

Darren Marble & Todd Goldberg

Going Public

Media Masters – February 24th 2022

Listen to the podcast online, visit www.mediamasters.fm

Welcome to Media Masters, a series of one-to-one interviews with people at the top of the media game, except we've got two in the hot seat today and I'm joined down the line from Los Angeles by Darren Marble and Todd Goldberg, co-founders of the TV show Going Public. The series streams on entrepreneur.com and follows stories of founders on their capital raising journey. Uniquely, it also allows viewers to click-to-invest in the featured companies in real time while they watch the show. At the time of recording they're halfway through season one and have already bagged nearly 10 million views, 25 million ad impressions, 200,000 website visits and crucially over \$10million raised so far for the companies taking part in the show. Darren is also chief executive of the investment platform Issuance and co-founder of Yellow, a brand for those currently not drinking. Todd is also the co-founder and co-chief executive of FinTech firm Crush Capital. Gentleman, thank you for joining me.

[Darren]

Thank you, Paul. It's great to be here. That was an amazing opening.

It was, wasn't it. And to be honest, it's amazing because you guys are amazing because I mean, how do you find the time to fit this all in? I mean, let's just start with a basic question like that.

[Darren]

Well, listen man, it's been a journey. The interesting thing is that Crush Capital, which is the creator of the Going Public series, that company was founded in 2020, but there was a predecessor company that was founded by Todd and I in 2017, which was the company that really was the origin of the business. So we've been pushing to get this show to life, the Going Public series for almost five years. And in other words, it's been very challenging, slow, and painstaking, but it's so exciting to be in

this moment now in 2022. We're in the midst of season one, we launched the series on January 18th and earlier this week we released episode five. So we're in the midst of a ten-week season and excited to finally be in this moment.

Todd, how's it going?

[Todd]

It's going pretty well, man. As one of our investors likes to say, the secret to your success is the first five years. And to Darren's point, we started in 2017 and encountered just about every obstacle one could ever imagine and then some and that's the beauty of the entrepreneurial journey is being faced with challenges and then either pivoting going over them, around them, under them, through them and proud to say that we got there with this series Going Public, as Darren mentioned, we launched it on January 18th. We're now in the fifth week of launch, which means episode five is airing and we'll drop episode six on Tuesday. So episodes are released every week. And so far the viewership has been fantastic and has surpassed our forecast tremendously. So 7 million views equating to about one and a half million viewers on average per episode. And then those viewers are clicking to invest. We have a button on the player that says click to invest, and that brings them to GoingPublic.com. We've had hundreds of thousands of visitors to that platform where people can review the opportunities, get behind the scenes footage and certainly if inspired, they can click to invest in any of the featured companies on Going Public.

Once you know of the idea and you see how simple and amazing it is, you think why hasn't anyone else thought of it before? I know that's true innovation, isn't it. When you see an idea, you think someone would've thought of that inevitably, but I mean what an innovation! Could you talk our listeners through the genesis of the project? How did this idea come to you, was one of you in the shower or something or driving along? What were the seeds of this project?

[Darren]

So Todd pitched me on this idea four and a half years ago and we were at a steakhouse in Manhattan and New York. And I'd been in the equity crowdfunding industry for a few years and helping companies raise tens of millions of dollars online. And Todd's background was as a senior executive in medical technology. He had both taken a company public to NASDAQ and also achieved an exit for one of the companies where he worked for years. So no stranger to public markets. And he took me to dinner and said, Darren, I've been following your career in the capital markets. I know you help companies raise capital online. He said, I've got an idea for

a show where we follow founders on their capital raising journey and we let the viewers invest. And I said, Todd, as your good friend, it's a commonly pitched idea, man. I hear this idea all the time. And I think he was maybe a little bit disappointed to hear that. And it was true because the reality to hear Paul with this project is it was a commonly pitched idea. I had heard this dozens of times, I had seen pitch decks. It's like a shark tank, but you can invest. And Todd slowed me down and said, well, wait a minute, Darren, if you've heard this idea so many times, where is it? Where do I watch it? What channel do I turn on? What website do I go to see this show? And of course it did not exist at that time in 2017. And the simple reason is that it's incredibly complicated to execute. It's like saying, I wanna build a rocket and go to Mars and anyone can say that, but there's one human that's capable of doing that and governments couldn't do it. And so I think it's a good analogy here, Paul, because ultimately to execute this idea, which many people have had, it required production, it required a distribution partner. There's a technology component. There's a platform that's needed for the viewers to click to invest while they watch. So the process is seamless. There's a capital raising component. We needed money to go produce the show. There's a huge compliance component. This is a highly regulated industry. The companies in this series are selling securities. Anybody who watches globally over the age of 18 can legally invest. So all of these things together made it a tremendous undertaking. And that's why I think ultimately it took us five years. And ultimately I think Todd and I had the right mix of skill sets as co-founders. And we both had the patience to actually go down this path because I think the average person that has had this idea probably gave up in month three, month six, year two, there's just too much going on to actually execute it that people get tired of it. But Todd and I were stubborn and willing to be stubborn together and just invest the time and energy to solve for each one of these foundational elements that were ultimately needed to bring this show to life.

