was a new entrepreneur, soon after college, I had more of an ego of, oh, I have this idea for a business and I'm going to figure it out and I'm going to make all these millions and I didn't know what I didn't know. So, you gain wisdom after you have experience, but before you have experience, you think you're going to figure everything out and you think it's going to be that straight line up and reality sets in. So, that first one, I, borrowed money from my father and it was an uncomfortable amount for him. And I didn't know how to express the risks at that time. I only told them, look, I generated these ... I had purchase orders of over a million dollars in this business. I was only focused on what can go right.

Bill Glaser [00:34:12]

I wasn't focused on what could go wrong because I didn't know what could go wrong at that point. And it failed miserably. It was US flags during one of the wars that we had. There was a huge patriotism and I contracted out. There was a shortage of flags. I contracted silk screeners. And I bought all the components of the flags. When I got a sample box before they were shipped to these retailers that I did a mass fax campaign at the time, everything that could've gone wrong went wrong. They were printed unevenly. There was glue on the sticks. The wrong color. There was a fluorescent color red for our American flag. And that million dollars of sales that I generated on paper, this evaporated. The tens of millions that I was expecting to go after that completely went away. I had now a conflict with my father because I owed him a sizeable amount of money that was uncomfortable for him. So it was my favorite though, because I learned the lesson.

Bill Glaser [00:35:19]

It humbled me into knowing that things aren't going to go exactly the way I want. So, I'm sure some of my own philosophy of expecting the unexpected and how I deal with challenges and things like that, that was the first business experience that I lost money on, had challenges in close family relationships, lost the millions that I thought I was gonna make. And, even at the time I was in my early twenties, had the humility of talking even to my friends of failure. Those



became some of the greatest lessons for me that now were part of the philosophy that I have when I approach anything else in business.

Ryan Moran [00:36:01]

All right. I'm going to come over to the green room. We have a full room. I don't know if we're going to get to all of you. If you've got something burning on your mind, I want you to wave at me. I'll take the first person that waves at me. Let's go, Sarah, you're up. Sara, how are you?

Sarah [00:36:16]

I'm good. How are you?

Ryan Moran [00:36:18]

Good evening, welcome to Wine with Wyan and Brewskies with Bill.

Sarah [00:36:22]

I just listened to this and I'm absorbing everything I can because I've got my first product literally being shipped to me. I have had a business previously, but it was an accounting business. And so it was really sweat equity. I am truly in a panic because I know that there are things that I don't know. Do you just really trust the process and hire people that you interview carefully? Or do you move forward knowing that you know there are going to be pitfalls and which one do you rely more on?

Ryan Moran [00:37:00]

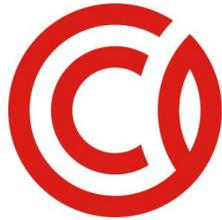
You said your first product is on the way. Right? So there's plenty of things you don't know and there's a lot of things that you don't need to know. Tell us where you are in this process right now. It sounds like you're in total start-up mode with prototype and product on the way, is that correct?

Sarah [00:37:21]

That is correct.

Ryan Moran [00:37:22]

Okay. What often happens, I'll take this one first, is ... What happens is that entrepreneurs in that mode of realizing that they don't know everything slash anything, they try to go learn everything slash anything, right? And so you're hedging for things that you don't know yet are going to be problems. This can actually be very damaging because you start going down



rabbit holes and fixing problems that you don't need to solve, which is why I think why a lot of our students are successful is because we bring them back to, hey, right here, the thing that is right in front of you is go take a damn sale on Amazon, or go put up your darn Shopify store or go book one relationship with somebody who has an audience or go build the Facebook group that becomes your launch list, or go raise the first \$100K that you need to fund the purchase order.

Ryan Moran [00:38:15]

It is like, what's right here. Not what's over here. Yes. Vision. Yes. Strategy. Yes. Roadmap. But we're right here right now and that's all we got to focus on, because you can't knock over that domino over there. You got to knock over this domino to get to that domino. And so many people are like, I don't really want to knock over any dominoes because I don't know how it all lines up down the road. That's what I'm picking up from you. There's some of that rather than, your purchase order is on the way, awesome. Time to build an audience or book some relationships.

