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Finding Silver Linings In Challenging Times

Hosted by: Joe McCall

Guest: Mike Dillard

- Joe: Welcome. This is the Real Estate Investing Mastery Podcast.
- Joe: Hey listen guys, welcome. This is the Real Estate Investing Mastery Podcast. I am Joe McCall and I got an exciting guest. I mean, I say that all the time, right? Like I'm so excited to have this guest, but like I am really, really excited to have Mike Dillard on the podcast today. He's been, he's a hero of mine. I remember Mike first hearing about you at one of the first digital marketer conferences. I think it was Perry Belcher was talking about some, there's some guy out there that's doing this thing and you just happened to be there. And that's when I first heard about you and the name of that company. What was it? Do you remember?
- Mike: It was either Magnetic Sponsoring or Elevation Group.
- Joe: Elevation Group and they started, they kept on talking about you, the whole conference, if you remember. That must have been...
- Mike: I wasn't there, but um...
- Joe: Oh you weren't there?
- Mike: No, but I should have been good apparently.
- Joe: Well anyway, it was the Elevation Group and I remember he told everybody, get out your phone, go to his website and look at what he's doing. I don't know, I'm surprised you didn't know that but anyway. Mike is one of the smartest guys I know in business and in marketing. He has a podcast that he's been doing, it was called Self Made Man, or it's called just the Mike Dillard show. Is that right?
- Mike: Yeah.
- Joe: And you guys, you got to go subscribe right now to this podcast. It's really good. Mike interviews some really incredible people. He teaches a lot and he is phenomenal and I'm really honored and a little, what's the word I'm looking for?



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Nervous about this podcast, I can't even think of the words. So I wanted to get Mike on to talk about kind of how he got started in business. Talk about some of the failures he's made because he's open about that. He talks about the mistakes that he's made in business and he's had a tremendous amount of success but has also lost millions of dollars in the process, which is probably why he is so successful, he's willing to take those risks.

Joe: And I think a lot of what we're going to be talking about applies to all of y'all. Like that Texas thing I did there, Mike? I'll do my best.

Mike: Yeah. I don't even notice.

Joe: You didn't even notice. Mike is in Austin, Texas. But I think you guys are going to learn a lot. Even if you're doing real estate or you're a realtor, you're a wholesaler. You're going to learn a lot just about business in general and how to get your message out there. How to spread the word about you, so, Mike, welcome to the show, thanks for being here.

Mike: Yeah absolutely looking forward to it.

Joe: So Mike, I remember hearing about you way, way back a long time ago and you've had a lot of success. You have literally sold millions and millions of dollars of education. You've published things, you've, you've created things, you've helped a lot of people in general business categories. You're also really well known for marketing. What are, before I ask you kind of like, what were you doing before and how'd you get into this place where you are now? What do you, what do you really enjoy doing today? Like you do a lot of things, you get your hands in a lot of places. What gets you really excited, even if it's driving racecars, if you want to talk about that?

Mike: You know Joe, that's a really interesting question because the recent failures that I have had pushing my limits put me in a, pretty, gosh, what's the right word? A pretty difficult situation almost a year ago where essentially my nervous system broke and it's been almost a year of dealing only with recovering from that as if I'm training for a marathon, that's been my job basically is getting healthy again. And so I've spent the last three to four months really trying to think about what I want to do with my life moving forward. Because that was life taken a two by four to me



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over the head and saying, hey man, you haven't really been listening the last few years. You've been putting yourself through a lot of stress and if you keep going down this path at this pace, you're going to probably die of a heart attack.

Mike: And it just took me out and put me on the sidelines forcibly. And it's given me a really big opportunity to reevaluate my life and what I want to do with it moving forward. So it's funny that you asked that because what I've been doing for the past couple of hours before our call today has literally been laying on the couch trying to figure out what my next move is and where I want to put my time and effort into, which is a first for me. That's the first time in my life, I've never really had a super clear vision or path as far as what I want to pursue. And I've got a couple of ideas, but making a decision between them is, is not really clear at the moment. So I'm finding myself in a position I've never been in before except for when I first got started as an entrepreneur.

Mike: I think every entrepreneur when you're first getting started, you know you want to become financially free, you know, you want to quit your job and you've got to figure out what you're going to exactly do to get there, which could take a couple of years and it could take you 6 to 12 different business attempts or opportunities, whatever it may be, to finally figure out what that solution and path is going to be. So, yeah, so this is kind of the first time I'm back in that situation and close to 20 years.

Joe: Does that make you nervous or you kind of excited about optimistic about what's ahead for you?

Mike: What makes me nervous is making the wrong decision and I'm excited about the opportunities and the ideas that I currently have and I'm nervous about choosing the wrong one. And so a good friend of mine and a guy I consider a mentor, Keith Cunningham, who's here in Austin, you know, he's lifelong entrepreneur and in his 70's, he's been there and done that. And went bankrupt at the age of 40 had to start over again, he was super leveraged in real estate, had \$100 million real estate portfolio market went under and he lost it all and had to start over again at the age of 40 and I'm 41.

Mike: And so he wrote a book called Thinking Time, or actually, no, it's not called thinking time. It's called, gosh, something less stupid. But if you type in Keith Cunningham



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on Amazon, you'll find it. And the book *The Road Less Stupid*, I think is what it's called. The book is something about thinking time. And he basically says, if I could go back in time and rewind my biggest three mistakes, I would be 10 times more successful than I would be today despite my successes. So the mistakes themselves costs him more than all of the money he's made from the right success stories that he's had.

Mike: And I can echo that sentiment. I've experienced the exact same thing. So really for now, I'm going to continue to think on this and ponder it until it becomes really, really clear as far as what I want to do and I would encourage everybody watching this to really do the same and to go read that book if you need some help with frameworks on how to do that and what questions to ask yourself so.