I'm lazy. And I would've given up just listening to how hard you've worked and all the time. I'm exhausted just from secondary effort and listening to it. But joking aside, you guys must be incredibly pleased with how it's turned out, you're halfway through season one, you're getting great feedback. It's working and credit to you guys as entrepreneurs. It could have gone wrong, with all of the best ideas we could be discussing the total failure of this project right now, and your determination to see it through, to execute, is to your credit. What challenges have you seen along the way?

[Todd]

Easy question to answer, if you just change that into what challenges have you not seen along the way. I think one of the elements that Darren mentioned earlier that make this project so incredibly difficult to pull off is the compliance challenge. So the

companies featured on the show are utilising a capital raising tool called regulation A and Darren's kind of an expert in that. I like to say I've had a Darren marble residency because I've been working with him for so many years. I feel like the transfer of knowledge has been bestowed upon me. But the bottom line is those companies are qualified by the securities and exchange commission. So you have that regulator to contend with and you have to make sure that you're operating within the guidelines there. And when you bring a broker dealer to the series, all the companies have engaged a broker dealer. A broker dealer is regulated by another entity called FINRA, which is a financial regulatory agency that reports to the SEC and they both kind of have different guidelines and different things that they look out for to ensure that the markets maintain integrity and that companies who operate within them are compliant. And so those have been probably the heaviest challenges. But I will say this, all of these challenges that any entrepreneur faces and ours are challenging, but they're probably not all that different from other entrepreneurs, or other businesses or other verticals, the thing that keeps me going and really was the total inspiration for this project was the mission. And anybody who works for us, they're so aligned with our mission. And the mission is simple that we believe people, customers, fans, followers, everyday people deserve an opportunity to invest in companies that they believe in, not after they've already gone public and much of the value has been rung out, Uber, Lyft, Peloton, Pinterest, Beyond Meat, not the door dashes and Airbnbs of the world who have millions of customers, tens of millions some of them, of customers. And yet those people are only able to invest once that company has hit a public market that has listed on an exchange. I'm talking about the moment when real wealth creation is possible investing in a company's series A, they've already passed that seed stage. They've got millions of customers, they've got millions in revenue, they've got traction, product market fit. And now with a little bit of capital and in a best case scenario, a lot of capital, boy can they take it to that next level and grow. That's the moment where wealth creation begins and most everyday people have no access at all to opportunities like that. Even if they're a customer of said company or a follower or a fan. And so we thought let's bring this type of deal. Let's bring the people into these kinds of deals and whatever gets in our way, let's stay true to that mission to democratise access to private markets, that's our mission. And that's what keeps us going.

I'm absolutely fascinated by this. And I'll bring Darren in now to talk about reg A because the first time I ever heard one of my clients talking about reg A, I didn't know what it was. And I thought, well, is this something to do with Jamaica or Bob Marley for my shame, I genuinely didn't know that they meant regulation A and looking into how it opens up opportunity for so many people that wouldn't previously have had the ability to invest, as you've said globally, anyone over 18, but also the amazing opportunity it presents companies seeking finance, they don't have to go to the traditional predatory VC or equity

investors or go to a bank. I mean, it genuinely is a win-win for both sides. I mean, Darren, as the resident expert in reg A on this podcast right now, could you talk our listeners through the Genesis behind it and just what an incredible opportunity it is for people?

[Darren]

Absolutely. So reg A plus is a securities registration exemption that was actually part of the jobs act of 2012. So this is Obama era legislation that passed with flying colours, bipartisan supporting Congress. And the jobs act was a response to the 2008 financial crisis. It was a response to that time when there were massive losses in the market, retail investors took a hit for mistakes and really bad things happening on wall street. And it was designed to do two things. The jobs act was designed to make it easier for small and emerging businesses to raise capital, to access capital markets. And on the other side of the coin, it was designed to democratise access to start up investing, to allow the customer fan and follower to become a small shareholder in a company whose products and services they use in their everyday lives. Reg A plus was one of several improvements to securities laws that rolled out over time. And it went into effect in June 2015. It allows a privately held company or a publicly traded company to raise up to \$75 million. That company has the ability to market their investment broadly. And it permits anyone over the age of 18 globally to legally invest. So since it's been available to both companies and investors alike, it's estimated that companies raising capital under reg A have raised approximately \$5 billion over the past six years. And in order to do this, a company has to provide audited financials. They have to file a long legal document called an offering circular that gets filed with the SEC and ultimately qualified by the SEC. So it's a highly regulated capital raising tool. And that's the trade off. If you wanna have a shot at raising tens of millions of dollars, if you want anybody around the world to have the ability to invest in your company, you need to go to this fairly rigorous process that requires an auditor, a securities law firm, other partners that facilitate this reg A and so that's kind of the value exchange there. Now ultimately, Paul, even though \$5 billion has been raised, the truth is that equity crowdfunding as a category is not yet mainstream. It's not common knowledge that a company can use this tool. It's not common knowledge that the everyday American can actually invest in startups. This is not being written about in the Wall Street Journal, the New York Times, it's not being talked about on CNBC or Bloomberg or written about in Barons. It's just not. And so one of our goals was we thought if we can create a television show that becomes massively mainstream in and of itself, if we can tell the stories of these companies season after season, and it's incredibly entertaining and interesting, and it's made more interesting because the viewer can now be the shark, the viewer can participate and actually invest. Then maybe we can make equity crowdfunding mainstream along with the show. And that's really part of the thesis here. And I've been marketing these deals for six years. And the conclusion I came to is that the