Sarah [00:38:51]

Oh, I am, I am. And I'm making connections with influencers and trying to set up meetings to get in front of their audience and building my audience on Instagram. I'm just, I know that there's so much, and that's the analytic in me because I do accounting. I know that there's so much more, like I could probably build my website, but I'm not focusing on that because I'm building my audience. And that's what I'm focusing on. Kind of like following the class.

Ryan Moran [00:39:23]

My opinion is that you are doing the right things and you learn real fast when you start taking sales.

Sarah [00:39:33]

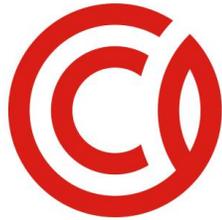
Kind of a crash course.

Ryan Moran [00:39:34]

Yes. Bill, how would you take this one?

Bill Glaser [00:39:36]

Well, congrats on taking the leap and jumping in and starting your own business. That's gotta be ... Are you excited about that part?



Sarah [00:39:44]

I am. I'm a little terrified. It started with my mom. She was on oxygen therapy and she passed in June, but we have this goal and this vision to help people. And I'm in it too, because I cared for her and I can appreciate being the caregiver. How many challenges people face when they care for somebody on oxygen. And so, it's my goal too, and so I'm just carrying it forward because I care deeply, but I'm just, I'm terrified that if I don't do the right thing, then I fail in being able to help people and I don't want to fail.

Ryan Moran [00:40:23]

I'm sorry. It's Bill's time. Sorry Bill.

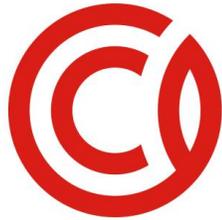
Bill Glaser [00:40:24]

No, no, no, no. I mean, look, first of all, sorry for your loss, but it sounds like you've been inspired to do something that can help people, and that can be a profitable business for you. So, focus on why you started this and what the impact can be that you can make and expect that not everything is going to go your way and go the way you expect, and those aren't failures. They are only failures if you don't learn from them. So, you're going to have a whole bunch of learning opportunities. At a certain point in your life, you didn't know accounting, and you had to learn accounting and you have to figure out accounting. And if you dealt with clients, you probably had clients that sometimes were difficult and challenging. So, you can't always get everything that you desire, but that's why things are ... Why most people don't make that leap.

Bill Glaser [00:41:24]

But when you embrace that things don't work out the way you want, instead of viewing it as a failure, I would encourage you to view it as a learning opportunity and embrace those opportunities. Because the same way you learned the counting and became I'm sure, very successful in doing accounting, you're going to be the same way at this business. So give yourself the space and the patience and don't beat yourself up when things don't go your way, and focus on really why you did this and why you started this. And if it takes you longer, or there are bumps in the road, you're going to feel much more gratifying when you're able to overcome those challenges and when you learn those lessons to put yourself on the path to succeed.

Ryan Moran [00:42:07]



Sarah, I wouldn't normally say this, but Bill got me drunk tonight. He just keeps pouring with me and my glass, you know? So, Sarah, I think it's important ... This is harder for dudes, and women have an easier time with this one, is recognizing that they're going to suck at the beginning, recognizing that there are things that you don't know and you are going to get punched in the face.

Sarah [00:42:33]

Well, I was a professional tennis player in my younger years. And so it's really hard for me not to be winning. And that is really hard.

Ryan Moran [00:42:42]

Were you a professional tennis player? Or did you lose some games?

Sarah [00:42:45]

I lost, but I was good. I played the junior national of Yugoslavia for my senior year.

Ryan Moran [00:42:54]

You were naturally talented, but you weren't always a champion. You lost along the way and you got better.

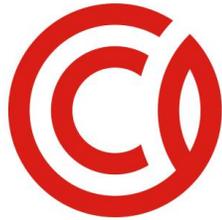
Sarah [00:43:04]

But I'm very competitive. That's the part of me where I feel like I'm doing this. If I don't, if I put this foot forward and I fail, I'm not only letting myself down and losing money, I'm letting other people down. So how do I not do that?

