

Disrupt Yourself Podcast with Whitney Johnson

Episode 59: Pat Flynn

Welcome to the Disrupt Yourself Podcast. I'm Whitney Johnson. I think, write, speak, and live all things disruption. Today's guest is Pat Flynn, a highly successful blogger and podcaster who teaches people how to build a smart passive income business.

Whitney: Pat Flynn, I am so delighted to have you on the podcast. Um, I know a couple of months ago our mutual friend, Richie Norton, introduced us, and you were kind enough to interview me, and so I am so excited now for people to get to hear your story. And, to start off, I want to congratulate you.

Pat: (laughs)

Whitney: You just surpassed 100,000 [YouTube subscribers](#).

Pat: Thank you.

Whitney: Talk to us about how that feels, what happened, what- what- what was the goal, what were you trying to get done?

Pat: Yeah, it's kinda crazy, you know, it was kind of my Q1 goal here in 2018, and I really set my eyes on it and I kinda got the bug for YouTube last year when I went to Portugal, which was my first time in Europe, just last year, and I took a camera with me and vlogged it and I just had so much fun. I- I felt like I could just be myself and weird and creative and, uh, a lot of people have responded to that. Now I had a YouTube channel since 2009, so this wasn't like an overnight thing, but I will tell you that like 40% of those 100,000 subscribers came in the last six months, as a result of truly focusing on it. And- and it's just been a really, really cool thing. To- today, actually, just literally a couple hours ago, I hit the mark, and so we are, we are fresh with a 100,000 new subscribers, and I'm just very proud of the team and my cameraman and just my audience, mostly, we call them Team Flynn. And it just feels weird because, you know, you set your eyes on something and it, and it's hard and sometimes you just wanna give up, but then, here we are and it feels great.

Whitney: Well, wait, so when did you wanna give up? Did you really feel like giving up in trying to meet this goal?

Pat: Yeah, I mean, the, like you put out videos and sometimes you spend so much time on them, or- or any content that you create, really, and you're just like, this is the one that's gonna really hit and it's gonna be a big thing, people are gonna share it, and then it kinda falls flat. And it's really hard when that happens, sometimes, especially when you put your heart into something, um, and then you just kind of have to remember that, you know, this stuff doesn't happen overnight and, you know, I'm a perfectionist as well, so there's a lot of things that I, you know, wish I had done better and that were trying to stop me in my head. And, you know, I just kinda had, I just kinda had to go for it. And-

and once I just decided to just do it no matter what, it's funny, that's when the growth started to happen.

Whitney: Interesting, so you said, whether people like it or not, I'm going to consistently show up, knowing that eventually, or believing that eventually something will hit.

Pat: That's exactly right.

Whitney: For people who are just now being introduced to Pat Flynn, if they go on your YouTube channel, is there one video that they should look for that went viral, question number one, and question number two, is there one video on there that for you is just a hidden gem, that you think is really, really compelling and, for whatever reason, people haven't quite discovered it yet?

Pat: Yeah, those are great questions. So the first video I would recommend you check out is my "[Three Passive Income Business Models](#)." So I got my start in business, and I'll tell likely this story, uh, in a little bit more detail later, but I got started in 2008 when I got laid off from the architecture industry and I had, uh, kind of survived that by building a business helping people pass an exam in the architecture industry, and really focusing on how can I, not just help people and h- you know, serve that audience by helping them pass this exam, but how could I use tips and tactics that I learned from Tim Ferriss, which was the [big business book at the time](#), uh, to kind of automate that process. And- and so I did that and then I started to share all that information on SmartPassiveIncome.com as much as I could, and I'm still now, we're- we're actually coming up to the 10 year anniversary of Smart Passive Income now.

Um, and that video, "[Three Passive Income Business Models](#)," goes over essentially 10 years of information of stuff I've learned building businesses and how to actually, you know, create passive income. And the first thing you will hear me talk about is the fact that, well this is not easy, this is not a happen overnight, but you have to start by creating something that requires a lot of active work and time and effort and care to help, uh, serve an audience, and then you can start to, okay, shift from all you to some of you to perhaps, mostly automated by teams of software or other tools. Um, so that- that's a good video, and that one is one that I actually recently came out with a couple months ago that is spiking. It's definitely seeing a lot more velocity than any of the other videos I've come out with recently.

And the one gem that I have, you know, I love to speak on stage even though it still scares me to death, it always has, it's one of my passions, and there's a video that's kind of hidden that's like [33 tips that I've learned since getting coaching](#) and really studying the art of speaking on stage. And- and I just kinda, well my- my videographer and I, Caleb, we were at an event and we crashed into an empty room, and we just started filming on that stage and I just started brain-dumping every single tip that I had for speaking, from how to use the stage and use your hands to, you know, making sure the audience, uh, has time to laugh at your jokes and don't cut them off because it's a conversation you're having- having with them. Just all my best stuff, and, you know, there's just a few thousand views on that and I'm like, this is gold. And I know there's a lot more people out there who could use that if they speak a lot.

Whitney: Wow. Okay, we will definitely share that in the show notes, um, because I know a lot of people, a lot of my listeners are, and, uh, probably a lot of your people that follow you as well, want to be better speakers, so we will definitely share that. Question, what, so speaking terrifies you and yet you love it.

Pat: Yes.

Whitney: Tell us more.

Pat: It's kinda like parenting. Parenting terrifies me. My kids terrify me, but I love them to death and I'll do everything I can to be the best parent, uh, and teammate with my wife on that. But it- it's- it's just one of those things that, you know, I was a super shy kid growing up, I'm an introvert, but, um, it was 2011 when I first spoke on stage, and it was a favor to a friend who creating a- a- an event for the first time. And I was just supposed to do a small breakout session for, you know, 50 people outta the 350 or so at this event, but then, uh, Phil calls me, uh, he's the event organizer, he calls me a couple weeks before the event happens. He goes, Pat, our- our closing keynote dropped out, can you fill in that space and- and speak in front of everybody? And I was like, sure, I'll do it.