way to make this industry mainstream was to create a television series and why not? Television shows have become cultural zeitgeist, whether it's Euphoria or the book of Boba Fett, some shows on Netflix, Disney plus paramount plus apple TV. Everyone has a favourite show. In fact, before this podcast, you and Todd were talking about your favourite show. I have a favourite show. My wife has a favourite show. People talk about it. It goes around on social media. This was our opportunity to create our show for the world that allows the viewer to become an active participant and to get invested literally, emotionally, financially in the stories of these founders. And that it's been historically hard to do with traditional equity crowdfunding, where the story of the company raising capital is encapsulated in a two minute or three minute pitch video that sits on the top of the campaign page. That's a stale format, it's an old way of raising capital. And this goes back before the rise of equity crowdfunding into the days of Kickstarter, right? So a Kickstarter campaign and a traditional equity crowdfunding campaign, basically look and feel the same. The difference is the equity crowdfunding campaign, that company is selling securities. Kickstarter campaign, that founders are selling t-shirts or autographs or freebies, rewards. But the format is old, it's stale. And we saw an opportunity to innovate by investing millions of dollars into producing these stories and to really allow the viewer to get to know the founder, their idiosyncrasies, how they receive and take in constructive criticism or even rejection. You can't get that type of intimacy with a pitch video. So that's a little bit about the history of reg A and kind of our vision for the future and where we think this show sits in the ecosystem.

Todd, what I find exciting about this is that there's two flip sides, isn't there, to the coin. There's the viewer that has a chance to participate actively, they can click to invest, but also there's the founders that have got this opportunity. Walk us through what feedback you've got from both sides of the coin. What have the stars of the show's been saying, and what feedback have you been hearing from the viewers?

[Todd]

Yeah. Great question, Paul. I mean, I think the founders are elated to see how well their stories have not only been told by the amazingly talented production team that we brought in for this particular project. So Going Public is produced by INE Entertainment and they're the geniuses behind two of the biggest television franchises in the history of American TV. One is called The Biggest Loser, the other is called Masterchef. Those are just two of their mega hits on reality TV. So we knew we were barking up the right tree by engaging INE Entertainment to produce these stories. And what we're hearing is, wow. I really get to feel like I'm on the inside. I've never seen a company, founders of a company, CEOs of a company, the executive team of a company get mentored by an icon of entrepreneurship right before my

eyes. And meanwhile, I'm the one who gets an opportunity to invest. So it's not like sharks, right? They're not trying to say, okay, I don't think your company's worth X, but I do think it's worth Y and for 50% of your company I'll give you X dollars. This is the price is the price it's laid out in plain English, in full transparency for the audience to review. And then they watch the journey unfold. So you see these founders pitching billionaire investors and they're jazzed because, spoiler alert, this billionaire that they pitch invests in their company right on screen. And boy oh boy did he put them through the ringer to make sure that it was a good investment in his eyes? And then they meet these icons of entrepreneurship to mentor them along the way and they take their licks, but then they, like great founders, they either pivot or they iterate on their brand and they come back and execute. And so I think it's been a great journey for the founders because not only have they raised capital and exposed their brand to millions of people, which of course results in revenue, but they've got to evolve their business under the guidance of some really amazing mentors, Jeff Hoffman, who was on the founding executive team at priceline.com, Josh Aliche who better known as Josh snow founded a nine figure oral care brand called Snow and Jamie Schmidt who founded Schmitz Naturals from her kitchen in Portland Oregon and had a nine figure exit to Unilever. These mentors are phenomenal. They're just really amazing humans and they're lending their talents to these founders. And these founders are taking this advice and literally executing upon it within the show. So you get to hear the mentor's opinion of what's going well and what could be different. And then you get to see the founders sort of change based on that guidance. And viewers love that, they wanna feel like they're an insider. And if they're inspired, the click to invest button never goes away and it's available to them

Question for both of you. And Darren, take it first because you've obviously just had a bit of air time there, Todd but I'd be interested in your views after Darren actually on this one, what has gone in the way that you'd expect, what has gone according to plan and what have been the surprises along the way, good and bad?

[Darren]

I mean, look well, here's what's gone according to plan, we launched this series and that was our plan and it went to plan Paul because Todd and I are gritty and resilient and we're two founders that never give up and believe me when I say we had several dozen moments, it least 20/25 moments where we should have quit. We got in over our heads, we didn't have enough cash. We realised it was gonna take a year to do this, two years to do that all kinds of uncertainty. But what went to plan is that we realised our vision by launching season one of Going Public this year. That was the decision we made in July 2017 at about 10:00 PM at the steakhouse in Manhattan, New York, we joined forces and decided we were going to pursue this and bring it to life. So at a very high level, we have realised our goal of launching this show and it