Bill Glaser [00:43:17]

Well, what happens when you don't get that first servant? You get another chance. You get another chance, right? What's great about business is you don't just have 2 chances. Serving, you only have 2 chances. You either get the ... If you don't get the first one in, you have to get the 2nd one in. Business, you have multiple chances. And if you see it from that lens, it'll take the stress off of you and the competitiveness that you have is good because you're going to be challenging yourself. I think in my opinion, from what I've heard, it's more of just the mindset of putting yourself in a position to succeed and succeeding means that not always did we get that first serve in, but sometimes that 2nd one is the ace.

Sarah [00:44:05]



I've already got my 2nd product lined up. I'm working with a developer to make it. I'm not successful yet, but I'm already at that point of I'm working on the 2nd product. I don't know if the first one's going to do great on sales, but I'm looking down the road already.

Ryan Moran [00:44:25]

You're right on pace with Bill because Bill's first product and this one didn't hit out of the park either, but number 2 and 3 made it over the net. So, expect success long-term. Also expect to get punched in the face along the way. You're getting into a boxing ring. You're expecting to win, and you're going to take some licks and that's how it's going to be.

Bill Glaser [00:44:51]

You got this, Sarah. You got this, Sarah. You're going to do this for your mom. You're going to do this for all the people you're going to have an impact in. Even if it's ... You got some bumps in the road, don't be discouraged. Keep going. And you've been called to do this, so you're going to make it work and you're gonna figure it out.

Sarah [00:45:07]

Thank you very much.

Ryan Moran [00:45:08]

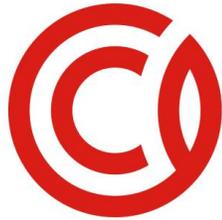
Good to see you, Sarah. All right, let's go over to my man Tony. Bringing you on. Tony, what's up my friend? Good to see you. Nice shirt.

Tony [00:45:19]

Thank you. So, I wanted to ask a question. I actually ... Ryan's been helping me a lot when it comes to creating my brand and I jump started my business and it was originally an Amazon business, and I didn't want to go through that. I was like, I need to build a brand. Ryan helped me out in figuring out who my person was. I basically am working on a brand that's like fitness for mental health. We're going about this process where since I already have some products that are launched, obviously ... I have products that are already launched, so I have to kind of ... And I'm trying to get investors on board. So I'm in this situation where I have products, I have some sales, but it's this whole, ... It's a different process in that ... I don't even know how to explain it. It's kind of like I have to look for an investor for a certain dollar amount. Ryan mentioned to me, there was a, he called it the reverse raise, or it's like a ...

Ryan Moran [00:46:31]

I made up that term in the moment while I was talking to you about this. But, yes, I did call it ...



Tony [00:46:38]

I like it. I like it though. He basically ... Pays \$50,000 for a \$1 million valuation. And in my 2nd funding round, I would buy out that stake that the person would invest in, or they have a first right of refusal. Essentially I'm just trying to figure out how I basically find somebody that is looking to invest in a brand. I mean, I can go on social media and stuff, but I wanted ...

Ryan Moran [00:47:07]

Tony, before we go too deep here, because I'm pretty familiar with your business. We've worked on some of this stuff. And so I'm caught up. But when I want to know here, I think there's some subtext to what you are saying, which is that it sounds like you're looking to cast a new vision. There's what you have that has some sales and you've got a vision and there's a gap there and that's where the investor comes in. There's like this turning of the ship that needs to happen. Am I picking up on what you're saying correctly? Or is there something else?

Tony [00:47:41]

Yes. Yes. That's it. That's it.

Ryan Moran [00:47:43]

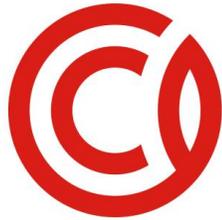
Okay. So, for you right now is your brand that is the real vision that you want to grow into, is that what you've got right now? Are you making a pivot here? Is it completely different? Where are we in that?

Tony [00:47:59]

Since I do have products that we had before, I'm trying to kind of focus on really serving my specific person now. I'm going in this pivoting direction. I'm not really going in the opposite direction, but I'm kind of just turning it slightly. And I'm really trying to focus on who my person is and really create products around them and really focus on advertising towards them.