Whitney: How many people? How many people?

Pat: About 350 people, which, you know, for me not having ever spoken in front of people before in that kind of way, um, I- I remember hanging up that phone and- and kind of hyperventilating and- and just kind of freaking out like, what did I get myself into, wanting to call him back. But I also knew that by attending a lot of events, that speaking on stage was a great way to help people and- it was a- a way to, you know, have you be remembered, because I remembered certain speakers that I saw on stage at certain conferences that I went to in the blogosphere. And so I decided to do it and I did it and I- I literally wrote down every single word I was gonna say. I scripted the whole thing and it was just a 20 minute presentation, but it was 20 pages worth of stuff because I was just, didn't have any confidence in my storytelling or- or how to do it. But I did it and it felt weird, but then afterwards, all these people started coming up to me and wanting to shake my hand and thanking me for the presentation, saying it was super helpful, saying, you know, what a great way to close the show. And I was like, wow, incredible. I need to do this more.

And so I started to study it, I- I hired a coach, um, I watched like every TED Talk and kind of just took notes and studied again, like I did back in school. And since then, I've now spoken all around the world, I get paid, you know, five figures to speak, um I recently did the closing keynote at [Social Media Marketing World](#) here in San Diego in front of 5,000 people. And the cool thing about that was my dad was in the audience, because- because he lives in San Diego, too, and, uh, to see him there in the middle of the audience and- and- and just, you know, be super proud of me, it was, it was kind of cool to go, to go from like deathly afraid, never wanting to do it to now my dad's in the audience. Um, and my dad, it was interesting, when I got laid off, he was like, no, you know, like you, this entrepreneur thing, I don't know you should go back to school and

get your graduate's degree in architecture and all this ... Like, he wasn't super supportive at first, and now he's like my biggest fan. It's so cool.

Whitney: Oh, that's fantastic. One tip for people who wanna speak.

Pat: Do it for free first.

Whitney: Okay. Great.

Pat: Like- like, a lot of people try to get paid first, a lot of people try to, you know, go big. I mean, try it, try to do it for free first. Even try, you can even, maybe even create your own little workshop about whatever it is you teach in your own local area and just do it for free, just to kinda get that practice to shoot yourself on video, to watch it. It, I know it's crin- it's crin- you're gonna cringe. It's not gonna be, it's not gonna be pretty. But, you gotta get through that disaster period before you become the master, so let's, you know, purposefully get into that situation in front of a small group of people and just practice. And- and you just start to get more comfortable over time. I still am, I will be honest, nervous as all heck backstage, like I wanna throw up. But, to me I- I now convert that energy, or that nervous energy, to just excited energy. And- and- and also like I've realized that if I wasn't nervous, that's when I'd be the most scared because that probably means I don't care anymore.

Whitney: Yeah, and you have this wonderful quote, um, if you have fear it's a sign that there's something amazing on the other end. Do you recite that to yourself?

Pat: I d- (laughs) I- I do. Um, I always, I always also recite like, um ... Well I- I used to always recite, you know, what's the worst that can happen, but then I realized that my brain tends to think things that are kind of out of this world. Um, like I remember I, because I- I was getting a lot of help from my friends when I was speaking for the first time and they were like, just, you know, ask yourself, what's the worst that can happen. Maybe you do bad, that's fine, you'll move on. But I thought in my head, well what's the worst that can happen, well people are gonna throw, people are gonna throw tomatoes at me. I don't where they're gonna get these tomatoes from, but they're gonna, they're gonna-

Whitney: (laughs)

Pat: ... Find them and they're gonna throw them at me and I'm gonna fall and I'm gonna break my nose and it's j- just, my- my brand is ruined and all this stuff. Um, but that's obviously, uh, not- not true. But, you know, after the first minute or so on stage, like I feel that with all the rehearsal I do, I'm just in a groove and it's almost an out-of-body experience. It almost reminds me of when I used to perform in the marching band at school, uh, in- in high school and in college at Berkeley, and, you know, you'd work so hard to practice your music, to get your formations right, et cetera, and then come game day, you'd just go and you're kind of on autopilot at that point because you've rehearsed so much. And that, I try to, you know, approach my speaking the same way.

Whitney: What instrument did you play?

Pat: I played the trumpet.

Whitney: Do you still play?

Pat: I don't. I wish I did. I'm looking at my trumpet right now, there's like tarnish all over it, and, uh, I do wanna get back into it. Those, it, like music changed my life. It, actually, being in the marching band in college is what got me my first architecture job, which led me to the LEED Exam, which led me to getting laid off to then building a business about the LEED Exam. So, I have so much to credit music for, I miss it so, so much and, um, I- I don't wanna make excuses, I just, I just need to do it.

Whitney: So, I dare you to go, after we finish talking, get your trumpet out, and clean it off, and blow into it for 10 seconds. Just do it.

Pat: Okay. I- I could literally, I mean it's- it's above me right now. I could probably-

Whitney: Oh, do it on air. Get it down. Yeah, let's do it.

Pat: ... Grab it on air.

Whitney: Let's do it.

Pat: Okay.

Whitney: Okay.

Pat: All right. Let me, let me go grab it right now. Um, one sec. All right, you hear that? Those are the valves.

Whitney: Awesome.

Pat: I don't know with this is gonna sound like, because I haven't b- blown-

Whitney: ... Disaster, you said disaster to master, right.

Pat: ... But I'm just gonna for like five seconds.

Whitney: So, disaster to master, everybody. Here goes Pat.

Pat: (plays scale on trumpet) Cool.

Whitney: Awesome. Thank you. See, you did it. Now you're started. let's go back to how you got to be where are today. You've alluded to this just briefly, you graduated with a BA in architecture from UC Berkeley, which is not too shabby. Um, and you're a practicing architect for a few years and 2008 comes, we've got a huge economic meltdown, you lose your job. What was that like, what did you do at first?