took us about four and a half years. What didn't go to plan and you know, there's a lot of things, I'm sure Todd has a lot to say here too. When we first started, we really didn't know what we were getting into. And so our first instinct was to go cold call into CBS and Amazon and Hulu. And we figured, well, let's go sell this show to a big network, right? Because we need distribution. The theory is if we can partner with CBS and get millions of people to watch, that's what we needed, that was going to be a competitive edge. So sure enough, we cold called into CBS. We got meetings with executives there and at Amazon and we would pitch this show and the feedback was surprisingly positive. And one of the meetings at CBS, it went for like two hours and they kept asking questions and leaning in and then they would say at the end, okay, so who's your showrunner? And I looked at Todd and he looked at me, we didn't even know what that was. We didn't know what a showrunner was. And so we had to Google it out to the meeting. Oh, that's a production company that goes in and represents you and sells your show, puts this thing together. We were missing a production company. And so that was a misstep. We went in without a key partner that was to these networks, an obvious miss and to Todd and I, we just didn't know any better. And so Todd brought in his good friends at INE entertainment to go be the producer of the going public series. Other other misses, gosh, I don't know that we would say they were misses. I would just say on average, everything about this project took longer than we originally thought, from bringing on the production company, to signing Entrepreneur as a distributor and promotional partner for season one, that deal took 16 months to sign. And to put it in context, we pitched Entrepreneur on the concept of Going Public and they gave a verbal yes at the end of the first call. And it still took 16 months between that call and the time we had signed a definitive distribution agreement. So that was a tremendous undertaking. And over 16 months we were answering questions. Is it compliant? Is it legal? How do you get paid? How do we get paid? What if this, what if that, what if the deals are bad who picks the deals? A hundred different things we had to really cover one by one by one, months and months. So it's been a long waiting game. And I think we've been willing to be patient here. I don't know that we've had these real big misses, Paul. I just think it's been a long process, a long road. And now that this thing is live, it's just all systems go and we're having fun with it. But T would love to hear your thoughts.

[Todd]

I'll tell you one thing that did not go according to our plan or our forecast was we thought we were a great fit raising capital for our company, from private equity and venture capitalists. And what we learned through hundreds of pitch meetings, literally, and getting just punched in the nose 100, 200, 300 times was we do not fit the classic mould for the verticals where VCs tend to operate. So they have an operating plan. They have a thesis, right? We invest in FinTech. Well, we are FinTech. But you're media. And we'd go to the media people. We invest in media. Well, you're

more FinTech and your capital markets, and it's got this unique component. So we learned that really what we're a great fit for are inspiring creative investors who love the fact that we've created a new category, that the new category is this convergence of entertainment and finance. It's not a category that exists. There is no thesis that any VC or private equity firm has created for this type of entity. It is its own category and people, thankfully, when we made that pivot away from private equity and venture capital firms, high net worth individuals, family offices, these folks, these innovators, these folks who understood our mission and aligned to our mission and loved the fact, leaned into the fact that we've created a new category. Those are the folks that funded our company up until this point. And so it's interesting because we're starting to see people in different businesses lean really heavy into content or entertainment. And so we think that we're just a bit early and now the tides are starting to turn

What's next? Where are you taking this?

[Darren]

T, you hit it and I'll hit you after.

[Todd]

Yeah, sure thing. I mean, one of the things that we've envisioned is due to the success in season one and some of the data that's already come in and that we expect to come in in the back half of the season, we can understand that for example, we have a company on the show that operates in luxury fashion. And so it's doing really well. And so what we envision for the future is not only running, Going Public once a quarter, but then verticalising the show Going Public into categories. So people who love luxury fashion, we could have three to four companies in a season four times a year, just for that vertical. Same thing for automotive, same thing for tech, same thing for beauty. And so we envision taking this show to that next level. And one of the ways to get there is to expand the distribution. And we love our partners at entrepreneur.com and they've been with us since the beginning and they believed, and they were the first to believe and we've had tremendous success with them, but I think everybody understands the power of some of the OTT platforms or even the Bloombergs of the world that are sort of Omni channel and they have digital properties over the top channels and then general broadcast channels as well. That's what we envision for the future of Going Public.

It's called category creation now, isn't it? Where you're creating basically a whole new business model. So it's not just starting a new business. It's starting a new way of doing business. And that must be incredibly exciting to see the idea fulfil its potential, frankly.

[Darren]