Ryan Moran [00:48:31]

Okay. I'm with you. The thing that's missing for me in hearing you talk is ... Your question is how do you find that person who puts up the initial capital? And it almost sounds like you're asking, Ryan, how do I find the one girl that's going to make me happy? I mean, you could go down INAUDIBLE 00:48:53 and there's girls, right? And there's a pretty good chance that one of them could make you happy, right? So, what are you doing tonight? And if you tomorrow, when you wake up and you go to the coffee shop, there's a good chance there's some girls in there and there's also a chance that some of them might make you happy. So, there is ... Finding the person looks a lot like holding out the phone and making a list of 10 people.



You've heard me say this all the time. Make a list of 10 people, ask them for advice, and what happens if you asked for advice, Tony?

Tony [00:49:35]

Somebody who's going to refer ... Either they're going to be invested in it, or they're going to refer someone else.

Ryan Moran [00:49:39]

If you ask for money, you get advice. If you ask for advice, you get money. That's the rule. It comes down to that. Bill, how did you find your first backers?

Bill Glaser [00:49:52]

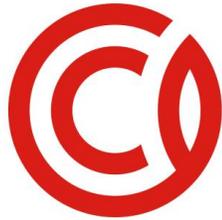
I would answer your question in a couple of ways. The way you first described the structure of finding someone to invest \$50 grand and giving them the opportunity to buy them out. What you're doing is shifting the value proposition of that investor from the opportunity of your business and where your business can go to you being successful in finding the next investor, because for them to buy into that, they have to feel confident that you're going to find the next investor, right? And you've taken away the value prop of the upside of your business. To me, that is not the way to go because if someone's going to take risk, then they want the big return and they don't want someone to pay them back or have a capped return, and then rely on you to raise the money to take them out.

Bill Glaser [00:50:51]

So I think you're selling yourself short, in my opinion, with that type of structure. If you have a business that you feel strongly that's going to grow and is compelling, and I don't know what your products or your services or anything else, but if you believe in it, then you should convey that to your potential investors. Where you find your first investors, when you're at an early stage of your growth, are your friends, your family, or their referrals because ... And I just described, Ryan asked me what was my biggest ... The failure that I liked the most. I told them the first one that I had, because I learned a lot of lessons and one of those lessons was I borrowed money from my father. I didn't tell him about the risks. And then I had a conflict. What I've experienced is that most people, when it comes to raising their first round of financing, even if it's \$50 grand, \$25 grand, whatever it might be, they are afraid to go to their friends and their family because they're afraid of conflict.

Bill Glaser [00:51:56]

What you cannot control is how other people are going to react. What you can control is how you present your opportunity, both on the upside potential and the risks. If you explain the



risks and tell them, look, you might lose all your money but if this thing does well, and I'm going to give it my all, I'm going to ... I'm not going to sleep. I'm going to do whatever it takes to make this successful. Then your \$50 grand can turn into a million or whatever it might be. Most people will appreciate that, and if they take a loss, they take a loss and you've explained what the risks are. If they have a problem with you after that, then that's their issue that ... You've clearly explained the risk. If they're upset with you, unless you've done something, you've taken that \$50 grand and you went to Cabo, then you're ... But most people are afraid of conflict.

Bill Glaser [00:52:52]

And so they, instead of going to people that know them and know that ... I'm sure most people that know that you're a guy that's going to make things happen and that they're going to trust. Look, not everyone has friends and family that can write a \$50,000 check or even piece it together with their friends and family. But everyone has friends and family that know someone or know someone that knows someone. That's the beginning of how you network is through the people you first know, rather than trying to go outside of your network to find people you don't know, just because you're afraid of conflict. Now, I'm not suggesting that's what you're doing, but that's what most people do in that case. They avoid conflict and they avoid going to the people they know.

Ryan Moran [00:53:35]

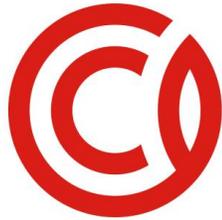
Tony, I mean, there are people in the Incubator, myself included, who are eagerly looking for more deals. The thing is, you've got to believe it first. You've got to believe it more than everybody else, which means ... And this is why the vision part of the process matters so much. Bill believed in this first, which is why when his first product didn't smash it out of the park, he still got up the next day and said, next one up, we got this, because he believed it first, he believed it more than anybody. So, you got to believe in your brand before everybody else does so that you are motivated enough, inspired enough to be able to carry through on the vision, whereas most people are more like, I hope, I hope, I hope. I need investor capital in order to validate that this is a good idea before I move forward. And that is the opposite of how it works. Complete opposite. You feel me?