Pat:

The very first thing I did beyond all the emotions that were in my head, from sadness to anger to regret, all the, all the things, um, the first thing I did was I went back to my desk and I called every single architecture firm that I had a relationship with, every single person who I had worked with through engineering firms and, you know, c- other contractors. I called friends who were also in architecture to make sure they were okay and a lot of them were getting laid off as well. Any that didn't get laid off, I asked what I asked everybody I spoke on the phone with, is there a job for me, can I get back in? And- and- and my goal in life at the time was to be a world famous architect. And I was headed there, I was the youngest person in the firm to be job captain and I was on my way to become a project manager. I was working towards my licensure, so I wasn't a practicing, uh, licensed architect yet, but I was basically there in my head, and I had no other goals in life at the time. So to get that taken away from me right in that moment was a, was tough (laughs) to say the least, and- and I just couldn't imagine it. So I- I went back in and tried to figure my way back in and just nothing was, nothing was biting because nobody was designing anything and nobody needed any designers at the time.

So the next thing I did was I just went home. It was, I- I- I think it was like 3PM and I just went home early and I cried in my bedroom, I texted my fiancée, April, who is now my wife, um, and she came by, left her work early, and just opened the door and she said, "We're gonna be okay, we're gonna be okay, we're gonna be okay." And that, like those were the only words she was saying to me for, you know, hours, because I was just so distraught and- and upset and kind of depressed. But knowing that she was there was super important. I mean, without her, I wouldn't be where I'm at today, for sure. She- she is everything.

Um, then, you know, the- the lucky thing was I had a couple months 'til they were going to terminate me, because I was job captain, I had clients and responsibilities, they couldn't just tear me away that day, they had to kind of like slowly remove me from- from the position. But I had about two months. And so I actually moved, but this was in Irvine, CA, which is just, uh, you know, south of LA, and I moved back to San Diego to live with my parents to save money because we had this wedding to pay for. My, uh, fiancée did the same exact thing, so she, um, w- moved in, uh, to San Diego with her parents as well. And I decided to continue to work because I had, that, those were just the few dollars I had left available to me.

So I actually took the train every day from San Diego to Irvine, which was about an hour and half train ride, and that train ride was really interesting. Initially, um, I- I hated it, but I wanted, I had to do it anyway, but I hated it because at every stop there'd be people who would come in with their briefcases and their laptops and their- their just nice clothes and they had their jobs. And every time more people would come in, I'd just get so jealous of them like, you don't even know what I'm going through right now. I can't, like you're so lucky to have your job.

Um, and so, you know, after, gosh, a couple weeks, I burned through my angry playlist on my phone-

Whitney:

(laughs)

Pat:

Uh, which was like Linkin Park and, you know, there was some sad music, too, like Dashboard Confessional, and whatnot, but, anyway. I burned through that, and then I discovered this thing called podcasts at the time. It was actually before, uh, one of the train rides, I had, I had learned about podcasts and that I was like free audio and I could download it and listen to it. And I discovered a show called "[Internet Business Mastery](#)," and one of the first episodes I listened to was, I don't think it was the first- first one, but one of the first ones, was a guy who was being interviewed on that show, who was making six figures a year helping people pass the PM Exam, or the Project Management Exam. And that was my first kind of aha moment in all this where I was like, you know what I took a number of exams to get to where I'm at now, and one of them in- in particular, which was the last one I had taken, was really difficult, and I know a lot about it. Maybe I could do what this person's doing.

While studying for that exam, because it was so hard and because I traveled a lot for work, I actually built a blog. It wasn't, like I didn't consider that blog a website, but it was just a blog because that's ... I had a personal blog and I just set up a blog to help me keep track of my notes, and then after I passed the exam I just let that sit there, I had no more reason to use it.

But I end- ended up going back to that blog and turning that into a resource to help people, and ac- actually the moment I turned comments on, I started to get people asking me questions, and I was like, how did you even find me. And I looked at my analytics and I was like, why are there thousands of people already on this [website](#). I had no idea where they were coming from, but apparently, because I had just taken notes and put them on this website, Google found it, people started sharing it, and my website was ranking for keywords related to this exam.

And so, to make a long story short, in October of 2008, um, after, you know, being very involved in many forums and helping people publicly and- and really trying to, in my head, tell myself that I was somebody that could help these people, I released a study guide that I had created. And it was like 70 pages long, it was called "The LEED AP Exam Walkthrough," and it was just an ebook. And I sold it for \$19.95, and on October 2nd, I believe, I sold my very first copy, and that was a really interesting moment, I remember, because that was just a week before I was officially terminated.

I went into work, because that morning I had put up the book for sale, and I went to work and I checked my sales and there was like nothing, I was like, oh, gosh. This was like all the ways that I, like who ... Like, of course this didn't work. But then at 8:40AM, I checked my email and there was a notification email from PayPal for like \$19.95 minus \$1.17 for fees, and I- I had a weird reaction. Like initially, I was really excited, but then I- I immediately retreated and started to question ... Well what if this person asks for a refund, what if they, you know, sue me, or- or like what if they don't think the information's great, like all this stuff. And so I had to go outside for a walk, because I just couldn't deal with it and I was thinking about it and I came back to my desk like 10 or 15 minutes later and I- I saw that there was another sale that had happened like while I was on that walk. And, in total in October 2008, I had made \$7,905.88 from selling that- that one little ebook, and it completely changed my life in so many ways. Not just like, wow, money, but more so, I was getting emails back from my customers saying, thank

you so much, this is exactly what I needed, I've been looking for this information for days. I wish that there was some I could repay you even more than this ebook. Actually, I found out later in a survey, that a lot of people who bought my book, 25% of them, had already passed the exam, they were just paying me back... For the information I gave for free on my website, which was ano ...

Whitney: Wow.

Pat: - another big lesson for me. That- that's why the- the way that I run my business now and the way that I teach others to run their businesses is to always serve first. Because when you serve others and you help them, they're gonna look for ways to r- to pay you back. And sometimes it's not a monetary payback, sometimes it's through word of mouth or sharing or advice.