Joe: That is challenging, isn't it? Do you think about the mistakes you've made though, and aren't you glad you made them in a certain sense? Because I know it sucks to lose all that money, but I look at me and the mistakes that I made, I bought a bunch of houses back before the crash and I lost a lot of money and lost my own house to foreclosure. Everybody on this podcast kind of knows about that, I've told my story. But because of those mistakes that I've made I can teach people now better the mistakes to avoid, right. I consider that a \$500,000 seminar that I went to a certain sense, right?

Mike: Yeah. Yeah. You know, you definitely become wiser for them. I just wish my mistakes, we're not as big as they've been because they're, you know, they're all in the multiple seven figures. You know, that's been a part of the stress and the learning myself because I have a tendency to put all of my chips in. And you know, with overgrow, the hydroponic venture that I put together, I put all of my chips on the table, you know, self made man in the software development platform we developed that, all of the chips on the table.

Mike: So that's the mistake that I really need to learn from, which is to just, hey, it's okay to not, you know, essentially pursue life that way and be a little bit more measured in the risk that you do take.

Joe: So do you feel like, if you would have, you think, like, do you feel like having a mentor back then would have helped you avoid some of those mistakes or did you



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have anybody that are around you that you could have talked to and said, hey, what do you think of this idea?

Mike: No, that was a big piece of it. You know, for most of my career I've been kind of the, you know, at the top of the mountain and you have your own skill set that most people don't really relate to. It's like a superpower where they can't quite understand how you do what you do. So it's hard to get feedback from those individuals and it's hard for them to give feedback. But, yeah, no if I had, you know, how to mentor that I had a personal relationship with, you know, with the guy like Keith, that would have been really, really valuable. But I really didn't have that individual, you know, in my life during those decisions. So yeah, that definitely would have helped.

Joe: Yeah. Can we talk about your, your health scare? About a year ago, nine months ago, man, you were talking about that the other day on your podcast and it's pretty scary. You said something just flipped in your brain and you could not fall asleep.

Mike: Yeah. So, you know, it was kind of a slow buildup over the course of three to four months where I could tell my body's ability to handle my stress load was getting less and less, my sleep started to get worse and worse. And, you know, stressful situations would really affect me much more than they normally would in the past. My jaw would start to get really tight and I'd be walking around with my jaw clenched all day. And I'm like, what, what's going on there, what's up with that?

Mike: And the mistake that I made was not really paying attention to those early symptoms and I would just keep grinding. And so if I didn't get enough sleep that night, then I would compensate by having twice as much caffeine in the morning. And then, I was like, okay, well I'm going to, yeah, I'm going to take a little time off the business during the day, take some breaks. But instead of relaxing or reading a book or lying down, I would go jump on Pub G and play competitive video games, which is even more stressful. It might've been a mental escape, but from a body standpoint, and a nervous system standpoint, jumping in and playing Pub G, which is, you know, kind of a first person shooters survival game.

Mike: It's basically like your body's in combat, you're being hunted and you're hunting other people, so you're just dumping cortisol, stress hormones. But instead of running around in real life, burning that off, it's just saturating in your system



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because you're sitting on the couch, right. And then on the weekends I would go racecars. So seven days a week...

Joe: Some pretty cool cars, by the way. Wanted to ask you about your cars later on. It's a cool hobby, I love it.

Mike: Yeah. So seven days a week my body was basically in fight or flight mode for four or five years. And it finally got to a point where I was just playing a game one day between work and I just felt really bad, I just felt run down and I could tell my nervous system was shot and I just felt this little switch in my head flip while I was playing, I was like, wow, that was kind of weird, that doesn't seem right. And that was the last time I could fall asleep.

Mike: And when I say that people think I'm talking about insomnia, it's not insomnia, if you can imagine, you know, how you feel if you've ever had to stay up 24 hours straight, and like that's a bragging right where you're like, man, I've been up for 24 hours holy smokes. That went for on for five or six days straight for me. So one 24-hour period turned into 48 hours and then 72, and then, you know, on and onward. And by day five or six, I was, you know, had been on the couch all week mentally, just not even cognitive able to really think or focus completely out of it. And then I would just roll into bed as soon as it got dark and I would try to take all of the medicines I could take.

Mike: Z Quill, you know, name over the counter stuff. I was taking it and nothing was helping. And I just remember lying on the couch and I was like, if I don't get this fixed in the next couple of days, I'm going to die. Because your body can really only go 7 to 10 days without sleep. And there's a reason why the CIA uses that sleep deprivation a form of torture, right? So, you know, luckily I called my doc, he put me on Ambien and Xanax for the first time and I'm a guy that doesn't do pharmaceuticals unless it's absolutely necessary and in this case I was desperate. So 20 milligrams of Ambien and like I don't remember, 2-3 milligrams of Xanax would get me an hour and a half asleep. Which was just kind of crazy and that's not real sleep that was just kind of me blanking out for an hour and a half, not having dreams or really restorative sleep and just waking up an hour and a half later at, you know, 12:30 or 1:00 in the morning and being like, fuck.



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Mike: And I'm just going to sit there and oh crap, I hope Facebook doesn't boot us off because I said that because I know they do. And so that got me to a position where essentially, you know, I wasn't going to die, at least not immediately. And that started a search for what was wrong. And that was the really scary part because I started calling different doctors, I started looking everything up that I could on Google and YouTube. And the scary part is that I couldn't find a single person who had these symptoms. The only thing that got close to something familiar, something which is this disease that is in this small group, this small family in DNA pool, genetic pool up in Europe somewhere where something gets triggered in these poor folks from stress and life and they literally can't fall asleep no matter what you give them and they all end up dying.

