

# Transcript of Rob Matzkin of Rob Matzkin Entrepreneurship Group

**Speaker1:** [00:00:04] This is the Investor Connect podcast program. I'm Hall Martin. I'm the host of the show in which we interview angel investors, venture capital, family offices, private equity and many other investors for early stage and growth companies. I hope you enjoy this episode. Investor Connect is a 501 C three nonprofit dedicated to the education of investors and startups. For fundraising. Please consider donating \$100 to the program to help others in their investor and entrepreneur journey. You can find the donate button on the Investor Connect dot org website.

**Speaker2:** [00:00:44] Well, hello, this is Hall Martin with Investor Connect. They were here with Rob Matzkin, president and CEO of Rob Matzkin Entrepreneurship Group. Rob Matzkin's group work with startups and businesses to achieve the goals they want to accomplish. Rob, thank you for joining us. My pleasure. Thanks for having me. It's great to be here. So where are you calling from today? I'm in Miami Beach, Florida, looking at the ocean and enjoying life. That's great. Great. So tell us more about your background. What did you do before this? Yeah, so I'm a 12 time entrepreneur. I've had, what, six different small businesses and six different start ups. I've done everything from SAS to marketplaces to AI to knowledge management, to last mile delivery to edtech, to real estate, to hospitality and travel. I'm always a business guy. I'm always Chief Revenue officer, CEO, co founder. But yeah, that's that's a little bit of my background over the last 20 years. And these days I got into about executive coaching about six years ago. Well, that's great. So what do you see happening in the startup world today? That's a great question. If you ask me six months ago, I would have been all about Web three or Web 2.5 and what's happening with crypto. I think right now, with everything going on, I really think it's back to fundamentals. I think it's back back to sass businesses as a primary focused marketplace businesses, the things that's been driving the economy and the tech ecosystem for the last ten years or so.

**Speaker2:** [00:02:02] Well, great. And so what do you see as the driving trend? Today's market? Yeah. Again, driving trend right now is just trying to stay above water and figure out the new investing ecosystem. But, you know, I just judged pitch competition last night and I was actually really impressed with the startups. There's a lot of companies

going back to fundamentals, you know, bootstrapping, figuring out their go to market strategies. Having a solid product market fit I think is really back to fundamentals and really just driving cash. If you have your product market fit, you know how to acquire customers. You know what the sales cycle looks like, you know your numbers. That's what matters in today's economy. That's what that's what I'm focused on in my investments. That's what I'm focused on working with people on. It's like, let's go back to fundamentals. Let's drive revenue, let's drive cash. None of this pie in the sky. You know, we're going to get \$100 million for nothing that doesn't exist anymore. So. So do you think the implication of it is that we're going to get better startups out of it? Well, I've already said so. Miami is really known for a crypto startups and you know, everybody that's a serious player here in crypto that I'm friends with. Everybody's happy if they're a real deal because it's cleaning out all the bull, it's cleaning out all the BS, right? And now all of a sudden, you know who the winners are, right? You know who to focus on versus trying to get through all the noise.

**Speaker2:** [00:03:20] So I think in a year or two, when the dust settles and the crooks, like the gentleman who just got on a plane from the Bahamas the other day to US district court in New York, you know, once they're gone, the builders will actually be able to get to work now. That's great. Well, what's the most important lesson you've learned from this? I mean, the most important lesson I learned, I think there's a few you know, this economy's been really interesting over the last year and a half. And how many of us had so much FOMO, everybody making all this money. And here in Miami Beach, you see the Lambo is like driving by and all these Bitcoin bro's that are that are crushed and you're going, what the heck? I want to get on this bandwagon. But the people that jumped on when it was sexy, well, now they're really hurting. So the real lesson for me is stay true. Know what you're really area of expertise is and really focus on what matters to you. And you don't necessarily always need to chase the shiny objects because sometimes they are Icarus and they will burn you. Well, you know, similar to the dot com era where the same thing happened, it was a lot of irrational exuberance and then it was a lot of crashing and burning afterwards.

**Speaker2:** [00:04:29] And you kind of see it coming here when the interest rate goes to zero and so forth. But what's one thing you didn't expect that came out of this? The massive, massive fraud with the industry leaders like Sam Bankman-fried was did not see that coming. And, you know, I knew people were really aggressive. I wasn't

expecting the massive amount of fraud and real schemes that were really going on. I maybe I was a bit too altruistic, but yeah. Yeah, absolutely. Yeah. Well, I used to hear a lot of discussions before the crash about how we need to value Bitcoin and how do you value it and what is there. And it was just really hard because there wasn't anything tangible. Like even with gold, you have a physical metal and with stocks you've got a working business behind it. But with crypto, what, what is really there except a network of people that believe in it and what is the value of that? And I guess the value is high until it's not. And so but what's your take there? You know, I believe in the hardest money wins theory of why Bitcoin is bitcoin. It's really interesting, you know, can it play out? Sure. It's concerning because many of the scenarios where Bitcoin really wins is the US dollar crashing. And even in today's economy, where a Bitcoin springing up not to be countercyclical, it's confusing.