Absolutely. And it's been long and hard, but we're in a fun moment here, Paul, and to see this show stream and to see the millions of people watching and enjoying and releasing episodes every week has really been so rewarding. I think for both myself and Todd personally, because we've just invested so much time to get to this moment, it's in some ways shocking we're finally here. We've been talking about this show for years and Todd mentioned a lot of capital raising and some of the insights we learned there. I've probably pitched this show to a thousand people, at least a thousand people. At one point, Paul, I would walk on the street and if I saw someone I thought had money, I would go pitch them and tell them about this show and say, Hey, I'm Darren. I'm launching a show where the viewer can click to invest while they watch. I figured if I pitched it to enough people at one point it would happen. And we've probably pitched a lot of the wrong people over the years, but it's finally here and we're thrilled to be in this moment. And I think there's a lot of possibilities for the future. And maybe just to close out some of the things that Todd said in terms of where we're going next and new series and new formats and new companies, you know, a lot of people don't know that in the late 1960s, Charles Schwab, which is one of the largest financial services companies on the planet, he started the business with a paid newsletter. And so the origin of Charles Schwab was a financial newsletter where retail or credit investors would pay a fee of Schwab and he would provide them stock picks. And that was the business. That was all it was, but he built a community. He built an audience and he became known for his expertise and built the audience over time. And here we are in 2022 and it's five different, six different divisions, and there's all kinds of services they offer to retail and institutional investors alike. And the reason I bring that up is because I think that's a really good analogy for what we're doing with the Going Public series. The Going Public series is starting out, not with a newsletter, but a TV show. And the TV show is bringing in millions of viewers to the series one and a half million viewers every single week. That's the basis for our company to build a massive financial services company globally. And we're using a show as the customer acquisition vehicle. That's the hook. That's what makes it different. That's why people are interested in this. There's no parallel for it. We're able to provide them content that's entertaining and actionable because if you see what you like, you can be an investor in any one of these deals. And within two to three minutes, you can buy shares while you're watching. So I think there's a parallel here between what Schwab did in the sixties and what we're doing right now in 2022, it's just a different starting point. One was a newsletter, this is a show, but the show is a hook. It's a magnet for us to build a base of prospectively millions and millions of self-directed retail investors. And as Todd mentioned, we're advocating for them. We are an advocate for the everyday American that has been historically locked out of invested in startups. And only recently did laws change that allowed the

everyday American and the retail investor anywhere globally to become a small owner in a company that they believe in. So we're thrilled to be in this moment.

The idea is brilliant because it's in its simplicity, isn't it, like all of the best ideas. Is there ways to in the long term maybe take this into new markets, different languages? Could we see an Australian version? Because it is a global platform, isn't it? Maybe you actually have the one show and then that sort of expands around the world. Could you share with our listeners any sort of long term plans for the products? It's just going so well and the opportunities are limitless, but you must have your mindseye on a few opportunities.

[Todd]

Absolutely. Paul, I mean international distributions top of mind. And I think we did the right thing in securing the trademark for Going Public. No one ever thought we could do it, but sure enough, the United States patent trademark office issued a class 41 trademark for Going Public. So we've got that on lock. And then the other thing we did, which I think was probably important to do for the future and for international distribution was to register the format of the series. And so the parallel everybody likes to go to because it's the most popular business show is Shark Tank. And so most people don't know that shark tank is actually a licensed format and so is Dragons Den. And those are two of the most popular versions of it. But I think there's about 45 different versions in multiple countries. The original format was actually called Tigers of Money. And that is a Japanese outfit who owns the format and upon TV owns the format. And the original shark tank is actually called tigers and money and shark tank producers licensed that format through the Sony pictures television catalogue. And so did the folks who produced dragons den and so did 42 other markets or their version of the show. And so we believe that we've set up the company to experience similar traction and growth in international markets with the format for going public in the name itself.

Tell us how you achieve this then to our listeners. Both of you are busy guys, as we said in the introduction, you've got lots of fingers in other pies, irons in other fires, whatever analogy you want to use, could you paint a typical week? What are you guys doing at the moment in terms of the creators, the producers, the power behind the throne, what does a typical week look like bringing this amazing idea to fruition?

[Darren]

It's quite busy at the moment. I won't say it's unmanageable because we're are still alive and kicking, but admittedly planning this and thinking about bringing this show

to life for four and a half years, and now being in the middle of episodes five and six, it's a whirlwind, fortunately Paul, we have an incredible team supporting us that Todd said believes in our mission is motivated by that mission. We've got a phenomenal marketing team. We have several incredibly talented PR firms, including your own, helping us bring awareness to this series. We have really talented, motivated employees, contractors, and partners. And I will tell you we're very lucky because we've had fits and starts with this project. We were trying to release this series in October. It pushed November, then it pushed January and everyone stood by us. And so I think that fundamentally we're very fortunate that we've got really great executives and team members and partners, agencies alike backing us. Right now I would say we have a tremendous amount of data that we are analysing, and it's exciting to be looking at this data because we only had imagined it for a long time, but now we have real time data relative to viewership. How many people are clicking to invest? Are they going into the deals? Are they going into Hamit or Treble? What does that journey look like? Who are these people? Where did they come from? How long are they viewing the episodes? Did they find out about this show through Facebook, through LinkedIn? Was it word of mouth? And so we're analysing that data. We're ingesting that data. And based on that data, we are optimising everything about this show from the production itself, to the investment funnel, to the ads we're using, relative to art and copy to the media buys that we're executing, the data is informing the strategy. And that's taking up admittedly, I would say most, if not all of our time right now. At the same time, Paul, we are looking towards the future. We've already signed several companies for season two of Going Public. We informally kicked off production in Las Vegas, Nevada two weeks ago with one of those companies that's going to be in season two. So like any good operator, we've got one foot in the present and another in the future and kind of looking ahead for the next season so that we can keep the wheel turning.

Which of the parts of bringing this has been the most enjoyable, I run a business like you say, and I can do the bookkeeping, but I don't want to because I don't enjoy it. I enjoy talking to founders like yourselves and I love the thrill of winning business and seeing executed well. And I like working with a really good motivated team. And then there are appointments in my diary where I'll do it because I'm driven and I'm disciplined, but it's less enjoyable. Which of the bits of this have you enjoyed the most? And that's a question for both of you.