Mike: So that's the closest thing that I could find. But I was like, I don't think that's me. There's only like 10 people in the world that have ever had that. But the lack of understanding and hearing back from the doctor's like, I've never seen anything like this before I don't know what to tell you. After you hear that five times from five doctors, it's really, really scary. Because now I'm like, what if this doesn't go away? What if it doesn't get better? What if this is my life now what? You know, I have an eight year old son and I'm not going to be able to take care of him. I'm going to have to move in with my family full time and I can't really think, I can't speak like I'm speaking to you now.

Mike: And then the medications started kicking into suicide component and I didn't realize that until I got off of it because I was eventually able to find some natural supplements, CVD and some other things that allowed me to wean myself off the pharmaceuticals. And that was a really big inflection point. It took me about four or five months to get there. And then my brain started to come back and then the suicide stuff started to go away. And that's really when I realized how potent those medicines are and how dangerous those medicines are. Clearly they helped save my life for a little bit, but the side effects I now really had some actual understanding and empathy for people like Tony Bourdain. He was on those meds when he committed suicide.

Mike: Because it doesn't make sense it doesn't make rational sense to anyone. And all of a sudden I'm like, oh wow, you get it when you're on this stuff it does make sense. And you don't know why, but it becomes a rational option. And so really helped me understand folks who've gone through that. So it's been about 10 months now, it



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happened last June and I've made a lot progress and probably about 80, 90% there. I still am not falling asleep naturally without a bunch of supplements and that sucks, but I've made a ton, a ton of progress. And it really is just about figuring out how to release stress and trauma that's trapped in your body and your nervous system that is keeping you stuck in fight or flight and keeping that part of your brain lit up, the sympathetic nervous system instead of the parasympathetic. And so, you know, even right now I feel like I've had five red bulls this morning because my sympathetic is just so dominant. But I've been off caffeine since this started completely. So, you know, at night it could be 10:00 or 11:00 o'clock and I'm just wired, uh, and would not really be able to fall asleep without really tranquilizing myself at this point with a lot of supplements. . So good times.

Joe: That's kind of depressing. I'm really glad you shared that though, Mike, because I know there's people out there who maybe have some symptoms similar to that are struggling with the same things. And I appreciate your openness and honesty because you're well known in the publishing and marketing space and man you have, you have troubles too and if you don't take care of your health, then all of that money doesn't matter at all. Now what do they say? You never meet a healthy person. No, no a wealthy person that says you'll, how does it go? You always, you meet somebody who's wealthy, who will say they wish they had better health, but you'll never, I screwed all that up. But you know what I'm saying?

Mike: Yeah, yeah. Money, money is, becomes irrelevant in one way, the moment your health goes away. On the other hand, money is what saved my life because I've spent probably \$50,000 in the last couple of months doing different modalities and if I didn't have that money, I would be in real trouble. So, you know, thank goodness that was available to me. But what this really comes down to, and I'm going to do either a course on this on what I've learned or a documentary or something here in the next year, because the whole part about this is not treating the symptoms, it's funding what the root cause was.

Mike: So what was the root cause that drove me to take the risks that I took to put myself through the stress that I did and what are the stories and the behavior patterns that took me down that road. And that's really where the magic has been. So what I've been able to go back and figure out through the different types of therapies that I've put myself through to fix all of this, is that I've identified those stories that are all subconscious that drove me to take those risks. And I've been able to



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address that. And that's been a huge part of how I've started to get better and relieve my nervous system and all of that other stuff.

Mike: And so there's two things that I've taken away from this. One, all the entrepreneurs I've ever met are running away from a place of pain or they're inspired to do what they're doing from a place of pain. Maybe they grew up poor, maybe they were abused, maybe they were bullied, maybe they were whatever. But it takes something that is extremely powerful to drive a person to become an entrepreneur because it is so difficult. And so that can be a really useful tool in the beginning, but if you don't get to a point where you actually go address that root cause or pain that drove you in the beginning, you start to head the age, you know we are hit 40 and then your body's not going to be able to tolerate that like you were in your 20s and 30s. And the second part of it is from what I've learned is that even if you're in a really good spot, going through these processes can become a superpower.

Mike: Like it can go in and reprogram your inner stories and dialogue and personal self beliefs and remove any negative ones that might be causing self sabotage and they can reframe it in a positive way that can just put you on, you know, rocket. So that's been the exciting part for me is that I've, through this discovered there are some super powers you can really go give yourself if you figure this stuff out, which I've done. And so now that's starting to get really exciting.

Joe: Well good. That's good to hear. And you look like you're doing well. I don't know...

Mike: I've got my brain back and, you know, I wear the hat because it's still got some pretty dark circles under my eyes all the time...

Joe: Is that the trick to hide your dark circles with the hat?

Mike: Yes...

Joe: I wear glasses to hide dark circles.

Mike: So, yeah, it's good to be able to think again and speak again. And you know, a month ago, even just a month ago, I was still on the couch two or three days a week. So, yeah.



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Joe: Well, good. I'm glad to see you back, Mike. And I love seeing your podcast. You're starting to do more YouTube videos now. Yeah. So let's talk about some of how you got started. You used to, I think he used to be in the network marketing.

Mike: That's where I got my start. Yeah about 20 years ago.

Joe: 20 years ago. Do you mind if I ask like what kind of network marketing things were you trying to sell?

Mike: God, you know, I started in college because that was around 1998, 99, 2000 and that was web 1.0 so those were the days where it's like fax on demand, DVDs, CD's, cassette tapes, early, early, early. And so there were, there was no internet marketing opportunities back then. There wasn't such thing as an EBooks or EBay or any of that stuff, right. And so network marketing was really the only option for a broke college kid who had \$300 bucks to start a business.

Mike: So that's where I got my start and failed at that miserably for five or six years because I was very introverted and shy at the time. And so cold calling people or holding home parties or going door to door was like my worst nightmare. So I went over a period of five or six years through probably 12 different companies, you know, every six months I'd try a new one. And then about five or six years I've finally realized, okay, I'm the issue here, it's not the business or the opportunity or the common denominator in all of these failures.