Tony [00:54:42]

Yeah. I feel you on that for sure.

Ryan Moran [00:54:46]

Hit a nerve right there?



Tony [00:54:48]

Yeah, it did.

Ryan Moran [00:54:50]

What's going through your head now?

Tony [00:54:51]

So yeah. The first thing that came to mind, honestly, it was like, for me getting into the incubator as well, I felt like one of the things that was holding me back the most was relationships and just building the relationships. This basically hit the spot, this live call hit the spot because I'm like, all right, I got to go out there and get it, you know? And just being in the Incubator for just a few months, I've built so many relationships already. Just by being myself and just doing my thing, documenting my journey and stuff, it's been amazing. I think I just needed that affirmation that I should continue to go about this process more than anything. A lot of it had to do with this ego of myself where it's like, oh, I'm going to do ... Before, I would tell myself, oh, I'm going to do it by myself, I'm going to figure it out by myself, but now it's like, I can't do it alone, you know?

Ryan Moran [00:55:45]

Yep. You learn that lesson real quick. You learn that lesson very quick.

Bill Glaser [00:55:50] Y

You knew that already though. You joined Ryan's group. You're getting support. You're getting ideas. You just got to get out of your head and just make it happen

Tony [00:56:00]

Exactly.

Ryan Moran [00:56:02]

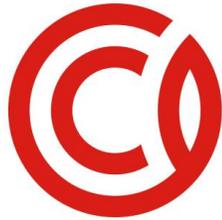
We got your back, Tony.

Tony [00:56:03]

Thank you. Appreciate it. Good to see you too. Thank you, Bill.

Ryan Moran [00:56:06]

Bill, I love hanging out with you, my friend. Thank you for being such a good steward of my capital and someone fun to chat with.



Bill Glaser [00:56:15]

Well, I appreciate you having me on here and plugged into your community. It sounds like so many of the people in your community are up to big things and that's really exciting. Any way I can help, I'd be happy to help. The cookie guy, some of the other people, I probably have some direct connect ways to help, but, really appreciate what you're up to, Ryan and appreciate you being involved with us. And that's what relationships are for. That's the theme. If we unpack everything we've spoken about, it's about building quality relationships, providing value, doing the right thing, and having fun doing it.

Ryan Moran [00:56:54]

And I must say I have a few things on my resume, but the one that I'm may be most proud of is I am a Hella Hot challenge champion. I have shoved all of the Hella Hot Outstanding Food products in my mouth out without cracking the face.

Bill Glaser [00:57:14]

You know what, it took you an hour and 39 minutes to do that. Next time we have to do this in 5 minutes and have you pound that thing down and see what happens.

Ryan Moran [00:57:23]

We'll do it live.

Bill Glaser [00:57:27]

And you had some influence with that whiskey. The whiskey is going to make everything more tolerable.

Ryan Moran [00:57:34]

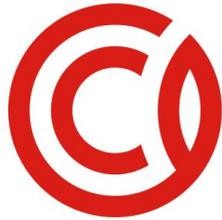
That's why I make my followers drink when I'm doing a show.

Bill Glaser [00:57:40]

That's the business advice for the day, right? Get your customers drunk first, then they're going to buy whatever you're selling.

Ryan Moran [00:57:48]

Buy my shit.



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

Bill Glaser [00:57:51]

Buy my shit, dammit. That's the closing line.

Ryan Moran [00:57:54]

OutstandingFoods.com, Amazon, Walmart, Whole Foods, everywhere that vegan pork rinds are sold. Bill, it's good to see my friend. Thanks for hanging out.

Bill Glaser [00:58:09]

My man, so much fun. Appreciate it.

Ryan Moran [00:58:12]

Goodnight everybody. If you found value in this podcast and you're ready to go deeper, here are 3 resources where we can help you. 1, 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 7-figure business. 2nd, you can join our community of entrepreneurs who are following a plan to build a 1% net worth by building businesses and investing the profits. You can get plugged in at capitalism.com/1. And 3rd, if you're looking to go deeper and build a 7-figure business that you can sell, you can work closely with us inside the Capitalism Incubator, and you can get on the waiting list and find out what we do over at capitalism.com/inc. That's capitalism.com/inc.