**Speaker2:** [00:05:53] I still own Cryptoassets, I still own bitcoin. Am I really long on bitcoin? I don't know. I'm certainly not a bitcoin maximalist, let's put it that way. So when you say the hardest asset wins, what do you mean by that? Yeah. So if you really talk to the bitcoin maxis, their whole philosophy and hopefully I don't butcher this, but their whole philosophy is the reason. Gold I mean, obviously with a Fiat we could print as much money as we want, right? As soon as we get off the gold standard in the seventies, we're just printing money with gold. You have a kind of a fixed amount and it's actually tied to something, Right. And you know how hard it's going to be. And you can't just make more up, right? We're trying to mine as much as we can, or the miners are right. But at the end of the day, with Bitcoin, you know exactly how many are going to be printed when and it's a finite amount over a fixed amount of time. So you know exactly what inventory you're always working with and produces the hardest currency to split or manipulate. And that's where their fundamental thinking goes. If I didn't put that, too bad. All right. Well, that makes sense. I appreciate that. So you deal a lot in this space being there in Miami with the crypto world. What's a common myth about the crypto that you find? Most people don't understand that at the end of the day, an NFT is just utility.

**Speaker2:** [00:07:09] And I think there's many things there's really some really interesting things that I'm finding that. Smart contracts and NFC at the end of the day, in reality is basically a smart contract. Right? And having a smart contract that allows you to do a utility with less friction. There's tremendous value in that. Right now, there's 26

different tracks. Of nfts or smart contracts that you could do. Now, the biggest myth for people in this space are. Oh my God, I made a smart contract and I took an affiliate agreement and I merged it with a continuing revenue agreement. Look how look how cool, Look how innovative. I know you just did something that's always existed in packaging in a smart contract. There's nothing really novel about it. There's nothing real. There's no real utility about it. Right. But a bunch of my friends took Nfts and made, like, NFT communities around that. That's why the most successful NFT, a board aide, everybody gets caught up and thinks the ape and this little gif artwork is what people are buying. They're like, Oh my God, look, I have this amazing piece of art on my phone. No, that's not what they're buying. They're buying access to a community. So I think from the outside perspective, that's the biggest myth that there's certain NFT assets that people are buying, not because of the art or what they think they are, but the assets behind it heard many people are buying at the top of the market.

**Speaker2:** [00:08:33] I think Justin Bieber spent \$1.3 million for a bored ape and it's now worth 70 K after the crash. And what's your take on that? Sucks to be Justin at the moment, but he's still. He can afford it. That's what my take is. He can afford it. Yeah. I mean, it sucks, but that's the nature since the nature of bull markets, I think if you can find it. You got to be careful. Well, it certainly seems like irrational exuberance all over again, as we saw in the late nineties. And it hit again with the crypto because it's going to be a big thing and it's going to be good. It's going to be great. But when the Internet dot.com world was over, the common thing I heard is the Internet is not a business, it's an enabling technology. And I'm starting to hear that a little bit with blockchain Nfts It's really not a business. It's an enabling technology. And so it goes behind. That becomes an interesting discussion. What is now an interesting business with this new technology as well? What do you think is going to come out of Nfts? What do you think would be an interesting business? I think there's many interesting businesses still around and I couldn't agree more with it being an underpinning technology.

**Speaker2:** [00:09:37] I think cryptography allowing us allowing us to do crypto, allowing a non-fungible asset, a non money based asset to create real utility, those are the things that I'm most excited about. Excited about Some of the things I really like are still the community side of things, but I'm really excited about what it's doing for music and artists, right? Even though there's so much hype around art, the fact that you could actually secure and guarantee the proof of work on a piece of art is tremendous. You

know, Spotify has a lot to worry about right now. If they don't adapt, you know, there's plenty of startups that could use Nfts to actually do Spotify that is actually allowing artists to still own their work and profit on their own work. So those are some of the areas that I look at that are most ripe and really ready for disruption. Great. And there's tremendous value there. Well, we've asked guests on the show what online information source do you find most helpful in your work? And it doesn't have to be just about nfts or Bitcoin be anything, but what do you find helps you the most online? Aside from Google and those things? Yeah. And by the way, I happen to have clients in the space and friends in US space, but by no means is my is my breadth of work. You know, if I'm researching companies crunchbase huge asset for me I think is really where I start.

**Speaker2:** [00:10:59] You know, it depends what I'm looking for and where I get most of my information. By the way. I mean, my new knowledge is always coming from reading books and audible, and The Economist is really where I'm spending my time learning. But if I'm doing research from the crunchbase rather similar equivalent to that. Yeah, absolutely. I worked in Europe for many years and I read the economists every week. It was I just read it cover to cover almost because there was so much more non US specific that it really helped give a global perspective on things and had really great articles on economic topics as well. But I think, I think what I just add to that, I think what I like the best right now is I love reading periodicals and weekly periodicals and it takes a sensationalized version out of news stories. And they're really just publications, publishers. They're really just publishing excuse me, articles based on their newsworthiness. And I do like the global aspect of this. Absolutely. It's high quality work, for sure. Well, you see a lot of and we've talked about a lot of different business models and technologies here within TS and Bitcoin and so forth. You could start a business tomorrow. What would that business be? Well, it's actually the business that I'm launching in January. January 1st, you roll your eyes. But what I see the opportunity and the biggest value, I keep talking about communities, but we're launching a mastermind community for really seven or eight figure earners to really bring people together.