Mike: And so I really sat back and I was like, there have been successful people in every single one of these opportunities. There are people on stage getting awards making money. What's the difference between me and them? And what I realized finally is that every single one of those people had become a professional at some skill set. They were professional at speaking in front of a group audience or holding a meeting in a hotel. They were a professional at closing people on the telephone. They were professional at speaking from stage at events, whatever it may be they mastered that skill set and we're world class and those were the people who were getting the results. So until that point, I hadn't, I was just thinking the business opportunity or the product was going to be the thing that made me money.

Mike: So that epiphany was the big changing point in my life where I was like, okay, I'm not going to worry about the businesses anymore I'm going to go master a skill set.



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And for me, I was like, if I'm going to stay in this business, I don't like building it the way I've always been told to build it from all of these people. I don't want to do any of this stuff. And so the only way I'm going to stay in this industry is if I figure out a way to get people to call me and pursue me. And so if I can get 20 to 30 people a day to email me to fill out this registration form, or to call me up and say, hey, I'm ready to get started I want to join your team, then that would be awesome. I'll work on this business.

Mike: So I went out and I started studying Dan Kennedy's stuff and direct response marketing. And what happened is that no one had ever really applied direct response to network marketing, especially on the internet. So I did. I was like, I figured out the whole attraction marketing piece, you know, Dan Kennedy's Magnetic Marketing book is kind of a classic first volume when it comes to attraction marketing. And I was like, oh, I can learn how to attract these folks to me and then I can learn how to write a sales page and put that on the internet and let that do all of the selling and telling an objection handling for me. And then I can have a call to action at the bottom that says, if you're ready to get started, here's my phone number, my email address and that's it.

Mike: And so I learned how to write a sales copy and I learned how to use Google AdWords to advertise and generate leads. And that was the game changer. Within 18 months, I went from waiting tables at PF Chang's to making 1 million bucks.

Joe: Eighteen months?

Mike: Yeah. Yeah. And that turned into a book I wrote called Magnetic Sponsoring, which really taught the network marketing industry how to use attraction marketing and direct response for the first time. And that book really put me on the map and you know, the guru status, if you will. And then I just really found out, hey, I enjoy teaching and writing more than I enjoy building a network marketing business. Because at that point I had built one I'd become the number one distributor in my company and I still didn't enjoy it because it required me to constantly deal with people and that's just not my style. I like to sit at home by myself and write.

Mike: So I just started really focusing on, on teaching what I had learned when it comes to internet marketing. That turned into a \$25 million information business. And then I got kind of bored with that in 2009.



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Joe: Was that the elevation group?

Mike: Yeah. So 2008 or nine I was like, you know, I've made eight figures I've become a number one distributor of accomplished more than I ever thought I would. And there wasn't any challenge left for me at that point. So I was like, I need to go learn something new and, and move on to something else. And the challenge that I had at that point is obviously the market crashed in 08. I had made all this money, but I had no idea what to do with it so I blew it on boats and cars and houses and stuff any guy in his twenties would do. And the market crashed so I saw that and I saw my parents lose all their money and all their friends lose all their money.

Mike: And I was like, okay, I need to figure out this investment piece and I need to figure out how the rich actually invest and not main street America. So that inspired me to start the Elevation Group. And that was pretty simple. It was a membership business that was \$97 a month. And I would just interview someone, either an entrepreneur or an investor that would teach myself and my audience how to invest like the wealthy did.

Mike: So, you know, we'd look at oil and gas investing. We look at real estate investing. We looked at golden and silver, we looked at taxes and starting the business apartment complexes. And it was really just kind of learning investment and finance. And that business was a rocket ship. So I launched that in November or December of 2010. I had no idea if it was going to do well because I'm not a financial guy. I don't know a thing about investing that's why I was diving into the topic so I can't be the teacher. I can only be kind of the host or the guide, if you will, and interview the experts who are. Nobody in that industry knows who I am at all. They've never heard of Mike Dillard and the financial education space. I don't have any credibility other than what I've accomplished as an entrepreneur. I just knew that that was what I was passionate about and I couldn't find a solution that I wanted or I would've just bought it and joined that, but it didn't exist in a post 2008 world. Everything else was out of date and no longer relevant.

Mike: So I wrote a Webinar for it, kept my fingers crossed to launch that and again in 2010 and it was just timing. It was the right message at the right time. And we did \$3.2 million in revenue in our first seven days. We had 8,700 people join.



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- Joe: Stop stop. That's insane. Now did you have like affiliates or JV partners that promoted you? Did you Facebook, Google, well, Google Ads?
- Mike: No ads in the beginning of the launch, it was just to my email list from Magnetic Sponsoring. And so, you know, I obviously did a really good job of serving those people and building a relationship with them and they were ready to join me on the next chapter. So yeah, that was the biggest launch that I ever had and I had no idea what to expect, I certainly didn't expect that. And then that grew to a \$10 million business by the end of the, the next year. And yeah, it was a zeitgeists moment.
- Mike: It was just the right message at the right time because the world was still recovering from the, the crash and nobody had provided them with an answer. The only answer my parents or anyone ever else got back was just invest more money. And I didn't really think that was responsible. So, yeah, if you launched it today, I, you know, I don't think it would do anywhere near as well. And then after we launched, we definitely have affiliates, it wasn't open to the public, but we had some affiliates who started promoting it and we were, we were doing about a mil a month in revenue, so.
- Joe: That is so awesome. One of the reasons why it sold so well was because you had studied for so many years direct response copywriting. That's one of the things that I think is your superpower in the business space. Like being able to put pen and paper and write stuff that is simple, easy and enjoyable to read. So good. I wanted to ask you more about your seven figure sales presentation course later, but yeah, you came out with some stuff after that. What happened after? Did you sell the elevation group then?
- Mike: You know, that leads us to, one of the biggest most expensive mistakes I ever made was about a year and a half into it and our 18th interview was a guy in the Forex industry, who ended up being a con man. So we, you know, gave him a soapbox and access to our audience and I promoted this course and his investment fund and then I invested money with him and all of the paperwork that they ever presented from KPMG and whatever ended up being completely forged. And he ended up essentially defrauding me and about a thousand of our members out of a lot of money.