[Todd]

I would say I'd put it in this order. I really love the casting process. And by casting, I mean, we're getting applications, we've had over 300 applications since we started this project. And that means we get to interview founders and talk with them about

their business. And just to feel that entrepreneurial spirit and to hear how these amazing people have built their businesses and to see their faces and what I mean by that is when you think about the average founder who maybe is on the podium at NASDAQ or New York stock exchange, you might have a particular image in your mind. Maybe there's a suit and tie. It's probably a man, maybe even a Caucasian man. What we're looking for as part of our casting edict is we're looking to highlight founders from underrepresented groups because the reality of entrepreneurship, the reality of the entrepreneurial journey is that founders come from all walks of life. There are lots of female founders out there. There are lots of people of colour who have founded amazing businesses out there. And unfortunately the classic areas of venture capital and private equity just have not supported those founders. It's just what the statistics show and it doesn't seem to be getting any better. So we feel that's an exciting day to day part of our business and casting. And then I also love working with our sponsors. So this season, we have the pleasure of working with KPMG, one of the largest global advisory and audit firms in the world. And I love working with the sponsors and how we can integrate their talent into the series to bring education and value to the viewers. And then lastly the production itself, the production itself is just so much fun. We've gone to Vegas, of course, Los Angeles, where we're based, Miami Fort Lauderdale, the Hamptons, New York city, Mexico city, Phoenix, Scottsdale, we've been to Detroit. I mean, we just have travelled quite a bit with this production to capture these founders in action. And that's been a really great experience.

It sounds to me like it's just been an incredible adventure from start to finish, frankly.

[Todd]

As Darren likes to say, like Tarzan, we're swinging from vine to vine through the jungle, and you're on a long one and then you're reaching and that vine presents itself and you grab it and you go to the next one.

I dunno, whether you have the old Atari computer in the eighties but there was that game Pitfall. It's a bit like that, isn't it?

[Darren]

Yeah, I'll give a different but simple answer. What I love most, Paul is every day now I wake up and this thing is real and I get to be an entrepreneur. I wake up knowing that this thing is out there. And there's all kinds of things that you can't control as a founder. And there's things that are just, you can't fight certain forces, but we've got such an incredible opportunity in front of us to be in this moment. And on a daily basis, we have put together a great team. And we are in control of our future. I'm in

control of my destiny. And I think some people wake up and they go to work and that's great, nothing wrong with that. And they show up and they do what they can and they wake up and they've got money in an account. But we get to wake up every day as executive producers of the Going Public series and the show is being released every week. And it's just tremendously rewarding and fulfilling to be here right now. And seeing this show, living and breathing and people watching it by the millions and tuning in. We're learning, we're optimising. And it's just a result of years of hard work and again being super gritty and resilient. And so I feel a great self-satisfaction that we stuck with it, despite many opportunities to quit, walk away from dangerous roads, that looked pretty dangerous and uncertain. We went down those paths together and here we are, and we're just really excited to be where we are and I think the future's bright.

What's the secret of your successful partnership? Because this is a great idea. I remember Darren reading a tweet from you a few weeks ago that said that you really respect solo founders, because it's harder. You guys are greater than some of your parts and I think that's great. You get two waves, they could cancel each other out or they could amplify each other and you guys obviously work really well. What's the secret of that? What's the secret of your professional marriage as it were? I invite each of you to sort of say what you admire about the other. And then if I dare ask what's irritating, does the other have any faults?

[Darren]

My answer would be, Todd and I started out as friends, our wives used to teach at a private school together here in Los Angeles. And so we were friends before we started the company. We probably knew each other for at least ten years and would see each other at events and birthday parties and such. I think at this point now we've been working together for five years. I would say we know each other intimately and the good, bad and the ugly. And so I think that knowing your co-founder and how they operate and what they're strengths are, their weaknesses, what sets them off when they get offended. These are insights that allow me to work most effectively with Todd. And so for instance, I know that if we have a disagreement about anything, the worst place for us to disagree is on a text message. The next worst place for us to disagree is in an email, the best place for us to resolve any disagreement is on a phone call. We've learned this over time. I don't get into arguments with my co-founder on text messages. It's a bad place for us to argue. You can't look at somebody nice, see their reaction. And so I think I know him at that level where we know how to operate smoothly and resolve challenges or obstacles. I think the other thing and this is the hardest thing in business honestly, is if you start to find the right co-founder, there's an infinite number of choices. And I will say Todd has been, I've been blessed to have him as a co-founder here. I think we

have very complementary skill sets and I think that's really important. Todd tends to be a visionary, highly strategic long-term thinker. And I'm more kind of in the moment, even in the weeds and I'm kind of quick to execute, make decisions and go, and if we make a mistake, deal with it and then move on. So I think we've got some yin and yang there. You've got one founder who is, as Todd and I are coming up with a solution I'm texting setting up the call to get to the next step. You know, Todd might be thinking a little more about it. So I think we got lucky in that sense that we do have very complimentary skills. And I think that has favoured us over the years.

But what's Todd's faults? Come on, please tell us, spill the beans.