The final big lesson out of all that was, because in my, um, in my wanting to master, you know, internet marketing, if you will, I did a lot of resource and found a lot of internet marketers, and a l- basically all of the people I found were this like, these people who I just like wanted to take a bath after I saw their sales page and videos because I was just like, this is not, this is scammy, this is gross, and I didn't wanna become one of those people. And when I had started making sales on my website, doing it in a very honest way, actually helping people, not holding anything back, I found out later through all the thank you notes and just the feedback that there was a way to do internet business in a legit way where you didn't have to, you know, scam people, you didn't have to, you know, say hey, I'm gonna give you all 10 tips but to get, you know, the seventh, eighth, ninth, and tenth one, which are actually the ones that matter, you have to pay \$1000.

Like, I was getting amazing feedback and thank you's, I mean, handwritten letters from people who said that I was the reason why they, you know, uh, were able to get a promotion or finally go on a vacation with their family. Like, I just couldn't believe it. Nobody had ... One person said they were a fan of me. And I was like, I just helped you pass an exam, how can you become a fan of me, but I started to realize this- this idea of putting yourself, your personality behind your work, because people connect with other people. And that's what allowed me and my brand to stand out from all the other brands that were just Test Company A, Test Company B, Test Company C. I was Pat Flynn, I was just like those people who are the customers, just a couple steps ahead.

And so, you know, when people ask me, Pat, like, you know, I don't think I could create a business because I'm not an expert, I always say, well you're likely an expert in the eyes of somebody who doesn't know how you do that thing. So, therefore, you are an expert to them, you're just, you know ... Th- and- and the fact that I had built this successful six-figure business in this tiny space that nobody's ever heard of before, like, man, I- I needed to share this stuff with the world, and that's where Smart Passive Income was built at the end of that year...

Whitney: Interesting.

Pat: and, uh, I've been going full force with that to just transparently share everything and everything on the way. Things I do right, things I do wrong, you know, here we are.

Whitney: Okay, so I wanna-Di- dissect this a little bit. So you have your notes, they're on a blog, and you turn them, you make the blog public.

Pat: First of all, I had no idea what I was doing with websites, I just built a blog because I wanted a resource to help me keep track of my notes and to also share it with like my coworkers, and that's it. But I had no idea that, I didn't know how Google worked or keywords or that other people would ever find it. Like, I actually found links to my website on the United States Green Building Council Chapter website. It's like they had found it and started to share it, too, which was like kinda crazy, so, um ... That- that- that's kinda how that happened.

Whitney: And at what point did you discover Tim Ferriss?

Pat: Tim Ferriss was, he was somebody that I had heard of even before I got let go, but I was never really interested, um, in entrepreneurship, but I did hear about him and everybody was talking about him like, four h- like i could work four hours in a week, which of course is not true. Um, but, you know, I didn't, I didn't ever have the inclination to read that book until, actually, it was probably a week or two after I had got let go and- and found "[Internet Business Mastery](#)." I think it was actually through Jeremy and Jason, who are the hosts of those shows, that reminded me about that book and got me to go to the bookstore and pick that up-... And I couldn't put it down.

Whitney: It's a fantastic book. What's interesting is that I actually just discovered it. I mean, I knew of it, but I didn't read it until like six or nine months ago, and it's just aston- ... And what's amazing to me is it was written, what, 13, 14, years ago now, and it's still very relevant. That's what's amazing.

Talk to people for a moment, I think most people know what this idea of passive income is, but at what point did you go from saying, okay, I've got this fun little side hustle over here, I'm doing this course, when did you say to yourself, huh, I think there might be a business here and something much bigger than this single course. So you remember when that aha came?

Pat: Yeah, I mean, it was actually when I started to share with people, my architecture friends, my- my family, uh, after the book started to sell, you know, even my dad, like he was, like because I was living at home, um, he was like, I can't believe this is like real, like this is amazing. And he was like, you should set up your phone so that every time you get a sale, it goes "cha-ching." And I was like, "Dad, you're crazy," but, I did it, and it would like go off randomly during the day, and he just, every time it went off, he would just shake his head in kind of disbelief, uh, and I would too. And friends and family, they were like, man, you need to share how you're doing this, because this- this unreal.

And it was very different for me, too, obviously, I'm- I- I was grown up to wanna be like my dad, you know, work the same job for 40 years and, you know, work x hours, get

paid for x hours kind of thing, a- and this was so different. And so that's when, you know, the- the idea in my head to kind of, you know, create another website, because, you know, my LEED Exam website was helping people learn stuff, I was like, uh, can I use the same model to teach people, you know, this- this stuff, and I'm just gonna do exactly what I did before. I'm just gonna give everything away for free and see what happens.

And so for the first year and a half after creating SmartPassiveIncome.com, I just gave everything away free. I- I- I had no intention on, you know, trying to figure out how to make money with it, it just sort of happened after people, uh ... First of all, um, people were like, you know, how- how did you do that, what tools did you use? And then one person was like, you should sign up for their affiliate program, you can get paid by sharing this stuff with me and other- other people, and I was like, a- affiliate, so ... I don't know what that means.

And so, apparently I foun- ... Like I found out that apparently, you can sign up for an affiliate program, also known as sometimes a referral program or a partner program, where if you are the person who recommends something and a person actually buys it from you, if you use that special link that they give you, well you- you'll get a commission. And you can do this right now through Amazon, uh, their affiliate program is called the Amazon Associates Program. Walmart has one, Target has one, and a lot of things online have one, like I was recommending, you know, for people who wanted to start a website, just like me, a hosting company, and the hosting companies typically have an affiliate program. And I was, I started to see my first dollars on Smart Passive Income from that, I was like, whoa. I'm just, I'm teaching everybody how to do this stuff for free, but I can still get paid through affiliate commissions by just recommending the tools that I already use that I trust. This is incredible.