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Mike: So the moment that happened, the business pretty much, you know, took a rocket ship to the bottom. And I spent the next three years helping the government prosecute those, him and the rest of his group essentially, who were eventually all found guilty and some of them are in jail and it was a disaster. So that was the, that was the start of my stress period in life, if you could imagine. Yeah, so in one year the business got defrauded, revenue dropped 90% overnight, my business partner got diagnosed with cancer and I got a divorce. So, that was a tough couple of years. That was a tough couple of years for sure. So...

Joe: All right. Well then what did you do after that?

Mike: Not much for the next two years. Drank a lot of alcohol, went into a depression. Finally a friend took me to Tony Robbins Date With Destiny in December 2014. So if you've ever seen that documentary that he did I'm in the audience there. So that's the one I was at. And that was a big epiphany for me where it finally allowed me to kind of start to heal and recover from that, the frankly the trauma of going through what I went through. And that's where the idea and the inspiration came from Evergrow and Self Made Man. And I had to kind of make a choice which do I want to pursue and Evergrow was what inspired me the most.

Mike: So the idea for that was to, you know, build an automated hydroponic farm for your house that would grow all of your food for you automatically, which nobody had...

Joe: That is a fantastic idea, love that.

Mike: Yeah. Nobody had ever done it and anymore. And you know, Peter Diamandis was a big part of the inspiration for that because he always talks about how companies are decentralizing their industries and blowing things up like Uber or oDesk or 99 Designs or you know, you name it, right? These companies that take out the middleman. And I was like, well, why isn't anyone decentralizing the AG industry? We have these giant farms with tons of pesticides and poison being put into them, tons of water waste. And then we've got 18-wheelers and processing centers and then grocery stores and I live right across the street from Whole Foods here in Austin. And you know, obviously I want to eat healthy and you've got to frankly be quite wealthy to eat food that is not covered in poison. And I just thought that that was really screwed up.



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Mike: You know, the fact that if you can't afford it, you're forced to eat food that's literally covered in chemical poison that'll kill you eventually. So I was like, the way to get rid of all of that is you've got to get rid of the infrastructure and all the middlemen. So if we can decentralize it and start the farming process and end it right in your house, you get rid of all the waste, all the pesticide, all the distribution, and you lower food costs by about 90% then it's all organic. And so there's been a few, you know, at home hydroponic systems, you can use out there, which I bought all of them. That was the first thing I did was to start to do my research and I bought all the systems I could find and they were all a giant pain in the ass.

Mike: You really had to know what you were doing to keep the plants alive. You had to go, you know, constantly keep the nutrients and the PH in balance. You had to have these light systems that just lit up every corner of your house. And it was really, you know, intrusive basically from a living experience. And so it made it proved that it was possible to grow your food indoors. It just made it a really tiny niche of people who would be willing to do that. So I just wanted to automate the entire thing. I wanted it to become an appliance where you would just drop in your little seedpod and the whole thing would run. You've got WIFI on an APP and automated lighting that was oriented the right way and it automatically dose to nutrients and balance the PH as needed.

Mike: So I hired an industrial design firm called the Whipsaw out of Silicon Valley and partnered with them on the design and, and I literally kind of came up with the whole idea myself and it was a really fun exercise. How do you maximize the amount of food you can produce in a given volume of square footage space in somebody's house, right? And the interesting, the primary constraint became the standard doorframe. So no matter what, you've got to be able to move this thing from room to room and bring it in your house. So the doorframe became like, okay, that's our size restriction, can't get any bigger than that. And that kind of gave us our constraints and then it's okay, how do we maximize the amount of food we can grow within this square cylinder, if you will, of volume.

Mike: And that was a really kind of fun exercise to solve, a problem to solve. And so if you want to see it, you can go to Evergrow.com and I have a whole story in a video where you can see the unit in the prototype, which is over here in my living room. So I spent the next two years developing that with Whipsaw, which I paid a really high stupid tax for because I didn't know anything about growing vegetables. I just



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bought books on Amazon and started watching videos on YouTube. Never designed a tech product, never designed anything physical. I didn't even know what, you know, the, what it was like to make the molds to, you know, form the parts, right. I can't, there's a, there's a specific term for that just, it's evading me at the moment, but it got to a point where we got to work in prototype and now it's like, okay guys, how much longer is this going to take and how much is this going to cost?

Mike: Because I had already put well over a million dollars into it and the original estimate was \$500,000. So I'm over a mill, and we're not even close. Like we've got to work in prototype, but we haven't started package design. We haven't put together website, a shopping cart. We haven't put together the safety manuals, like the shipping containers and boxes. We haven't figured out how we're going to service these things. And you know, it was like, probably another two years in another \$2 to \$3 million and I was just like, Shit.

Mike: So the stress of having to fund that to the tune of about a hundred grand a month in real time. So if it's costing me a \$100,000 dollars a month in design costs, that means you've got to make at least \$500,000 a month in gross revenue from your primary business. And then you're taking all of that profit and putting all of that into this other machine every single month and having to figure out how to continue that process for now, you know, over two years.

Mike: So that was again, every month was fight or flight. How am I going to keep these plates spinning and this machine moving forward? And at that point when I heard that news, I was like, okay, this isn't sustainable. It's almost killed me getting to this point, the stress of maintaining this. And at the same time, a competing company came out with frankly a better product, a company called Click and Grow.