[Todd]

This is probably a good time for me to step in! I'll tell you what Darren is one of the most effective communicators I've ever met and he has a really high EQ. And even when I've heard him get berated by people, he takes it with class and grace every single time. And I've yet to see a scenario where you can't turn somebody around and even when tensions are high, he can always bring that level of calm and he rarely ever gets emotional, which is not who I am. I'm a very emotional person. But I will say that he does suffer from a very severe disease called optimism. And this has really been a blessing and sometimes curses for us, right? Because Darren always finds the goodness and the positive aspects of opportunities or people we meet or ecosystem partners or whatever. And sometimes that's where we may clash a little bit and I may say, let's look at the facts, right? I was raised by a family of attorneys. So I'm always like let's look at the facts here. And Darren's got that optimistic vibe, which in many scenarios has been extremely, extremely helpful, but the guy gets selected to speak at multiple conferences and to be the MC because of those skills. And that's translated really well in our business.

I mean, Darren, one of the things that disgusts me about you is your optimism. It's born of jealousy really because why can't you be miserable like the rest of us and just look at the negative all the time, what the stench of optimism and trying to make the best of things by being warm and personable. I mean, it's a problem, isn't it?

[Darren]

Listen, I'm definitely an internal optimist but it is counterbalanced because I am an anxious person and I have trouble sleeping. My mind is constantly thinking if not racing, I'll have nights where it's midnight and next it's 1, 2, 3 am, and I'm not able to call my mind. I could benefit from meditation, therapy, all of it. But I do wake up with a positive outlook on the day.

And brimming with good ideas. It sounds like you're inflicted with entrepreneur's syndrome.

[Darren]

You know, listen, I think it's important for a founder and founders in general. I think you have to be a stubborn optimist if you want to be successful because founders, you're going against the grain. You are trying to accomplish something that the world tells you can't be done is impossible. You're the wrong person to do it and if you listen to that feedback, the average person would quit, or the average person does quit because they're not optimistic, they say everybody's telling me this is too hard. And I got rejected a hundred times. I don't wanna feel that pain for the 101st time. But to me, I say, you know what, another five I'm gonna get a yes, because if one out of a hundred say yes, that's all I need. That's enough. That could be a million dollar investment, a million dollar sponsorship. It could be the next distribution deal. And so to me, it's a numbers game, Paul, where I think the average founder doesn't have the tenacity or the guts to keep going, because it hurts and you go through a certain amount of pain and suffering to launch and sustain a business, and it's brutal and it's extremely lonely. And this is why there's a higher suicide rate sadly with entrepreneurs than other careers because you feel like no one can understand what you're going through and the amount of rejection, and then you have investors and how is my investment doing if founders upset? I mean, it's a lot. But I am an eternal optimist, I believe at the end of the day that there are good things there for those who are persistent, incredibly persistent. And as I like to say, I played a long game. Todd and I are in the midst of a long game right now. And I think the average founder is playing a very short game. They're playing a three month, six month, one year game. And I think in order to really be successful out there, you've gotta play the long game. And so I'm an optimist. And I think our odds of winning this long game are strong.

Another thing I hugely admire about you, Darren, is you talk so positively about how sobriety has given you a competitive edge. A lot of sober Twitter is about what I had to do because my life was going wrong and blah, blah, blah. And that's all good, of course, a lot of people want to hear that, but I like the positivity that you have that actually you present it as a competitive edge. And so few sober people on Twitter sort of evangelise about almost making the business case for that sobriety. How have you found feedback online from the openness that you share with your followers, which is of course your immense credit.

[Darren]

It's 99% positive and not everybody feels that way, but most people, I think they like seeing that and it's maybe inspiring to of them personally, but it's true Paul and the irony of my own sobriety story and quitting drinking over eight years ago now is that

quitting drinking was the last thing I ever thought would be a strategy for me to be a successful founder. I wouldn't even have listed that as a possibility, at the time I had thought I needed a million dollars. I need someone to cut me a check to be successful. I need this VC to give me a meeting. I need this advisor to open the door for me. And what I found out was that I held the keys to my own success, to my own personal growth. And for me personally, quitting drinking was the unlock. It was the key itself to that door. And of course, like anything good in life, It didn't happen overnight. It took two years into my journey of sobriety before I could really see the impact in my day to day. And I describe it as going from 95% effective as a human being to 96% effective. It wasn't night and day, it wasn't black and white. I wasn't a dysfunctional human. And then I was suddenly functional and capable. I went from being a pretty decent person to being slightly more effective every single day, every single month yearly. And that impact compounded. Over time, it opened all kinds of doors for me in my career, my ability to raise capital more effectively, choose better business partners, deal with stress and anxiety, things you try to drown away with alcohol or drugs, whatever it is people try to escape from these things and face it head on. There was a meeting though, because I went to New York once and I opened with my story of sobriety. And I remember the investor just kind of turned. And at the end of the meeting, they said, I wouldn't lead with that. And it was kind of an eye opener and I realised she was right. It's maybe not the way to open an investment pitch, but it is and has been fundamental to my success as a founder. And I believe it is a competitive advantage. And if any of my competitors are listening to this podcast, I got you beat. I got them beat, Paul, because if they're distracted for 20 minutes at a bar, 30 minutes on a weekend, I got them beat. I believe that fundamentally sobriety is a competitive advantage in business. I'm a little bit more focused than the next founder. I'm a little bit more effective. And in business, it's all those little things that add up to greatness. It's not one thing, it's just that slight edge that can make you successful or make you want to give up because you don't have that edge. So for me, it's been transformational. And if there's anybody listening out there and something's not working for you in your business, you're not signing enough clients, your business model's broken, something in your relationship, your job. I challenge you to quit drinking for 90 days and see what happens. I think that's a great challenge for anybody who is looking for some kind of incremental or maybe transformational improvement in their life. Quit drinking for 90 days and see what happens.