Whitney: That's interesting, so you started out, you just said, okay, you- you- gave away everything around the architecture course and then eventually turned it into a book. And then your next strategy was, I'm going to teach people how to do the passive income, I'm not gonna charge them for the information, but I will include links or embed links to, um, vendors that I use and then h- um, derive the affiliate income. Is that correct?

Pat: Yes, that's a- that's absolutely right. And then I like was like, wow, I wonder if I could do affiliate marketing on my LEED Exam website, so then I actually found a company that I used when I was studying, which creates like s- uh, exam simulators on- on the web, because the- the test is computer based and people like to take the practice exams just like the real test, which is online. And so I found this company and I- I reached out to them and I said, hey, do you have an affiliate program. And they were like, actually, we do. We don't make it public, but anybody who asks, we let them in. And so they let me in, and then every time I sold one of those, I got \$22. And I've sold thousands of them through my LEED Exam website as an upsell, uh, or, and, just a natural progression, hey, now that you got all the information, why don't you put it to the test and- and check out this exam website. I get a, I get, you know, 25% commission when you go through this link, and they're like, Pat, you're guide's helpful, of course I'm gonna go through this because ... And- and it's gonna help me, might as well help you at the same time.

So I started to kind of apply affiliate marketing and things I was learning while doing internet marketing stuff, uh, onto my real business. And so like now, it's very easy for me to go and dissect a person's business outside of the online business space, and say, oh, here's some other things you can do to, you know, diversify your income stream and such. And then over time, Smart Passive Income began to, uh, you know, [I created a podcast](#), uh, to support it in 2011, which we just passed 50 million downloads which is just insane.

Whitney: That is insane, congratulations.

Pat: Um, but I made some money through some ... It is insane, right, I cannot, like it's still ... 50 million people, like every time I create a new episode and publish it, I mean, I'm- I'm speaking at a stadium with 100,000 seats in it, every single week. It's kind of bl- bl- it blows my mind every single time. But I started making money through the podcast through sponsorships, again, connecting with companies that I was already using and I enjoy and I would recommend anyway, and just giving them, you know, 60 seconds, a 60 second plug on the, on the podcast and know, again, a win for everybody, which is cool.

Whitney: Well, so while we're having this conversation, I feel that it's fitting to- I know that you're on an advisor, I think an advisor to [ConvertKit](#), and- and we use [ConvertKit](#), so, shout out to them. (laughs) We love them.

Pat: I am. Oh, lovely. Yes, [ConvertKit's](#) amazing. I mean, that's the other cool thing, um, you know, [ConvertKit](#) is- is- is a, is an, uh, a company that I'm an affiliate for. I recommend them, I use them as well. But I'm also working with them in a, in a higher capacity, they actually took me on as an advisor for the company. So now that I have this clout in the online business space, companies like [ConvertKit](#) and Teachable and- and several others, Leadpages and SamCart, they wanna work with me to get my advice now. Like that's- that's so cool, and- and now for like a tiny percentage of a, of a, of a, of a piece of the company now, I can offer advice and help out, which, again, helps me out too, but I can help my audience by recommending certain features or, you know, being honest and up front with those companies saying, hey guys, like people research complaining about this, you need to do something about it. And so we can all win as a result, and it's just like I was just this guy who was in architecture and I got laid off one day.

Whitney: Do you ever think to yourself, what if I hadn't gotten laid off?

Pat: All the time. People ask me that all the time, and I guarantee you, if I hadn't gotten laid off I'd still be doing architecture. I'd be happy, because I always find ways to- to- to be happy, but I likely wouldn't be as happy and definitely wouldn't have all the opportunities I have today. And what's most important to me now, is the fact that I built my business in a way that allows me to spend most of my time with my family. And, I still work and I still work hard, trust me. It's not passive, a- at all. I mean, I have business and income streams that are passive, but I'm continually working and experimenting and trying new things.

But, I have flexibility in time, and to me, that's worth more than, you know, you see these people who teach internet marketing and they're like flashing their Lamborghinis or they're like in mansions, like that- that doesn't appeal to me. What appeals to me is the fact that my wife and I can walk our kids to school every single day and pick them up together and we can have those experiences, uh, and- and that's because of the way the business model is laid out. It's not 100% passive income, I mean, I still have to upkeep those website, just like you have to upkeep your portfolio in real estate or the stock market, even though that's passive income as well, um, but it's the flexibility in time that is the most gratifying and- and that I'm the most grateful for, uh, as a result of all this.

So, I would still be doing architecture, but I probably wouldn't have as much time with the kids. I'd probably- probably be traveling- Not when I want to travel, but when I client wants me to travel, and so I have freedom and control.

Whitney: That's really wonderful. Um, for people that want to explore this, where should they go. They- they wanna learn more about this, where on your website could they go to say, I wanna, I'm intrigued, I'm intrigued by what Pat's saying, I wanna learn more. Where would they go to start?

Pat: Well if you go to SmartPassiveIncome.com, you'll see a button at the top that says, "[Start Here](#)," and that's where you should start because it- it'll really introduce you, again, in more detail about these concepts, uh, give you some, you know, truths behind them, uh, debunk some myths about passive income as well, and then it will take you into content that'll- that'll kind of force you to think about, okay, well how might I be able to do this. And there's some podcast episodes in there that'll walk you through all the different kinds of ways people are making money online and, you know, you can see which one, perhaps, is best suited for you. They also come with, okay, well if you, if this is the one you wanna get started with, this is how you start.

So I- I- I never try to leave people hanging. You know, there's a lot of people who talk really good talk out there. Um, I- I'm not a good talker, but I am a good person who can help walk people through how to do something. And I think that's my superpower, taking something that's complicated and un- unknown, and make it something that a person can actually walk themselves through. Um, I'm- I'm sort of, you know, I'm not like a guru or, you know, a, I- I'm like the c- the team captain. Right, like I call my people Team Flynn because we're in this together. Like, I may be the person who's team captain who's just a couple steps ahead, but hey I'm gonna pass the ball to you and we're gonna work together on this.