**Speaker2:** [00:12:22] The biggest gap I'm seeing in the market right now is really people needed community and people really needing like minded individuals to really be around. I think one of the things that I'm seeing in Miami is I'm a consummate networker and I was dinners for 35 purpose driven entrepreneurs most most weekends. And people are really looking for other individuals at their level or level out of them to really

take themselves in their business to the next level. So that's one of the opportunities I'm seeing. But if I had to start another new SaaS technology startup, it really would be another technology startup. It would be a SAS or marketplace business. I do love the fundamental principles of that. I love enterprise sales, even though it could be a beast. But once you have it figured out, they take off and it's powerful. Well, you also mentioned marketplaces. What do you like about marketplaces? Uh, you know, I'll say this. My new model motto right now. I'm going to answer it the long way. My new model of business is an elf business. And what that stands for is easy, lucrative, and fun. Now, I'll say this. Marketplaces are not easy, and they're usually not fun. But when you crack a two sided marketplace because you have two masters and but if you could crack both those things, the valuation, the impact and the and how lucrative they could be is just completely untapped.

**Speaker2:** [00:13:43] That's great. Why are they hard? You say it's not easy. In what way is it difficult? Well, in any given business, you'll have one client, right? And a marketplace. By definition, you're going to have to. You're going to have the people buying the goods. You're going to be selling the goods. Right? You're going to have two masters. So you have two sales funnels to sell. You have maybe a sales channel and a marketing channel, right? You have two development pipelines and two development requirements. So you have two beast to manage versus one. And one's hard enough on its own. But in marketplaces, it seems to me, and I've done a number of them, is that one side is easy and the other side is hard. One side they're all lined up ready to go. The other side you have to recruit and subsidize and do things to get them to the table, basically. Or do you find it in most cases is both sides are really hard. Sometimes it sounds like you've had some really good luck with marketplaces. You know, sometimes they could both be moderately hard, I think. But the bottom line is, whether one's hard or one's easy, you've got to cater to both audiences. You've got to make sure you're delivering exceptional value to both audiences versus just one audience.

**Speaker2:** [00:14:50] Right. So it's inherently, by definition, going to be more difficult, right? I understand that makes sense. Well, the last few minutes that we have here, what else should we cover that we haven't? One of the biggest things that I'm finding, especially in today's world, that I think is the biggest value is networking. And I think there's a lost art of networking, especially after COVID. And I realized that in the last year that I'm really good at networking. I never really actually thought I had a good

network or good at networking. But the key to me to network is everybody goes, Oh, I want to meet this person, or Who should I meet? And we go to these crazy events. We just try and suss out who we have synergies with. I would say keep doing that, keep being curious, but never ask for anything from anybody and just deliver value to others and just give to others and see how you could support them. Because by doing that, it'll come back ten times to you. Now it's the hardest thing. It's the hardest thing for your ego to get over. But the more favors and the more win wins you could do. I only make introductions. Somebody wants fundraising. Great. I'll find you somebody to invest. Only if I know an investor. That's going to be the perfect fit for you. If you're begging me for money, I have no motivation to work with you.

**Speaker2:** [00:16:07] I have no desire. But if I see a win win for you, I'll make sure that happens. And then two people owe me. Oh, me? Right. Karmically, I have a coming back from two people, so I love networking. I always think it's an opportunity and I think that's a big miss out there that everybody's just looking for that quick win versus that long term of adding value to their network and making the difference for others. No, that's great. I'm a networking myself and know rule number one is give first you have to go and give to get and you see it all the time. People wanting to get, get, get and then maybe give later. And it's for them. It's hard, of course, because as you can imagine, it's really not doing it the right way around. But I think that's a good insight. You really have to build a network of people that you can help and then from there they'll help you back. So I appreciate you sharing that with the group. My pleasure. My pleasure. Great. Well, so how should listeners get back in touch with you? Yeah, I think the best shot to reach me is at Coach Rob Mattson on Instagram. Great. I'll put that in the show notes. I want to thank you for joining us today and hope to have you back for a follow up soon. Appreciate your joining us. Any time. Thanks for having me.

**Speaker1:** [00:17:18] Investor Connect Helps Investors Interested in Startup Funding. In this podcast series, experienced investors share their experience and advice. You can learn more at [investorconnect.org](http://investorconnect.org). Tim Martin is the director of Investor Connect, which is a 500 1c3 nonprofit dedicated to the education of investors for early stage funding. All opinions expressed by host and podcast guests are solely their own opinions and do not reflect the opinion of Investor Connect. This podcast is for informational purposes only and should not be relied upon as a basis for investment decisions.