Todd, what's your secret sauce? I mean as we've repeatedly pointed out, you are much better looking than Darren and I. Has the fact that you're so handsome actually counted against you, where people have assumed that you dunno what you're doing because you could always be a male model.

[Todd]

Yeah, keep lying to me, Paul. That's how we're gonna expand our relationship. I love that. I don't know that I have any secret sauce, but I will say this, I happen to be a very authentic person. That's just who I am. I'm not trying to be this way or that way. This is just who I am. And I think in business, what people really admire and respect from others is authenticity. Lord knows we've all encountered folks in our business life that are fake and that are not genuine. And when you encounter somebody like that, it kind of leaves you with this feeling of just yucky. It's not somebody that you want to be around. It's not a pleasant experience and it always manifests later, especially if somebody's being nice fake or they're telling you great things and then you never talk to them again. And so I think authenticity is my superpower. And it's not that I worked on it. It's just kind of how I was raised, I guess, and who I am. And I like getting that back from others. And so I tend to seek out partners in our ecosystem that we work with who are also equally authentic and who are direct and real because that's the best way to be in my mind.

Let's fast forward ten, 15, maybe even 20 years. Where will both of you be?

[Darren]

Look, I would say I'll answer it with something different. You know, I want to be with my family, my wife, my kids, and to me, that's my happy place.

What about Todd and me, Darren? What about Todd and me?

[Darren]

You guys are okay. No, it's funny.

But are we outside your happy place, tapping on the window waiting to be let in? This is a disgrace.

[Darren]

Let me tell you a story. Todd and I were on with a client the other day, and the call was not going well. Client was really upset about something, and we were there to listen to the client's concerns and just to have empathy and to hear him out. And this individual at one point started yelling at us, which he had never done before. And it was a little bit off putting, and you could hear the stress in his voice. And at one point, Todd said it's just work. Hey man, I know you're upset. I know you're frustrated. We hear you, but dude, it's just work. Don't put this kind of stress on yourself and that's not

Todd's comment about him being authentic. I mean, he said what he was thinking. He was actually going across the line of business and saying, hey man, you don't sound okay. Like you, you gotta get over this because this could hurt you. You could manifest something really bad physically, if you keep up this attitude, there's so much frustration. And so sometimes Paul, I think we lose sight of the things that are most important to us. And for me I'm proud to be a founder. I love waking up every day and running this show with Todd, it's a dream come true. But my family's more important and I've got two young kids, ten and seven, and that's my legacy, that's my future. And of course I wanna see great things happen in this company and take the company public and build a billion dollar business, any founder has that aspiration. I think you're always looking for the big win. And of course I want that too. But at the end of the day I want happiness. And I think that happiness for me is outside of the business. So just be with my family somewhere. And if it's on an island, I won't be complaining.

Inspiring stuff. Todd tell us.

[Todd]

Well, I have three daughters who are all seven and under, so in ten years I'm gonna be in a really challenging place having three teenage daughters.

Have you seen that scene in clueless by the way, where Alicia Silverstone, she's taken a guy to the prom and the dad's there and he sort of looks up and down and his daughter's date. And he says look, son, if you ever hurt my daughter, all you need to know is two things about me. I've got a 45 in the draw and a shovel, no one will miss you. Are you gonna be doing that, giving the hard word to your daughter's prom dates?

[Todd]

You know what one of my daughters, I actually feel for the man because she is tougher than I am in spades. So I'm not too worried about that aspect, but I'll tell you, I grew up with two sisters so I remember the teenage years being in a household. And I hope that my wife and I do a good job at raising them to be wonderful humans. Even though they might be going through hormone fluctuations, but much to Darren's comment I mean, we have a vision for this company. We want to take this company public. We wanna do that in the near term. And if we're successful in doing that, in something that we believe we can do, then hopefully that puts us in a position to help other entrepreneurs, because I get a lot of joy listening to founders talk about their businesses and quite frankly, pitch their businesses. And if I'm lucky enough to be in a position to help them directly, I think that would be a wonderful place to be in my professional life. You know, there's always that one saying, what does Mike Tyson

say? Everyone has a plan until you get punched in the face. So hopefully we stay the course.

Gentlemen, this has been an absolutely hugely interesting and very inspiring conversation. Obviously I've been watching the show. I look forward to seeing the other episodes. I wish you the very best of luck with it. And I'm certain that it will go from strength to strength and be the massive success that it deserves to be because you guys have come up with a great idea and you've grafted and worked damn hard to bring it to fruition. So massive kudos to you. And thank you ever so much for your time that you've invested today on the podcast. It was great. And thank you again.

[Todd]

Thanks, Paul, real pleasure.

[Darren]

Thanks Paul, it's been great.