Whitney: What's one [podcast episode](#) you would direct people to?

Pat: Episode [192](#), [193](#), and [194](#). You can find them on iTunes or on the website on the start here page directly and, uh, it'll- it'll be a good intro to a lot of you and hopefully inspire a lot of you to start thinking outside the box, but most importantly, outside of your comfort zone, because that's really where all this starts to happen.

Whitney: So what does your business model look like today?

Pat: Well I have a lot of different kind of things that are happening. You know, I have, uh, [online courses](#), which are brand new over the last year. A lot of people have been requesting online courses, so these are now, similar to the LEED Exam stuff I had, I finally have my own products to promote and offer on Smart Passive Income for people who wanna go deeper. A lot of the information can be found for free and I would recommend you go and check it out, but a lot of people want more handholding, want a lot of the smaller details that require a little bit more intense, uh, work through.

And I have [courses](#) for things such as, you know, how to get your podcast up and running, so that's called "[Power Up Podcasting](#)." I have a course that is for [affiliate marketing](#), that was actually the most requested one. Um, I also have a course for people who are just getting started right from the beginning, who really don't even have any ideas or even know where to start, and that's called "[Smart From Scratch](#)."

There's affiliate marketing, there's sponsorship in advertising on my podcast and other places. Um, there is, uh, there's coaching programs, too, as well that I offer, um, and I also do, have started to experiment with some live events. So with the podcasting one specifically, we do some live workshops here in San Diego a few times a year for people who just, they don't wanna do a digital course or don't have the time, so they just get it all in a weekend, and- and that's- that's a lotta fun. Um, getting to paid to speak on stage, uh, [my books](#), um, my audiobook as well, um, it's, there's a lot.

I mean, if you go to my website, you'll see, actually, a section called [income reports](#), and there you can actually see line item by line item and how much money each of those things are making. I mean, I have a- a very diverse set of things that are helping to, you know, create this passive income portfolio that I have. Um, but I'm always working on new things and trying new things. Right now, I'm- I'm- I'm experimenting with a physical product to help people who do video, because that's what I'm in right now, and we're creating a physical product to help videographers and- and this is a result of, um, a team with me and my videographer because we have, we have this need for what we need to do and, you know, a- a- a lot of times, these business ideas come this way...

Whitney: ... You mean like a product that you'll patent, uh, when you say physical product, like a- an invention that you'll patent?

Pat: Correct.

Whitney: Ah!

Pat: Correct, which is a completely brand new world for me and I'm learning so much, it's so much fun though.

Whitney: Interesting.... one thing you just mentioned in passing, I looked on your website, if you go to your website, if people go to your website, and we'll include this in the show notes, um, you include, like you have a thing of how much money you've made this month, you have these [reports of how much money you made last month](#), and then month before, with this detailed breakdown. That is, that takes transparency to a whole

new level. It's fascinating, why did you decide to do it and what's been the upside of doing it?

Pat: Well a lot of people worry, they're like, I can't believe you do that like, isn't that scary, and I'm like, no, because this is what's happening and if I wanna do business with somebody, I wanna know what's happening, especially f- like as somebody who's teaching this stuff, like I need to show what's happening behind the scenes. And the money doesn't always go up every month, sometimes it goes down, but the most important things with these are the lessons that come along with them. So, in every report, y- you don't just see the numbers, actually the numbers are- are way below all the things that have been happening and the things that have been working, that strategies that I've been implementing, what's working and what's not working, all those kinds of things.

The reason this started was because in, uh, 2008 when I had launched that ebook, I just really needed to show people like, wow, this is, this is real. And- and there was no way that that was gonna happen, um ... Like there- there were people who were claiming all these things in- in my research, and there, they had no proof, so I just was like, hey guys, look at this. And I was only gonna do it for one month only, but people were raving about it and they were like, wow, this is incredible, this is so inspiring and motivating, thank you so much for showing me behind the scenes, like you should do more of these. And I was just like, you know, o- okay, I'll keep it up for a little bit and see what happens and I've been keeping it up since 2008.

And you can definitely see the growth curve, um, and when certain things happened and, you know, sometimes I lose, you know ... In the beginning, you know, when I had very little income streams, I mean there was May 2009 when, um, you know, it, you- you see a sudden drop, and I- I- I share why that happened and I- I was able to get it back up and I share how that happened. And I think for people who are following along, you know, it's- it's inspiring and motivating and- and the upside is, you know, not just transparency and trust that comes along with it, but also the motivation. And al- it's almost like in the stock market, if you're gonna invest in, uh, stock, you know, that company has to come out with quarterly reports to show the stockholders and investors like, how healthy the business is.

Whitney: Absolutely. I mean, I think it's fascinating. It's absolutely fascinating. And, so question for you, do you from an S curve perspective, and [we talked about this when you interviewed me](#), do you remember, um, about what month or what year you started to move into hyper-growth for your business? When you hit the knee of that S curve?

Pat: Yeah, I mean, let me talk about the, uh, [Green Exam Academy business](#) really quick. That curve started in March of 2009 and that was because I worked really hard at the beginning of 2009 to create a second product, and that was a audiobook. And I started to learn more about like strategies for pricing and selling. I actually increased the price of my book, which was really scary, but I ended up selling more of my book at a higher price because there was just higher perc- perceived value there and a lot of people will pay money to learn everything they need to know to pass an exam, so I was actually underselling myself initially, I could've made a lot more. But, I increased the price,

actually it was a customer who told me to do that, who, which was really cool. Um, and that S curve started to really spike up, uh, in March of 2009 when I came out with an audio version of the guide and started creating packages and deals and limited time offers and, you know, seasonal offers, those kinds of things.