Mike: So they've been around for probably 10 years now and they started with that little countertop system with three plants that you grow your basil and you're mint and whatever. And I was like, man, these guys just don't get it. Like that's cool. But they're not replacing somebody run to Whole Foods, which is where the real opportunity is. Well, it just so happens that at that same month they came out with three new systems that grew nine plants, 35 plants and 51 plants.

Mike: And the bad news was, is that their approach to growing the vegetables, was frankly smarter than mine, which means they can sell their system for about a third



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of the price that ours would cost. It didn't look anywhere near as pretty as ours did, but you know, they basically have little Keurig coffee cups with the seed and the nutrients in the soil and then you just drop that in and it just grew. And obviously from a recurring revenue standpoint and a service standpoint and reliability standpoint, they don't have these expensive PH meters in their system, they don't have pumps, they don't have sensors. And these guys were backed by Y Combinator. They had 20, \$30 million in funding. They had 30 employees, they had scientists. And this is literally me from this apartment building Evergrow by myself with the design team in Cali, right.

Mike: So I ended up talking to some, some friends and mentors at the time and I was like, what do I do? Because I've got two options or three options here. I can keep moving forward by myself, which will probably kill me. Two I can go raise money. But being a marketer, I'm like already formulating the side by side comparison chart of features and benefits. And I'm like, we lose in every category except looks like I don't want to, I don't want to launch a second best product in a market and I certainly don't want to take my friend's money to do that. Or third, I just quit and shut the whole thing down. And a piece of advice that they gave me was really valuable and that's, you know, always look for the silver lining. How can you find a way to still win in all of this, that you might not see now?

Mike: And so what ended up happening is I ended up calling Matthias the founder of Click and Grow. And we know, we talked about potentially selling them my design or licensing deals or something, converting our system to use their pods. But what ended up happening is they had an early bridge round after their a round open and I ended up investing a hundred grand in them. And then pulled the plug on Evergrow and wrote the whole thing off as a loss basically. So...

Joe: Well, that's one good thing about that is you've got a nice loss to write off in your taxes, right?

Mike: Yeah. You know, it's never the when you're going for, but you know, but...

Joe: Still take it is.



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- Mike: But the nice part is that, you know, Click and Grow growing every quarter and there's a very good chance that they'll have an exit here in the next few years and I'll make you know, back my seven figures that I lost.
- Joe: Oh, good, good, that's exciting.
- Mike: So that was a really, that was a really big lesson learned. Because most people would either keep grinding until the business died or they died or they ran out of money and ended up broke or they would go the risky route and take on more funds, which is more stress, more risk, very rarely would they engage the competition and push in their chips with them. And I wouldn't have done that without the council of some of my mentors at that time. And that was definitely the right decision. So yeah, so that was, that was the next chapter. And then after that it was Self Made Man and building the platform that is now over at Mike Dillard.com. So if you'll go to that and click on classes, you'll see we produced a whole series of 40 to 50 worldclass classes with a bunch of amazing entrepreneurs.
- Mike: And the idea behind that was to build an information business that I was not a part of because I wanted to build a company I could sell. And once again, I made another big mistake there and the fact that I built the platform from scratch to like fortune 500 level spec, put another million dollars into that, you know, all these new special features. And unfortunately what you end up building with custom software is a machine that has never satisfied. Meaning if you build all these special, cool new bells and whistles into it, they rarely, and I've done this three times, so I've seen it every single time. They don't just keep working something breaks or you make a change and that breaks something else or you want to split test or optimize something and that all has to be custom coded. And so if we want to do a one-click upsell, we just couldn't set it up and click funnels or anything else.
- Mike: We had to custom code one clickability, which was like \$30,000 to \$40,000 in two months of time, right? So whenever you do custom software, you can bank on the fact that you're going to spend at least \$30,000 a month in DEV costs and maintenance. And those are not things that are bringing money in that's just keeping the wheels on the bus. So and the interesting part is that nobody really cared about those features, the bells and fancy bells and whistles. We put all this money into, nobody really care to use them they just wanted the info. So I could have built the entire thing on Click Funnels, WordPress and Wish List Member,



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which is what we have it on now as of a month ago. It looks the same. It's missing a few little features that nobody used. And I could've built the entire thing for \$30,000 instead of a mill. So yeah....

Joe: And it looks really good. I'm looking at it right now. You guys really should go see this. It's a great course. The headline here is the fastest way to build a six to seven figure business from scratch. And it's for people who, it says here who want to start a business but don't know where to begin. You have a business you're struggling with sales and he's got interviews of people that will teach this stuff. You've got Tony Robbins, Drew Canole from that green Organifi.

Mike: Organifi.

Joe: Mike Rowe, Lewis Howes, Gene Simmons, Daymond John, Russell Brunson, some just amazing content. I've been a member of this for awhile now and it's just really good dealing with all kinds of different aspects of business, from social media to marketing to even real estate. You have Brian Page on there, I believe, talking about Airbnb, don't you to?

Mike: Yeah, we did an interview with him. And so there's the podcast and then there's the video classes. And like the video classes we did here all in Austin, we would rent out different sets and venues, you know, full 15 person production crew. We filmed every class in three 60 VR.

Joe: Oh really? I didn't know that.

Mike: It just, because I was like, if we're going to invest in this production, in this content, I don't want it to be irrelevant five years from now if things end up going in that direction. So we ended up setting up a three 60 VR camera in every set. A lot of them, we had live students in, you know, as an audience and we would just set up the 360 cam in one of the chairs. So if we ever got to a point where we publish it in that format, you can literally sit in the audience and look around and see the production crew and see your neighbors and all of that stuff.

Joe: That's pretty cool.