With Smart Passive Income, I mean, the growth really started to happen once I started to ... So traffic growth started to happen once I started to get featured on other people's sites. So, because of my story, a lot of people, uh, from [Yaro Starak](#) to [Darren Rowse](#), b- two big bloggers in Australia, they were actually the first two to kind of quote, put me on the map by interviewing me for their podcasts and allowing me to tell the story that you guys heard today, but back then, and that was really key. And that taught me, wow, relationships are so important, like these- these partnerships, not even monetary partnerships, but- but just like friendships online are so important in helping each other grow. And now, Darren and Yaro are some good friends of mine and I- I feed traffic their way know. It- it's really cool. Um, so th- that's when traffic growth started to happen.

And then income growth really started to happen on Smart Passive Income in late 2000- no, early 2010, and that was a result of a live experiment I did, meaning I- I wrote a blog post almost every day or every other day talking about a case study of- of a brand new website I was creating from scratch, and I was just like, you know what, a lot of people charge for this, I'm just gonna share it all for free. I'm gonna, I'm gonna create a new website, I'm gonna show you how I picked the website, how I built the website, what I'm gonna do to rank it, how I'm gonna make money from it, every step along the way. And I called this, uh, we called this "[The Niche Site Duel](#)." And it was actually "The Niche Site Duel," because it was actually a- a friend of mine back then who was like, Pat, like, you know, if you were to start a website and I was to start a website at the same time, who do you think would make more money sooner, and I was like, challenge accepted, let's make it public. And then, um, we did it. He did like a detox website, I did a security guard training website and I shared why I picked that and how I created the content for it, even though I'm not a security guard. And even today, I have the top security guard training resource on the internet as a result of that, [SecurityGuardTrainingHQ.com](#). Answers any questions people have who are looking to get started in the security guard training industry, uh, whether it's an unarmed guard or an armed guard, and that website, after 73 days, was making a few dollars here and there on AdSense, but a few dollars that didn't exist nonetheless before that. And that website has now made over six figures in just advertising earnings since 2010. And that spiked everything.

Whitney: You just mentioned the- the product that you're creating, what would you like to do that you haven't done yet?

Pat: So, my big plan or my grand scheme, if you will, um, doesn't r- actually relate to like what I'm doing now, in terms of like online business. Um, where my head is at and what I'm really passionate about ... You know, I have two kids, eight, my boy, and five, my daughter, uh, they're in school now. And it's really cool, they go to this school that teaches in a very entrepreneurial way. It's a public school, but it's STEM based and project based learning and just the way that they teach is very much like how you would learn entrepreneurship, um, in terms of, you know, learning how to fail. (laughs) And- and- and learning about what- what empower- what gets you excited and just doing

more of that and, you know, almost semi-creating your own curriculum. Very Montessori, I guess you could say, in style, except with a tech angle to it.

Um, you know, my son even just, um, he's in second grade, and they had a pitch. So throughout the whole year, what they're doing is they're actually creating a startup business, but like think like crafty like Etsy type startup. He- he's creating a startup with a couple of his friends in- in his class, and the entire second and third grade class is doing this, I mean, there's- there's a few hundred students. And so they're grouping together, they're creating a startup, they had a couple days where parents have come into discuss with those children like, prototypes. So this is like one of the ... There's ideation, there's a prototype phase, a- and all these kinds of things, and- and we got invited to go to the school and look at the prototype phase. So, this is where they had drawings and- and early versions of what it is that they're creating, and they were collecting feedback from all the parents on which items they liked best so that they would know which ones to manufacture and- and sell later. And then what the idea was, like this just happened last month, the kids went in and they did a pitch to people they didn't know about their idea. So, think Shark Tank, like e- exactly that, they actually play the music to Shark Tank when the kids were going up there.

Pat: And they would pitch and they'd have to share their idea and why they made it and they'd have to answer questions like right there on the spot. I mean, for a second and third grader to this, like imagine what you're learning and the life skills that you're going through, right?

Whitney: That's astonishing. Mm-hmm (affirmative).

Pat: Now, here's the other thing that they're learning. Not every bu- business got selected.

Whitney: Mm, that's so important.

Pat: So, you know, some- some of them, it's like, it's almost like there- there's no participation trophy here, this is real life. But you learn to deal with that, you learn to make better what didn't work well before, but, uh, the interesting thing is the, um, the companies who got selected, they now hire the employees, who are the companies who didn't get selected, to help them with the manufacturing and the branding. I came in to speak and talk about marketing, they had a designer come in to talk about branding, and this all will finish at the end of the year at what's called the Maker Faire, where these things will be for sale, and they're gonna make money from it. Um, and they gonna have to pay the investors that, you know, my son's company got \$200 to create pins, um, with a certain kind of, uh, twist to them. But anyway, uh, like wow, like this is incredible. And to see like these kids at this school and just the way that their brain works, how they tackle problems, how they go through life, like it's very different to how I grew up and traditional school is.

And my mission, like my biography will be about, not this internet marketing stuff, it's gonna about how I was an agent in helping to put entrepreneurship into schools, such that it's on the same level as math, reading, and science. Entrepreneurship, and art and

music hopefully. Um, it should be there, because it's teaching you these skills that you only learn when you're like graduating college and you have no idea what's going on. So, my goal is to be that, I'm making connections and- and building relationships, I'm on the advisory board for [Pencils of Promise](#), which builds schools around the world, which is connecting me to all these amazing philanthropists. I'm putting things into place now so I can do this for the rest of my life. And so I have a plan in place, which includes a book, and a YouTube channel and a lot of other initiatives as well. A nonprofit element, most likely. Uh, perhaps a for profit, we'll see- But anyway, that's what my next big s-

Whitney: And what's your timeline on that?

Pat: uh, ch- chapter of my life is gonna be.

Whitney: And what's your timeline on that?

Pat: I mean the timeline's just the rest of my life, but it's- it- I've- I've already done the

Whitney: Okay, so you're starting it now

Pat: background work - this is not gonna be easy. I mean, there's so much politics and red tape and money, you know, related to education and it's just a mess right now, so, you know, I have, since talking about this publicly, I've had a lot of people wanna get behind me on this and I think we can do some good, some good change here.