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- Mike: Yeah. So we may or may not ever use it. We just wanted to capture that and be ahead of the game if things, you know, went in that direction. Yeah, so that's, that's kind of brings us up to, up to today. We moved that over to MikeDillard.com a month ago and going through this health challenge that I've been through, you know, I've had to reevaluate what, the amount of stress that I'm willing to take on and the priority of building this big company that I can sell is not on the table anymore.
- Mike: It's not a priority. It's not a goal. You know, now the goal is to just do what I know how to do best, provide that value in the least stressful way possible. Stop taking the risks that I've taken over the last 10 years and kind of trying to be Elon Musk, and just, you know, do what I know how to do and relax and enjoy what I'm doing, so.
- Joe: Well, you're so good at it. You know, I did want to talk about the Seven Figure Sales presentation course, do you still sell that. Is it still available?
- Mike: I promote it maybe like once or twice a year. The best way if you want to find out more about that is to, gosh, there's going to be a new homepage MikeDillard.com up in the next seven to 10 days that people will be able to opt in. It's so funny, it's like you can't even get on my list right now. I'll tell you what, if you can do this. So if you want to check it out, go to MikeDillard.com/Brunson and I'm giving away the class that I filmed with Russell Brunson there for free. So you can check that out and then that'll put you on my email list and at some point I'll do a promotion for seven figure sales presentations.
- Mike: But yeah, I mean that course has produced some amazing results. I was with Brian Page the other day and he used my format for creating a sales presentation in that course a year ago two years ago had never sold anything online before and has made about \$5 million bucks from the Webinar he wrote based on, you know what I teach in that, so.
- Joe: Bryan always has to one up me. It's funny because I was on a flight with Brian just by accident, we were sitting together and we've talked for about an hour and a half and I've known him for a while before that, but we were talking about how he's doing, how's it going in business. I got your Seven Figure Sales presentation course probably eight or nine, 10 months ago. And mine just collected virtual dust, you



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know, in my password manager thing. Went through it and my last promotion that I just did, it made multiple six figures with it.

Joe: I swiped and copied and stole everything you just said to do step by step. It was amazing and it was so simple. I was like, Mike, I don't know this is going to work, this sounds way too easy, it's sounds really simple. It should be more complicated than this. But you know, obviously it helps to have a good product that you're trying to sell, but if you have a good product and you're trying to sell it and you want to get more, you want to spread the word out as much as possible. I'd encourage everybody listening to this to get that course next time Mike offers it. It's called Seven Figure Sales presentations.

Joe: And it's just a basic one-on-one copywriting course. You can use it for Webinars, you can use it for video sales letters, even long form sales letters or sales copy. You might, even if you're listening to this and you're in the real estate space, you might even use this to craft marketing messages to homeowners and sellers and buyers on selling deals.

Mike: Yeah, thank you. Appreciate that.

Joe: You also came out with List Grow. That was a great course about building your email list. And so I hope you don't shelf those. I know products have a shelf life sometimes we've talked about before, but those were such good courses, Mike.

Mike: Yeah. Well that's, you know, I mean that could assist to the conversation of me trying to figure out what I want to focus on next. And two of the three options are focusing on, on helping business owners that are doing at least six figures a year. So you're making at least a \$100,000 grand a year to take advantage of these sales strategies that I kind of take for granted that most business owners still don't know. You know, or just focusing on selling and teaching more modern types of sales strategies and copy strategies and the age of social media.

Mike: Because there's just a lot of business owners unless you're in our little bubble, we take what we know for granted and that was my big realization this year is, is the fact that what I take for granted is actually really rare knowledge. And I, it just, that didn't dawn on me until I started really asking questions, surveying my audience and my list. And I was like, holy smokes, the vast majority of my audience still isn't



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doing these things, or using these strategies. And I feel dumb talking about them because I feel like I'd be insulting their intelligence frankly. So that was a really big wake up call. So, you know.

Joe: Do you have time for a few questions? I know we're over our time limit.

Mike: Yeah no problem, okay, sure.

Joe: Got some people that have typed some questions in. My friend Chris says hello I'm glad to see you here. He's got a question. If Sales Funnel 1.0 is the opt in to a webinar funnel and now we have more Omni channel marketing going on out there, how do you see that evolving to Sales Funnels 2.0? I ask this because you did well with the Webinar to a \$1,500 product for quite some time. What, like what do you see on the horizon, Mike?

Mike: You know, that methodology didn't become less effective. What changed over the last 18 months is that Facebook advertising costs tripled. So the sales methodologies completely fine. Essentially Facebook hit a point where their new user growth stagnated and started to drop a while the number of people who are wanting to advertise grew, which means demand for their ad space and, and inventory grew and that means costs are going to go up. So we went from, you know, \$3 to \$5 a webinar registration to \$10 to \$15 a webinar registration. We went from \$300 to \$400 to acquire a \$1,500 customer to \$1,000. And the math just stopped working, not because of the methodology, but just because of the Facebook ad platform and ad costs.

Mike: So the way around that these days is you're seeing everybody focusing on social media and organic traffic and doing, you know, if they're doing paid, they're doing engagement based ads on Facebook and Instagram instead of, you know, conversion based ads and they're going for spending money on cost per view. And what you really need to understand and remember is that a very, the probably the most significant part of selling is the amount of time someone spends with you.

Mike: So for every hour somebody spends with you, you can sell about a \$1,000 dollars in product. So for my List Grow webinar, it was an hour and a half, 90 minutes, my product was \$100 dollars, and we sold millions of dollars' worth of that product to completely cold strangers who've never seen me before. And the only reason that's



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possible is because they spent an hour and a half with me. And so what you need to remember is that your goal is to get someone to spend an hour to an hour and a half with you. And that can be in five minute bite size chunks on YouTube or on Facebook or on wherever. We've spent an hour together with you here. If you've been watching this stream and there's probably a really good chance at this point, you're like, Mike probably knows his stuff and I'd feel comfortable buying a product from him.

Mike: As opposed to the fact is if we had run this video for 10 minutes, it's not enough time. So what people are doing is they're focusing on getting in front of their audience in smaller chunks of time, 5 minutes, 10 minutes, whatever it may be, pixeling those people and building, building a custom audience in Facebook if you will. And then retargeting those people with conversion ads. So you might push out your video content to an audience of 300,000 people who watch %25 to 100% of those videos and then you're going to re target the people who, you know, let's say the 50,000 who watched at least half of your videos with a conversion offer to a traditional landing page, like a Webinar, like a lead capture page. And your conversion rate for those people is going to be much higher than if you were to send that out directly to those 300 people cold from scratch.

Mike: Yeah. So that's how we're all compensating in what we're doing now. You'll start to see if you go like my Facebook page or whatever, you'll start to see little clips from our classes. And once you consume enough of those, which is not very much, might be a couple of minutes, then you'll start to see call to action ads to go learn more about, you know, buying one of those classes are joining or whatever it may be and that's kind of how everybody's adjusted.

Joe: That's excellent. And which is one of the reasons why I love podcasts so much is the average watch time on a video is five minutes, right? The average on YouTube, the average time that somebody, the average percentage of words that people read in a blog post are like 25% of the words, the attention span keeps on shrinking. But with a podcast, people on average consume %75 to 100% of each podcast when they listened to it, right.

Joe: And when I know with a on my YouTube videos when I'm actually really teaching and delivering a lot of good value, I get average watch times of 25, 30 minutes when most people were getting five. So I totally agree with that and that's



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awesome advice. Being able to target people that already know, like, and trust you, um, is phenomenal. I've got one more question Mike, someone just text to me. Scaling and team building.

Joe: You've done well Mike with staying in your genius zone and getting others involved in other parts of the business. Many of us get stuck in the tech stuff, building out funnels and doing low value work. Is there a mindset that you continue to push on that helps to make sure that you're doing the best to stay in your zone and getting others to help you with the work?

Mike: Well, you know, it, I figured out a long time ago that there are only two things that matter when it comes to making money and selling your product or service. And that's first creating a world class product or service that over delivers. And two creating a sales presentation that converts. That's it. If you have those two things, you can build a \$10 million plus business and typically as the entrepreneur, that's going to end up being your zone of genius, right? For lack of a better term because you're the one who's passionate about the product, the topic, your area of expertise. So you're typically going to be the teacher or the author and no one is going to be able to sell that product as good as you can. The relationship is going to be with you.

Mike: And so that's why mastering copywriting is such a critical thing is, is that it gives you the framework and the tool set you need to communicate what you know persuasively and crafting that sales presentation that converts is everything. Because if it doesn't, then there's nothing any traffic expert can do for you. It doesn't matter how good they are, if your presentation doesn't sell, kind of out of luck. So that's one of the two things I've always spent 100% of my time on, creating a world class product and creating a world class sales presentation for it. And then I outsource everything else. I outsource all of my tech and web work, I outsource the traffic generation, Facebook, YouTube, whatever it may be. I don't, I don't touch any of that stuff. And I let people who do that full time work on that side of the house and I just focused on what's going to empower them to do their jobs successfully. So...

Joe: Good. Excellent. And related to that question is one of my favorite podcasts that you ever did with the guy from The One Thing that...



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- Mike: Jay Papowitz, Jeff Woods, yeah.
- Joe: Yes. And it was called Building An Empire or something like that and empire, I've always called it the empire. I've always called it the Empire Building Podcast. I'd encourage everybody to go get Mike's podcast, go look up an iTunes, Mike Dillard or it might still be under
- Mike: It's still under Self Made Man.
- Joe: Self Made Man. And subscribe to that podcast. Get it. A lot of really good, high value content and all at different aspects of business. Even if you're just doing real estate, this, you'll find episodes that you can relate to. And then whatever you can do, get Mike's Seven Figure Sales Presentation course. Alright, go join his list and, and send them a ton of emails and just beg him and bug him.
- Mike: Well, I'll tell you what, yeah, yeah, I'll tell you what, so I appreciate that. Thank you very much. If you'll send an email to Support@MikeDillard.com my head of customer service will see that and just say, hey, I want to check out Seven Figure Sales presentations. I'll have her respond and send to you guys a link to the sales pages and we'll give you guys kind of backdoor access to it since it's not available publicly right now.
- Joe: You will still sell it, right?
- Mike: Yeah, that's what I'm saying we'll send you to the sales page. It's just not, you know, that's not posted anywhere public. So we'll have to dig up, you know, the link behind the scenes and we'll send you that.
- Joe: I don't want you to give it away for free because people won't buy it.
- Mike: Yeah, yeah, yeah. No too much....
- Joe: I've done, I'm so excited because I just came out with this new Simple Lease Options, case study. I use the sales script like I already said for that and did very, very well. Better than I probably have ever done on a webinar before. So it's exciting. I'm glad you're, I'm glad you're still here, Mike. Sorry about your health problems. You know, man, I'll be praying for you and I hope that you get better and



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you still feel young and vibrant and without any sleep that's got to suck. Oh, I just can't imagine, but it's...

Mike: It's been a blessing. It's been a blessing as well. I've learned a lot from it.

Joe: Yeah. Good. Good. Thanks for being on the show guys. Again, check out Mike MikeDillard.com. Go get his podcast The Self Made Man. Pretty soon maybe as you're listening to this, the name of the podcast might've been changed to the Mike Dillard Podcast.

Mike: Today, today in about an hour.

Joe: Cool. You go in there, the previous episodes and yeah, appreciate it.

Mike: Thank you, Joe. I appreciate you. Thanks for having me on everybody.

Joe: All right. Bye. Bye. Thanks