Whitney: Absolutely. It's clear that it matters to you to make a difference in other people's lives and I think you've even said that as we've been talking. Can you share one success story where people have, um, have learned from you and because of what they've learned from you, they've gone out and really made something big, um, something important to them and- and done a lot of good in the world as a consequence of what you've been able to teach them.

Pat: So, interesting story to finish up here. In 2010, uh, this was ... No, in 2011, no wait, 2012, sorry. Two years after starting [my podcast](#), I was not feeling the podcast anymore. I was feeling a little drained because j- I just got in that c- content hamster wheel. I wasn't ahead, I didn't really have a team, I was doing everything myself, and I almost gave up on the podcast. Until, one day in 2012, I got an email from a guy in Poland, his name was Michał, uh, I thought it was Michael for like years until he- he pronounced it for me, um, but it's Michał and he was telling me the story ... First of all, this email was like 20 pages long and if the subject line wasn't what it was, I wouldn't have read it because it was just too long. And the subject line was "Pat you saved my life, please read," and I said, okay, um, that's- that's- that's a clickable headline, so I'm de- you know, so I'm gonna read that.

And I read it and he was telling me this story about how he was doing e- extreme sports and he just loved it and he loved life and he had family, but he had been snowboarding and he went off a jump and he- he landed, uh, incorrectly one day, and he broke both of his legs and just completely fractured everything below his hips, essentially. And, um,

that it put him in a state of depression, he was bedridden, his, he couldn't support his family anymore, he couldn't even do the work that he was supposed to do to support the family anymore. He was, he- he just felt like a lion in a cage, he said.

And then he said on his bed he discovered podcasts and he found, just randomly, my podcast. And apparently, the first episode he listened to was one where I was talking about setting goals for yourself. And so, on that episode, I talk about when you set goals for yourself, you need to set nearly impossible goals. Goals that are just so far out of reach so that, even if you don't reach those goals, you're still going to progress much more than if you just set a safe goal.

So he decided, with two broken legs, to run a marathon. There was gonna be a marathon in a year and a half in Warsaw in Poland, full 26.2 miles, and so he said that I was his coach. Every day he would listen to my show, all the new episodes and more, just multiple listens, and he said that I was his coach. And I- I didn't, I don't teach fitness or physical therapy, but he was using me for inspiration, apparently. And then at the end of this email, I see this picture of him on two feet, crossing the finish line at that exact marathon he had set his eyes on. And you even see like some plates on his legs to kind of hold things together that- that were there, I don't know exactly what they were. But, um, he was holding up this banner, and it as in Polish, so I couldn't read it, but- but as he was crossing the finish line, he was holding this banner over his head, and translated it said, thank you God, thank you to his family, and thank you Pat Flynn.

And by the t- ... So I'm like reading this email, like my mascara's running down, it's like on my keyboard, it's like, I'm a mess, I'm a hot mess. Um, and it was at that moment I realized that I have to continue my podcast, because there are people out there. Like, this was happening for two years before I heard from him, like I had no idea. And how many more Michałs are there out there? And so I decided to keep going, but what's really interesting is I've stayed connected with Michał through the years, and, of course, he consumed a lot of my content. Um, he built a podcast and a blog in Poland, which became the number one personal finance blog, uh, in Poland, and podcast. He also wrote a book recently called "Financial-" um, "Planning Ninja," or something- something that translates to something ninja. He self-published it and he sold 40,000 copies of that book,

Whitney: Wow.

Pat: And he's now being featured on news articles, he's actually, um, he- he's telling me that like the traditional pub- publishing scene there like hates him because he's just disrupting that industry. And he learned to self-publish a book through me. And, more than that, what's really cool is, he showed me a picture of this the other day, um, he got a picture from somebody, because he's been telling his story. I've been telling his story a lot, too, um, he got a v- a- a picture from somebody who was crossing in the finish of a marathon, holding a sign with his name on it. So, this is just like a ripple effect like crazy, and to know that I had some sort of, you know, reason for that, is just, is just mind boggling, and- and he's h- he's changing people's lives by you know, ins- inspiration through helping them with his superpower, which is financial planning now And, um, it's just, you know, there's a lot more of, like him out there, I'm sure.

Whitney: And what I love about that is that right at that moment where you felt like you were gonna give up, he was there for you, and so he saved you as well.

Pat: Right, it like was like divine intervention. Perfect.

Whitney: Yeah, divine intervention, absolutely. Well, Pat Flynn, this has been an absolute pleasure. I am so excited for my listeners to be able to hear from you. Um, what an amazing story, and so many practical tips as well. Thank you, truly, for- for, uh, joining us.

Pat: Thank you so much, I appreciate you.

First off, I loved that Pat just grabbed his trumpet. What a great object lesson for all of us—just start. Also that he is focused on doing what interests him, and making money around that, rather the focusing money, hoping the doing interests him. (And yes, I am [now officially an affiliate of ConvertKit](#)). Money is the servant, not his master.

And how about that big dream of building an entrepreneurial school? Pat – he is definitely going to make that happen--so if you are listening and you want to help--reach out to him. One other wow moment for me was his transparency around his finances -- not only what he earns but what he spends--this is a guy who walks his talk.

Practical tip: Whatever idea you had while you were listening to this podcast about how you can make money around what you love to do--or something else--pick up your trumpet now.

If you enjoyed this episode or any prior episodes, [we hope you will leave a review](#), even one sentence, and share your twitter handle, so that we can thank you.

If you aspire to be a learning machine like Pat Flynn, check out Build an A Team my book with Harvard Business Review Press. Download the first chapter at whitneyjohnson.com/ateam.

Thank you to Rich Cooper for writing in. He said [Episode 55 with Carter Cast](#) on career derailment was helpful with a few people he's managing.

Thank you again to Pat Flynn for being our guest, thank you to sound engineer Whitney Jobe, manager / editor Macy Robison, content contributors Emilie Davis and Libby Newman, and art director Brandon Jameson.

I'm Whitney Johnson
And this is Disrupt Yourself.

